PPSE
PROMOTING
PRIVATE SECTOR
EMPLOYMENT

CONSUMER SATISFACTION SURVEY

FOOD & BEVERAGES

FINANCED BY

Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

Swiss Agency for Development and Cooperation SDC

IMPLEMENTED BY

swisscontact

RIINVEST
INSTITUTI PER HULUMTIME ZHVILLIMORE
INSTITUTE FOR DEVELOPMENT RESEARCH

PREPARED BY UBO CONSULTING PREPARED FOR PePeKo

Contents

TABLE OF FIGURES

LIST OF TABLES

EXECUTIVE SUMMARY

This report presents the findings of the Consumer Satisfaction Survey on domestic food products commissioned by The Promoting Private Sector Employment (PPSE) and conducted by UBO Consulting between January and February 2024. The survey aimed to evaluate market demand, quality improvements, and the competitiveness of domestic food products, focusing on consumer satisfaction with domestic processed fruit and vegetable products, organic products, and confectionary items, among others. It also examined the impact of inflation on consumer demand and gathered consumer recommendations for product enhancement. This is the second iteration of the study, allowing for a comparison of trends and differences between 2023 and 2024 regarding customer satisfaction with domestic food products.

UBO Consulting employed a quantitative data collection methodology using Computer Assisted Personal Interviewing (CAPI). The sample comprised 1068 interviews conducted with Albanian and other ethnic groups residing in Kosovo.

KEY FINDINGS

- The most consumed products that respondents buy at least less than once a month are teas, soups, spices, non-alcoholic beverages, and fresh pastries, cookies, and chocolates.
- A large percentage of respondents do not buy/consume alcoholic beverages (55%), pickles (peppers, cucumbers, cabbage, and others) (35%), jam/marmalade/compote (25%). and ajvar, pindjur and similar (23%).
- In 2024, there was a 20% increase in pickle purchases, a 12% increase in ajvar, pindjur, and other items, a 10% rise in alcoholic beverage purchases, and a 9% increase in jam, marmalade, or compote purchases. Sour cream purchases decreased by 5%. Soups, spices, dried fruits, and nuts saw consistent purchase patterns between 2023 and 2024.
- Domestic products are preferred by most respondents for listed items, with water (95%), cheese and cottage cheese (94%), yogurt, strained yogurt, and ayran (92%), %), being the most commonly purchased as domestic products in 2024.
- The food products such as teas (23%), soups and spices (22%), ketchup, and other sauces (16%) were the products most commonly bought as imports by consumers.
- In 2024, there was a significant change in purchasing behavior for teas, with 27% buying fewer domestic teas, 12% more buying imported teas, and 10% more buying both imported and domestic teas compared to 2023. Similarly, for milk, there was an 18% decrease in domestic purchases, while 8% more bought imported milk and 10% more bought both imported and domestic milk.
- Three main reasons that respondents buy imported products instead of domestic ones were: imported products are of a higher quality (62%), imported products have the same or lower price than domestic products (48%), and imported products go through higher control through state agencies (20%).
- In 2024, there was a shift in reasons for choosing imported products. Fewer respondents cited price as a factor (48% vs. 59% in 2023), and fewer mentioned taste (20% vs. 34% in 2023). However, more respondents mentioned higher control by state agencies as a reason (21% vs. 14% in 2023).
- Respondents that buy imported products declared they would buy domestic ones if the price was lower than imported products (68%), if the quality was the same or better than imported products (67%), and if domestic products were easier to find/locate (26%).

- Thirty-six percent of the respondents make decisions about purchasing food products at home before they go to the store; 16 percent make their decisions while in the store, and 48 percent decide what to buy sometimes at home and sometimes at the store.
- Price (64%), quality (59%), and food ingredients (39%) are the most important attributes for respondents when choosing food products.
- A share of respondents (29%) purchased fewer food products than last year; 57% reported that the number of products they purchased remained the same, while 15% reported buying more.
- The respondents who reported they bought fewer food products than last year indicated that the primary reason for purchasing fewer products was the increase in prices (95%).
- Fifty-three percent of the respondents know what a certified organic product is, while 47% do not.
- Seventy-three percent of respondents that knew what a certified organic product are willing to pay more for those products. Most of them would pay up to 15% more, 16% would pay 15-30% more and 1% would pay more than 30%.
- The overall satisfaction score with various attributes of domestic food products, measured on a 7-point scale, was found to be 5.15.
- The overall satisfaction score with domestic food products increased from 4.33 in 2023 to 5.15 in 2024.
- The attributes of domestic food products that received the highest satisfaction scores diversity (4.94), availability (4.91), expiry and packaging date (4.91).
- Respondents reported lower levels of satisfaction with promotional offers/discounts (4.61), food certificates (4.52), and price (4.26).
- Product Integrity and Consumer Engagement strategies may be more effective in enhancing consumer satisfaction with domestic food products compared to Access and Availability or Market Positioning strategies.

BACKGROUND OF THE PROJECT

PPSE is currently in the fourth year of its 2021-2025 implementation phase, primarily focusing on the Food and Natural Ingredients (FNI) and Tourism sectors. In the FNI sector, the project aims to develop products, expand organic production, and enhance competitiveness through collaborations with SMEs and sector associations. PPSE conducts regular annual impact assessments to evaluate interventions and improve future strategies.

One of the project's key objectives is to support sector actors in becoming more competitive by increasing access to knowledge, new technologies, and marketing services. This support aims to increase the number of food products in the market, improve innovation quality, and promote healthy-related products.

PPSE collaborates and partners with various actors, including SMEs, sector associations (such as Organika - Association of Organic NWFP and MAPs producers, and PePeKo - Association of Fruits and Vegetable processors), and other relevant entities to promote support services.

As part of its activities, PPSE commissioned UBO Consulting to conduct a consumer satisfaction survey in collaboration with sector associations Organika and PePeKo. The survey aimed to assess market demand and quality improvements of domestic food-related products and the competitiveness of domestic products in the market. It focused on consumer satisfaction with domestic processed fruit and vegetable products, organic products, and confectionery products, among others. Other factors, such as the impact of inflation on consumer demand and consumer recommendations/suggestions on how to improve products, were also assessed. The survey involved a sample of 1068 consumers throughout Kosovo.

METHODOLOGY

UBO Consulting conducted a Consumer Satisfaction Survey with domestic food products between January and February 2024 to obtain quantitative data. UBO collected data from a nationally representative sample of citizens across 31 municipalities in Kosovo.

A total of 1068 face-to-face interviews (computer-assisted personal interviewing (CAPI)) were conducted with a representative sample of randomly selected adult citizens (18+) with a balanced representation of gender, and municipality. The sample population was derived from the Kosovo Census 2011 data to provide statistically representative estimates at the national level. The sample also reflected the urban/rural proportion levels, the proportion levels of both genders.

