

# Management Status and Development Plan of Green Tea Processors in Korea

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## Abstract

This study was conducted to analyze the current management status of green tea processors in two regions (Hadong-gun and Boseong-gun) in Korea and to suggest directions for the development of the green tea industry based on an understanding their difficulties in management. This study showed that the number of green tea farms and the cultivation area had decreased, while the average unit sales price of green tea in Boseong-gun was approximately three times higher than that in Hadong-gun. Also, this study found that Hadong-gun mainly provided green tea products to wholesalers, whereas Boseong-gun sold it directly to the local retail stores targeting tourists, and this results in generating relatively higher unit prices. Meanwhile, we discovered that both regions had difficulties in management which were caused by the demand for low delivery unit costs from large corporations and small food companies. Therefore, in order to develop the green tea industry in both regions, the size of green tea fields and the scenery satisfaction should be improved to draw more tourists and boost tourists' intention to revisit. In addition, it is necessary to enhance guidance and accessibility of related tourist sites, to expand green tea experience activities, and to improve product satisfaction by developing various goods. By inducing more tourists in these ways, it could change the sales type of green tea from wholesale to retail and help activate the management of green tea processors.

**Key Words:** experience activities, green tea, tourism, type of sales, unit sales price

## Introduction

Tea tree is a small perennial evergreen tree belonging to the family of Theaceae (Lee and Kang 2014). Moreover, the green tea made of tea tree (*Camellia sinensis* L.) leaves is one of the favorite foods. The green tea industry started in the late 1960s under the government-led initiative by establishing three large-sized tea fields (Boseong, Goheung, and Youngam in Jeollanam-do, Korea). In the early 1980s, Jangwon Industry of Pacific Corporation established mod-

ern tea fields in Jeju Island, and it launched the brand called "Sulloccha" which popularized green tea drinking and industrial base. Along with this trend, income increase from economic growth has raised the public interest in health since the 1990s, and green tea has been recognized as a healthy drink. As a result, the cultivation area and production amount of green tea have continuously increased until the late 2000s (Yoo 2010; Kim et al. 2014).

The current major green tea cultivation areas in Korea are Boseong-gun in Jeollanam-do and Hadong-gun in

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