Table 1. Distribution of interviews per municipality

MUNICIPALITY	NUMBER OF INTERVIEWS
Prishtinë/Pristina	100
Mitrovicë/Mitrovica	67
Gjilan/Gnjilane	62
Peje/Pec	56
Prizren	97
Gjakove/Djakovica	57
Podujeve/Podujevo	52
Vushtrri/Vucitrn	47
Skenderaj/Srbica	37
Klinë/Klina	23
Istog/Istok	22
Deçan/Decani	21
Dragash/Dragash	24
Suharekë/Suva Reka	40
Rahovec/Orahovac	38
Viti/Vitina	30
Kamenicë/Kamenica	21
Lipjan/Lipljan	33
Shtime/Stimlje	15
Ferizaj/Urosevac	68
Kaçanik/Kacanik	20
Fushë Kosovë/Kosovo Polje	19
Obiliq/Obilic	13
Novobërdë/Novo Brdo	6
Shtërpcë/Strpce	7
Gllogovc/Glogovac	33
Malishevë/Malisevo	41
Junik/Junik	3
Mamusha/Mamus	3
Hani i Elezit/General Jankovic	4
Graçanica/Gračanica	9
Total	**1068**

Sampling Plan

The census from 2011 served as the basis for the sampling structure, which follows a common pattern in the study of public opinion. Quotas by ethnicity, age and gender are established using population structure and its distribution. This structure allows for population-based stratified alignment to the lowest level of sample organization.

Finalization of questionnaire

UBO Consulting tested the questionnaire by a pilot testing to assess their logic and substance in order to detect any potential issues that might occur when they are administered in the field. The pilot test also made it possible to gauge how long it takes to conduct an interview satisfactorily and determine the validity of the questions. Per the development of questions and logical flow of the questionnaire, there was no criticism regarding the difficulty of understanding what the questionnaire is generally about. Thus, pilot testing for the survey was decent and everything went smoothly.

The team was carefully selected with preference given to experienced researchers. The fieldwork team consisted of 15 enumerators, 2 field supervisors and 1 technical controller.

Training of survey team

The training session was organized at UBO Consulting's training facility, with the recruited enumerators. The training session were held on January 2024. We recruited a surplus of interviewers to ensure that when the time for interviewing the respondents came, we did not suffer a deficit of enumerators in any way, or as a consequence of any circumstance. The purpose of this training was to ensure that:

- enumerators fully understand the survey questions;
- enumerators were familiar with the methodology of sampling and interviewing; and
- enumerators were effective interviewers and could administer the interviews easily, accurately, consistently, and naturally.

Fieldwork and quality check

UBO Consulting conducted the survey fieldwork between 1st and 28th of February, 2024. The survey has been conducted with representatives of Albanian and other communities, from 18 years or older and has been carried out including both urban and rural areas.

Quality check was an integral part of fieldwork. It was carried out by:

The field supervisor, who was responsible for carrying out the first quality control by screening each questionnaire submitted. Data entry personnel, responsible for carrying out the second level of quality control, while inputting the data in the electronic database.

Data cleaning, tabulation and analysis

The quantitative survey's data cleaning and analysis were carried out in SPSS, and tables were generated as per the analysis plan that was finalized in consultation with the report writing team. Any process using a significant amount of data should include data validation (cleaning). Data cleansing is the act of going through all of the information in a database and updating or removing any data that is missing, inaccurate, redundant, or irrelevant. To find correlations between data based on various variables, our team created cross-tabulations (those relevant to the objectives of the study), which were further utilized to uncover patterns, trends, and probabilities in the raw data.

STUDY RESULTS

DEMOGRAPHICS

The survey included 1,068 respondents from 31 municipalities across Kosovo, with an equal distribution of male and female respondents (50% each). Urban respondents comprised 47 percent of the total, while rural respondents made up the remaining 53 percent.

In terms of age distribution, 13 percent of respondents were aged 18-24, 20 percent were 25-34, and 28 percent were 35-44. The largest age group was 45-54, accounting for 28 percent of respondents, followed by 55-64 (20%) and 65 or older (9%).

Ethnicity-wise, the majority of respondents were ethnic Albanian (1,004), with smaller numbers from Ashkali (31), Roma (14), Turkish (8), Bosnian (6), and Egyptian (5).

Regarding family status, 59 percent of respondents were the head of the family, while 41 percent had a different status within the family. In terms of employment, 54 percent of respondents were employed, with 25 percent working in the public sector and 75 percent in the private sector.

Sixty-five percent of the surveyed citizens were the head of the family, while 35 percent declared they participate equally in decisions about purchasing food products.

Consumer Preferences towards Domestic and Imported Food Products

This section of the study delves into consumers' food purchasing habits and preferences in Kosovo, with a focus on their choices between domestic and imported food products. It examines the most commonly purchased products, reasons for selecting domestic or imported items, and the factors influencing these decisions.

Initially, respondents were asked about how often they purchase different products. The most commonly purchased items in 2024, with 99 percent of respondents indicating they buy them at least once a month or less, include teas, soups, spices, non-alcoholic beverages, and fresh pastries, cookies, and chocolates.

The table below highlights significant changes in food product purchases between 2023 and 2024. Pickles saw a 20 percent increase in purchases, followed by ajvar, pindjur, and other items which experienced a 12-percentage-point increase. Additionally, there was a 10 percent rise in respondents purchasing alcoholic beverages, and a nine percent increase in those buying jam, marmalade, or compote. In contrast, sour cream purchases decreased by five percent this year. The purchase patterns for soups, spices, dried fruits, and nuts remained consistent, with the same number of respondents buying them in both 2023 and 2024.

		Several times a week	Once a week	Once in two weeks	Once a month	Less than once a month	I don't buy/consume them
Water (natural water and mineral water)	2023	13%	29%	23%	10%	5%	20%
	2024	18%	21%	18%	14%	13%	16%
Alcoholic beverages (Wine, beer, brandy and others)	2023	1%	5%	5%	10%	14%	65%
	2024	3%	4%	9%	11%	18%	55%
	2023	19%	42%	22%	12%	2%	3%

Non-alcoholic beverages (Fruit juices, carbonated juices and others)	2024	32%	39%	21%	6%	1%	1%
Cheese and cottage cheese	2023	7%	34%	33%	18%	2%	8%
	2024	7%	21%	40%	24%	2%	6%
Milk	2023	21%	41%	22%	8%	1%	7%
	2024	19%	38%	26%	9%	1%	6%
Yogurt, strained yogurt and ayran	2023	19%	37%	26%	9%	1%	8%
	2024	15%	38%	29%	11%	1%	6%
Sour cream	2023	6%	23%	32%	25%	5%	8%
	2024	7%	22%	28%	22%	6%	15%
Soups/spices	2023	3%	29%	37%	27%	4%	1%
	2024	4%	17%	36%	40%	2%	1%
Teas (black tea, chamomile tea, mountain fruit tea, etc.)	2023	1%	14%	41%	37%	5%	2%
	2024	4%	11%	39%	41%	4%	1%
Ajvar, pindjur and others	2023	0%	8%	19%	22%	16%	35%
	2024	3%	8%	22%	27%	17%	23%
Pickles (peppers, cucumbers, cabbage and others)	2023	0%	4%	12%	15%	15%	55%
	2024	3%	8%	15%	19%	19%	35%
Jam/marmalade/compote	2023	0%	8%	18%	23%	17%	35%
	2024	3%	8%	22%	26%	16%	25%
Ketchup and other sauces	2023	0%	17%	34%	31%	9%	9%
	2024	3%	16%	39%	30%	6%	6%
Fresh pastries, cookies, and chocolates	2023	15%	32%	28%	17%	4%	4%
	2024	12%	29%	34%	17%	5%	1%
Dried fruits and nuts	2023	10%	25%	24%	24%	10%	8%
	2024	5%	18%	36%	23%	11%	8%

Further analysis by age group revealed that respondents aged 35-44 showed a higher frequency of purchasing water, with 90% buying it at least less than once a month, compared to other age groups. Similarly, this age group purchased the most alcoholic beverages, with 44% indicating a higher frequency compared to all other groups. In the meantime, all respondents aged 18-24 purchased or consumed non-alcoholic beverages, indicating a 100% purchase rate in this age group.

*Table 2. How often do you buy the food products listed below? - Drinks *Age*

DRINKS		**18 - 24**	**25 - 34**	**35 - 44**	**45 - 54**	**55 - 64**	**65+**
Water (natural water and mineral water)	Several times a week	18%	18%	23%	18%	16%	17%
	Once a week	23%	24%	21%	19%	21%	21%
	Once in two weeks	23%	17%	19%	17%	17%	14%
	Once a month	13%	11%	12%	16%	16%	14%
	Less than once a month	11%	12%	13%	13%	14%	20%
	I don't buy/consume them	12%	20%	10%	17%	16%	16%
Alcoholic beverages	Several times a week	1%	3%	3%	4%	3%	2%

(Wine, beer, brandy and others)	Once a week	2%	4%	2%	6%	2%	6%
	Once in two weeks	9%	11%	7%	12%	6%	8%
	Once a month	10%	8%	11%	14%	11%	9%
	Less than once a month	18%	21%	20%	17%	16%	18%
	I don't buy/consume them	60%	54%	56%	48%	62%	56%
Non-alcoholic beverages (Fruit juices, carbonated juices and others)	Several times a week	34%	32%	34%	32%	33%	25%
	Once a week	42%	42%	41%	35%	39%	35%
	Once in two weeks	19%	18%	16%	24%	20%	28%
	Once a month	3%	5%	6%	7%	7%	6%
	Less than once a month	1%	1%	2%	1%	0%	2%
	I don't buy/consume them	0%	1%	1%	1%	1%	3%

Analysis of the data on milk products across age groups reveals several trends. The 35-44 age group emerges as the most frequent purchasers, particularly evident in their higher purchase rates for cheese and cottage cheese (44% buying once in two weeks) and milk (21% buying several times a week). In contrast, the 55-64 and 65+ age group generally shows lower purchasing frequencies across all milk products.

*Table 3. How often do you buy the food products listed below? - Milk Products *Age*

MILK PRODUCTS		18 - 24	25 - 34	35 - 44	45 - 54	55 - 64	65+
Cheese and cottage cheese	Several times a week	5%	5%	9%	6%	8%	8%
	Once a week	22%	22%	20%	17%	23%	21%
	Once in two weeks	41%	40%	44%	46%	34%	32%
	Once a month	26%	26%	18%	25%	23%	26%
	Less than once a month	1%	2%	2%	2%	3%	1%
	I don't buy/consume them	5%	5%	6%	4%	10%	11%
Milk	Several times a week	15%	15%	21%	19%	21%	22%
	Once a week	41%	38%	40%	34%	40%	42%
	Once in two weeks	30%	30%	28%	28%	22%	19%
	Once a month	8%	10%	5%	13%	9%	5%
	Less than once a month	0%	2%	1%	1%	0%	1%
	I don't buy/consume them	6%	5%	5%	5%	8%	11%
Yogurt, strained yogurt and buttermilk (ayran)	Several times a week	11%	12%	21%	14%	18%	17%
	Once a week	42%	41%	36%	39%	34%	35%
	Once in two weeks	28%	31%	28%	31%	26%	27%
	Once a month	13%	10%	9%	11%	12%	7%
	Less than once a month	1%	2%	1%	1%	1%	2%
	I don't buy/consume them	6%	4%	5%	4%	9%	11%
Sour cream	Several times a week	6%	7%	8%	7%	9%	8%

	Once a week	28%	23%	21%	21%	19%	18%
	Once in two weeks	25%	29%	30%	32%	24%	24%
	Once a month	22%	22%	19%	22%	22%	22%
	Less than once a month	6%	6%	13%	4%	4%	10%
	I don't buy/consume them	14%	12%	8%	14%	21%	18%

The study findings indicate that certain age groups are more likely to purchase specific food products. For example, all respondents (100%) in the 25-34 age group reported purchasing soups and spices, and except for the 25-44 age group, 100% of individuals in all other age groups purchased teas. Additionally, 81% of respondents aged 25-34 reported purchasing ajvar, pindjur, and similar products.

Pickles were more commonly purchased by individuals in the 25-34 age group, with 69% of respondents in this age group reporting such purchases. Furthermore, 79% of individuals in the 18-24 age group reported purchasing jams, marmalade, or compote, while 97% of respondents in this group reported purchasing ketchup and other sauces.

Other products that were more commonly purchased by specific age groups included fresh pastries, cookies, and chocolates, which were purchased by 100% of individuals in the 18-24 age group.

*Table 4. How often do you buy the food products listed below? - Other Products *Age*

OTHER PRODUCTS		**18 - 24**	**25 - 34**	**35 - 44**	**45 - 54**	**55 - 64**	**65+**
Soups/spices	Several times a week	6%	5%	5%	4%	5%	3%
	Once a week	15%	16%	19%	20%	17%	13%
	Once in two weeks	38%	35%	36%	34%	35%	43%
	Once a month	41%	42%	36%	41%	40%	36%
	Less than once a month	0%	1%	3%	1%	3%	2%
	I don't buy/consume them	1%	0%	1%	1%	1%	3%
Teas (black tea, chamomile tea, mountain fruit tea, etc.)	Several times a week	6%	3%	6%	4%	3%	3%
	Once a week	10%	10%	12%	13%	11%	10%
	Once in two weeks	40%	41%	40%	38%	40%	38%
	Once a month	38%	40%	34%	42%	43%	44%
	Less than once a month	6%	4%	6%	3%	3%	5%
	I don't buy/consume them	0%	1%	2%	0%	0%	0%
Ajvar, pindjur and others	Several times a week	5%	3%	2%	3%	2%	2%
	Once a week	8%	7%	11%	9%	9%	6%
	Once in two weeks	24%	25%	22%	24%	19%	16%
	Once a month	21%	29%	23%	27%	28%	36%
	Less than once a month	22%	17%	16%	16%	15%	15%

	I don't buy/consume them	20%	19%	24%	22%	27%	25%
Pickles (peppers, cucumbers, cabbage and others)	Several times a week	2%	3%	2%	3%	3%	3%
	Once a week	11%	8%	7%	8%	8%	4%
	Once in two weeks	10%	18%	22%	15%	14%	16%
	Once a month	18%	20%	14%	21%	18%	19%
	Less than once a month	22%	20%	22%	19%	15%	24%
	I don't buy/consume them	37%	31%	32%	33%	42%	34%
Jam/marmalade/compote	Several times a week	3%	3%	2%	3%	3%	2%
	Once a week	10%	7%	14%	9%	5%	6%
	Once in two weeks	24%	23%	24%	20%	21%	20%
	Once a month	21%	28%	17%	31%	25%	25%
	Less than once a month	22%	17%	17%	13%	15%	19%
	I don't buy/consume them	21%	23%	24%	24%	31%	28%
Ketchup and other sauces	Several times a week	3%	3%	2%	3%	2%	2%
	Once a week	18%	13%	19%	17%	17%	10%
	Once in two weeks	41%	44%	38%	38%	37%	36%
	Once a month	31%	29%	23%	32%	30%	26%
	Less than once a month	4%	6%	10%	6%	6%	9%
	I don't buy/consume them	3%	5%	7%	5%	8%	16%
Fresh pastries, cookies, and chocolates	Several times a week	19%	14%	11%	13%	10%	5%
	Once a week	32%	28%	32%	28%	31%	26%
	Once in two weeks	32%	38%	34%	32%	35%	36%
	Once a month	15%	15%	17%	20%	18%	19%
	Less than once a month	3%	4%	4%	5%	5%	9%
	I don't buy/consume them	0%	1%	2%	1%	1%	4%
Dried fruits and nuts	Several times a week	4%	5%	6%	5%	6%	3%
	Once a week	20%	16%	15%	18%	19%	14%
	Once in two weeks	37%	39%	34%	34%	35%	31%
	Once a month	21%	24%	24%	26%	17%	27%
	Less than once a month	13%	8%	10%	9%	14%	11%
	I don't buy/consume them	5%	8%	10%	7%	9%	14%

The survey also asked respondents about their preferences for purchasing the listed foods as domestic, imported, or both. The table below illustrates the trends for each food product and how respondents' purchasing behavior has changed. A significant difference is observed in the purchase of teas, with 27% buying fewer domestic teas, 12% more buying imported teas, and 10% more buying both imported and domestic teas. Similarly, for milk, there is a decrease of 18% in respondents purchasing it domestically, while 8% more are buying it as imported and 10% more are buying both imported and domestic milk.

Additionally, fewer respondents are buying domestic non-alcoholic beverages this year, showing an 11-point decrease in domestic purchases. On the other hand, 11% more respondents are buying more domestic jam/marmalade/compote and fresh pastries, cookies, and chocolates this year. There is no significant difference in the purchase behavior for domestic cheese and cottage cheese and dried fruits and nuts.

		Domestic	Imported	Both
Water (natural water and mineral water)	2023	94%	3%	3%
	2024	95%	1%	4%
Alcoholic beverages (Wine, beer, brandy and others)	2023	52%	13%	35%
	2024	45%	15%	39%
Non-alcoholic beverages (Fruit juices, carbonated juices and others)	2023	69%	7%	24%
	2024	58%	5%	37%
Cheese and cottage cheese	2023	94.2%	2.5%	3.3%
	2024	94%	2%	4%
Milk	2023	89%	4%	7%
	2024	71%	12%	17%
Yogurt, strained yogurt and buttermilk (ayran)	2023	95%	2%	3%
	2024	92%	2%	7%
Sour cream	2023	89%	6%	5%
	2024	84%	5%	11%
Soups/spices	2023	42%	32%	26%
	2024	40%	22%	37%
Teas (black tea, chamomile tea, mountain fruit tea, etc.)	2023	71%	11%	18%
	2024	44%	23%	33%
Ajvar, pindjur and others	2023	79%	13%	8%
	2024	83%	10%	7%
Pickles (peppers, cucumbers, cabbage and others)	2023	84%	8%	7%
	2024	86%	9%	4%
Jam/marmalade/compote	2023	63%	28%	9%
	2024	75%	14%	12%
Ketchup and other sauces	2023	62%	21%	17%
	2024	61%	16%	23%
Fresh pastries, cookies, and chocolates	2023	43%	21%	36%
	2024	55%	14%	31%
Dried fruits and nuts	2023	56%	18%	26%

	2024	56%	15%	29%

As illustrated in the figure below, there has been a shift in the reasons why respondents choose imported products in 2024. Fewer respondents purchase imported products because they are priced the same or lower than local products (48%) compared to 2023 (59%). Similarly, fewer people buy imported food products because they are tastier (20%) compared to 2023 (34%). However, in 2024, more respondents (21%) purchase imported products because they undergo higher control by state agencies, compared to 2019 (14%).

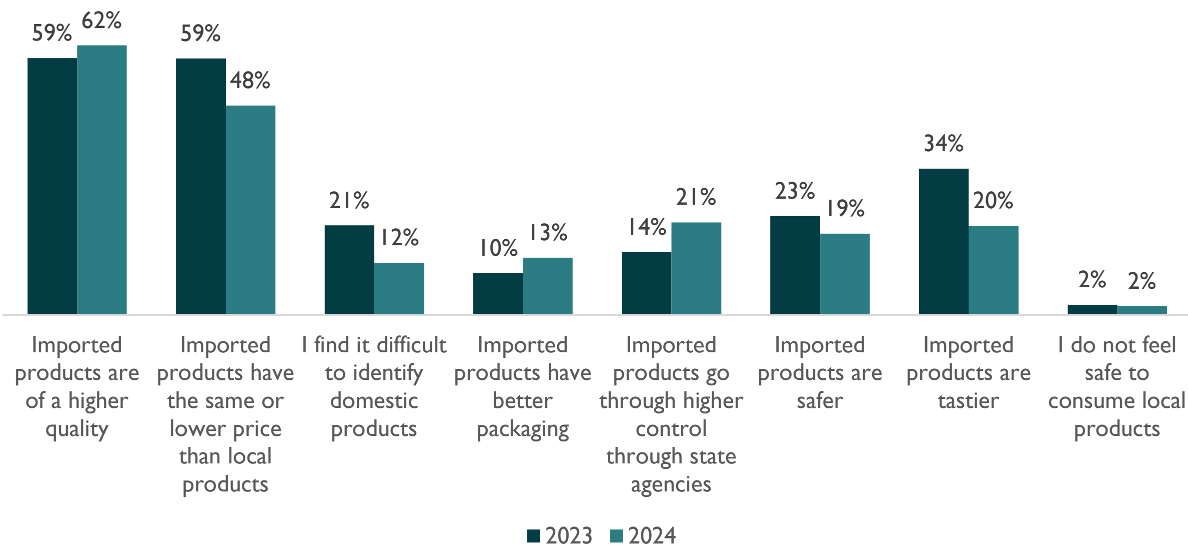

Figure 1. If imported, what makes you choose the imported product? 2023 vs 2024

The data reveals that rural respondents are more inclined to choose imported products due to perceived higher quality (65%) and comparable or lower prices than local products (53%). Urban respondents, on the other hand, are more influenced by the belief that imported products undergo higher control through state agencies (24%). Interestingly, taste and safety considerations, as well as packaging, seem to have less impact on the choice of imported products for both urban and rural consumers.

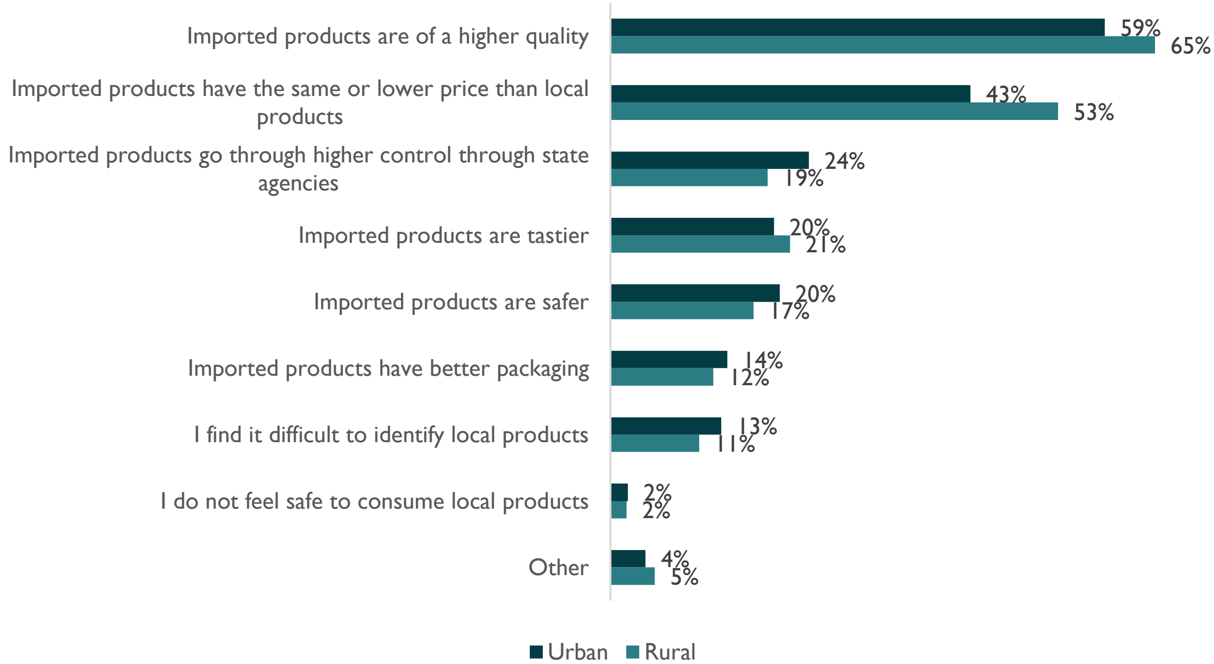

*Figure 2. If imported, what makes you choose the imported product? *Settlement*

Respondents who indicated that they purchase imported products were asked what would influence them to buy domestic products instead. Similar to 2023, the main factors that would influence citizens to buy domestic products include if the price were lower than that of the imported product (68%), if the quality were equal to or higher than the imported product (67%), and if local products were easier to find (26%).

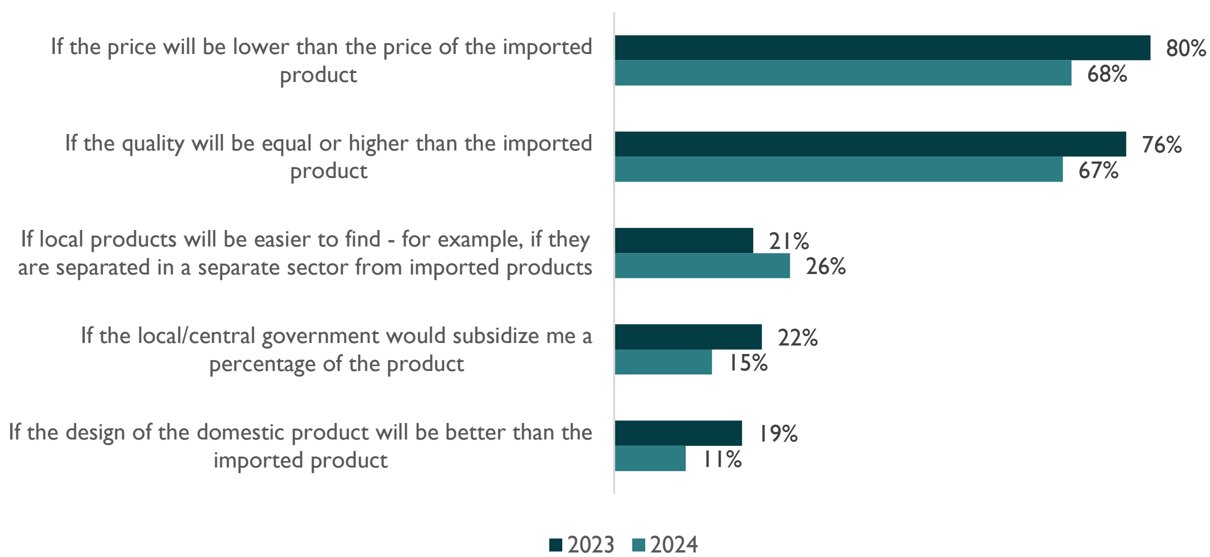

Figure 3. If imported, what would influence you to buy this product domestic in the future?

There has been a shift in purchase behavior between 2023 and 2024, as depicted in the graph below. More respondents now decide sometimes at home and sometimes at the store to purchase something, while the number of respondents who decide what to buy at home before they go to the store has decreased from 43% in 2023 to 36% in 2024.

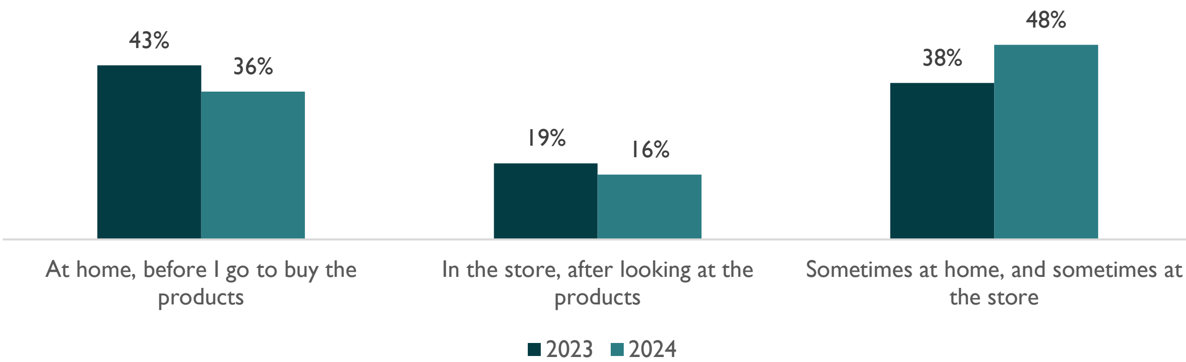

Figure 4. Usually, when you buy food products, you decide what to buy in:

Key Attributes for Food Products

This section of the study examines the key factors that influence consumers' purchasing decisions regarding food products in Kosovo. It explores the importance of various attributes such as price, quality, food ingredients, packaging design, promotional offers, and discounts and more.

The data indicates a shift in the importance of attributes when selecting food products from 2023 to 2024. Price and quality remain the top two attributes, but there has been a decrease in their importance from 72 percent to 64 percent for price and from 70 percent to 59 percent for quality. *This could suggest that consumers are becoming more discerning and are considering other factors beyond just price and quality.* Taste has also seen a significant decrease in importance, dropping from 44% to 25%. On the other hand, attributes such as food ingredients, expiry date and packaging date, and freshness have seen relatively smaller changes in importance. When examining this data based on gender, no significant differences were observed.

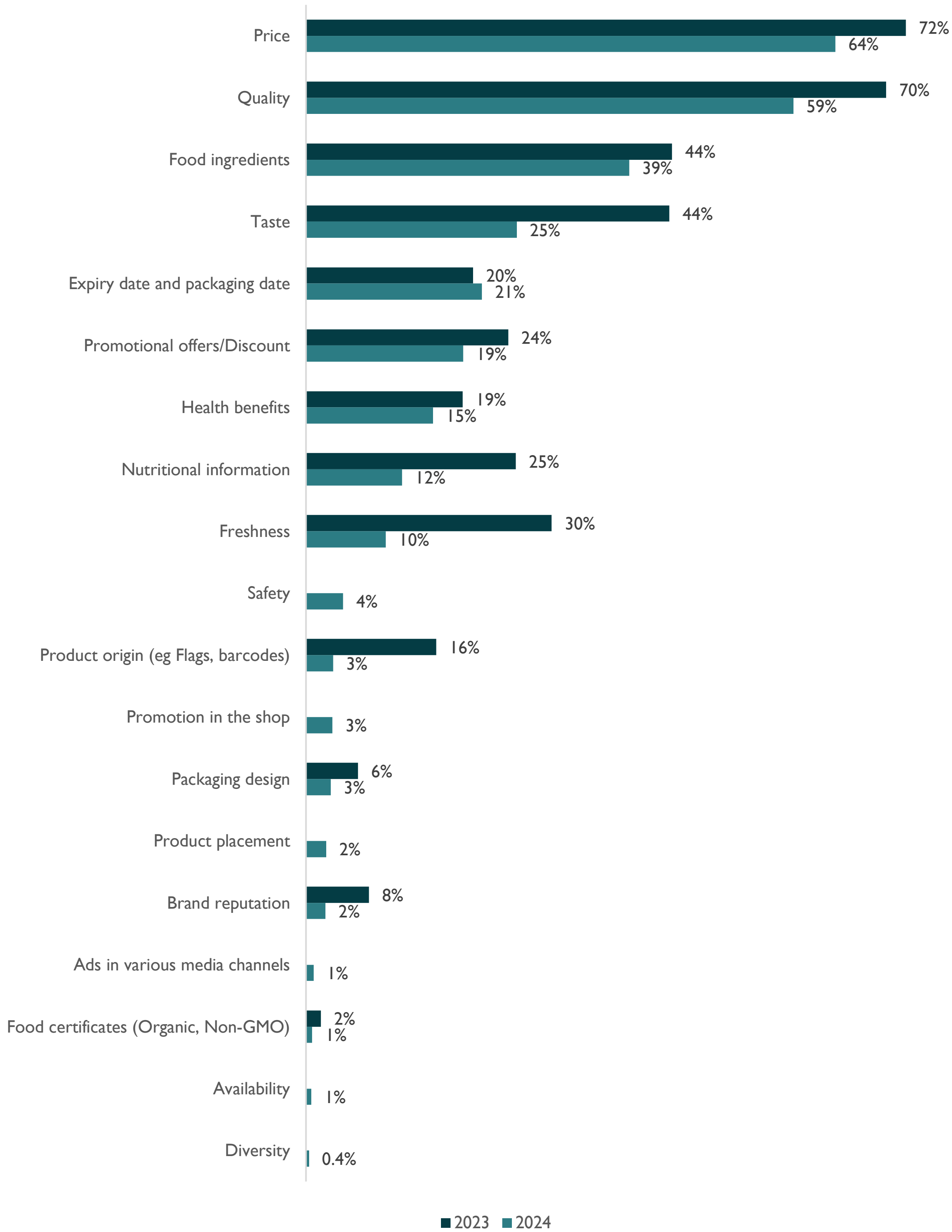

Figure 5. What are the 3 (three) most important attributes when selecting food products?

The table provides a breakdown of the most important attributes when selecting food products across different age groups. Price consistently ranks high across all age groups, with the highest percentages in the 45-54 (66%) and 55-64 (67%) age brackets. Quality is also consistently important across age groups, with nearly 60% selecting it as a top attribute.

Interestingly, there are some variations by age group. For example, the importance of food ingredients is highest in the 35-44 age group (49%), while its lowest in the 45-54 age group (32%). Health benefits are more important for the 35-44 (20%) and 45-54 (17%) age groups compared to other groups.

On the other hand, taste is more important for the younger age groups (18-24 and 25-34), while freshness is more important for the 55-64 (10%) and 65+ (16%) age groups. Brand reputation, packaging design, and promotion in the shop seem to have less overall importance across all age groups, with minimal variations. Overall, the data suggests that while price and quality are universally important, there are some nuanced differences in priorities based on age.

*Table 5. What are the 3 (three) most important attributes when selecting food products? * Age*

	18 - 24	**25 - 34**	**35 - 44**	**45 - 54**	**55 - 64**	**65+**
Food ingredients	37%	42%	49%	32%	44%	35%
Nutritional information	12%	13%	12%	12%	12%	4%
Health benefits	13%	15%	20%	17%	12%	16%
Expiry date and packaging date	23%	22%	16%	21%	18%	28%
Food certificates (Organic, Non-GMO)	1%	0%	3%	1%	1%	0%
Brand reputation	3%	2%	0%	2%	3%	2%
Packaging design	3%	4%	2%	2%	3%	4%
Promotion in the shop	4%	3%	6%	2%	3%	1%
Product placement	3%	2%	2%	1%	4%	4%
Ads in various media channels	0%	1%	1%	1%	1%	1%
Price	60%	63%	60%	66%	67%	64%
Promotional offers/Discount	17%	18%	19%	24%	17%	10%
Quality	58%	59%	59%	58%	59%	58%
Taste	31%	26%	26%	23%	23%	29%
Freshness	9%	8%	8%	10%	9%	16%
Product origin (eg Flags, barcodes)	5%	3%	3%	3%	2%	5%
Availability	1%	0%	0%	1%	1%	1%
Safety	6%	5%	3%	5%	4%	4%
Diversity	0%	0.9%	0%	0.3%	0.5%	0%

This table presents the importance of various attributes when selecting food products, comparing responses from urban and rural areas. It shows that price and quality are the two most important factors for both urban and rural respondents, with slightly higher emphasis on price among urban respondents (66% vs. 62%). Rural respondents, on the other hand, place more importance on taste (31% vs. 21%) and the expiry date and packaging date (25% vs. 18%). Health benefits and nutritional information are more important to urban respondents, while freshness is more valued in rural areas. Safety, product origin, and packaging design are relatively less important factors for both urban and rural consumers.

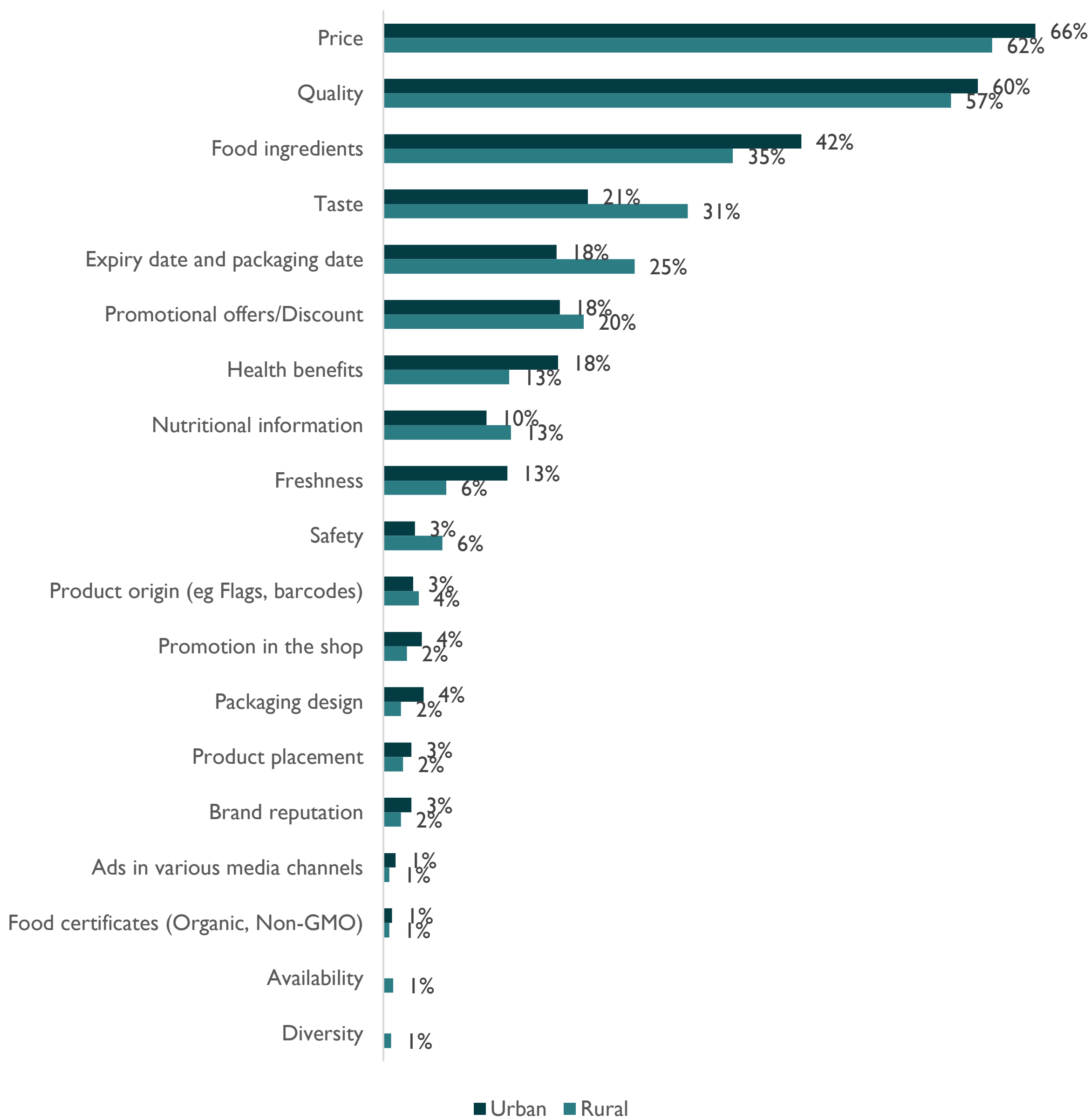

*Figure 6. What are the 3 (three) most important attributes when selecting food products? *Settlement*

As illustrated in the figure below, in 2024, 15% of the respondents reported buying more than they did in 2023. The percentage of respondents who declared to buy less has decreased from 56% in 2023 to

29% in 2024. Additionally, the share of respondents indicating that the amount of products they buy has remained the same has increased by 20 percentage points (from 37% in 2023 to 57% in 2024).

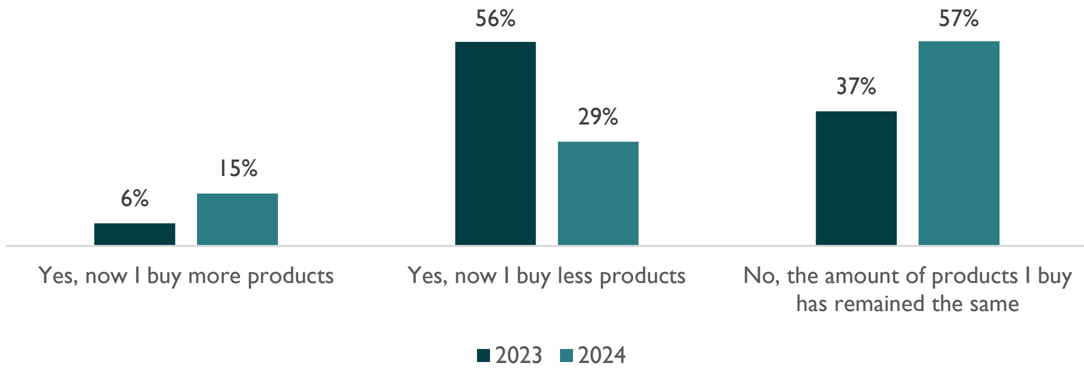

Figure 7. Compared to last year, has the amount/quantity of products you buy changed?

When analyzing this data by age groups, interesting trends emerge regarding changes in purchasing behavior. The majority across all age groups report that the number of products they buy has remained the same. However, respondents of groups 18-24 and 35-44 are slightly more inclined to report buying more products, with 16 percent indicating an increase. In contrast, the 25-34 and 45-44 age groups show a higher proportion (32%) reporting a decrease in the number of products purchased. This suggests that while overall purchasing habits have remained stable, there are notable differences in behavior among different age demographics.

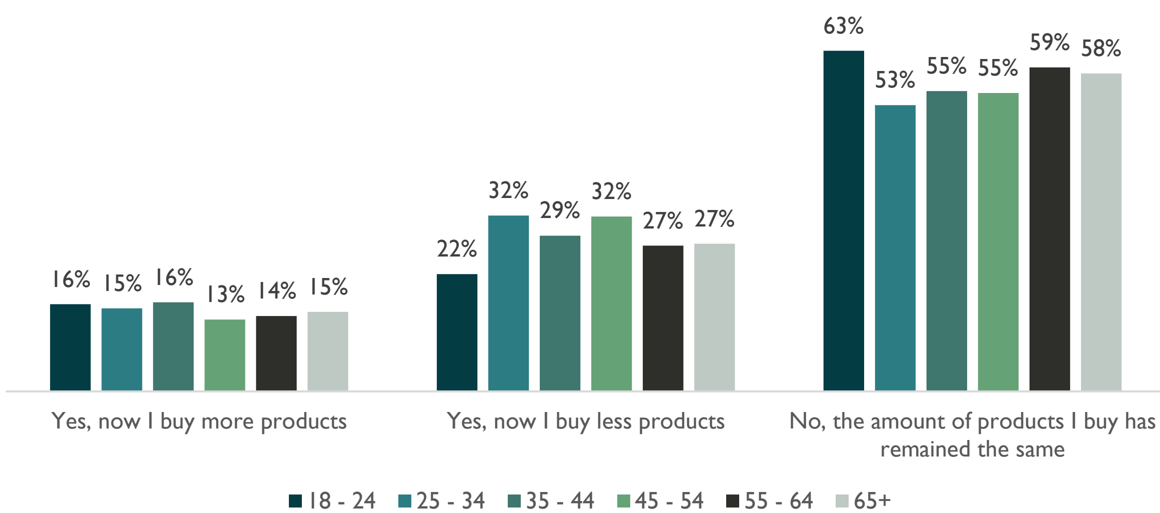

*Figure 8. Compared to last year, has the amount/quantity of products you buy changed? *Age*

Among the respondents who reported purchasing fewer products (n=308) than the previous year, the primary reason for their reduced purchasing habits was the price increase, as indicated by the vast majority (95%) of respondents. Additionally, 14 percent cited a decreased income as the reason for buying fewer products. A small proportion mentioned other reasons, including health concerns (2%), food waste (2%), and environmental protection (1%).

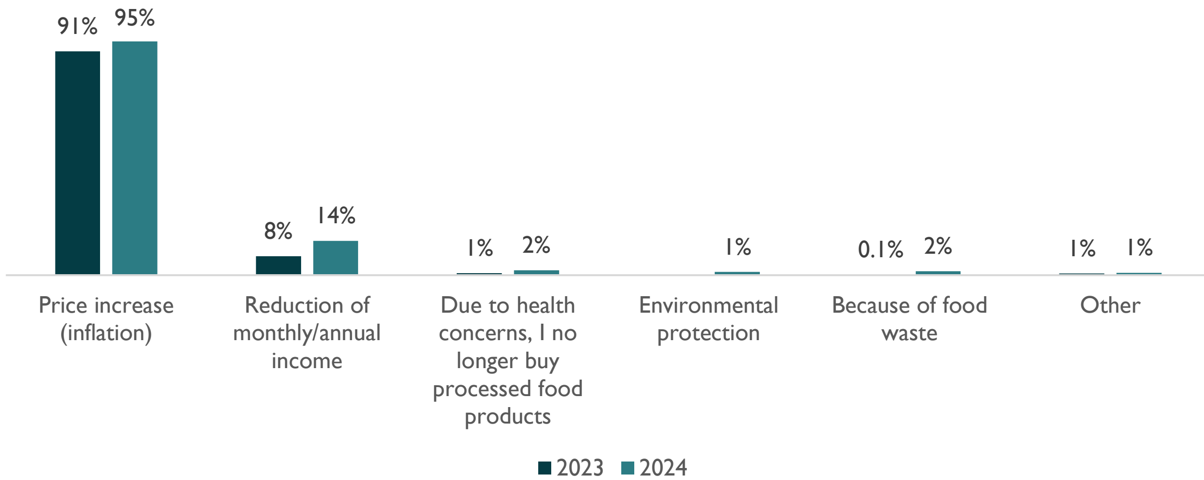

Figure 9. If you buy less products, what are the reasons?

Furthermore, the respondents who reported purchasing more food products compared to the previous year (n=155) were asked to specify the reasons for their increased purchasing habits. The most notable change between 2023 and 2024 is the significant increase in the percentage of respondents citing an increase in monthly or annual income as the reason for buying more products, rising from 22% in 2023 to 54% in 2024. Additionally, while the variety of products in the market remains a significant factor, there has been a slight decrease in its importance from 47 percent in 2023 to 39 percent in 2024.

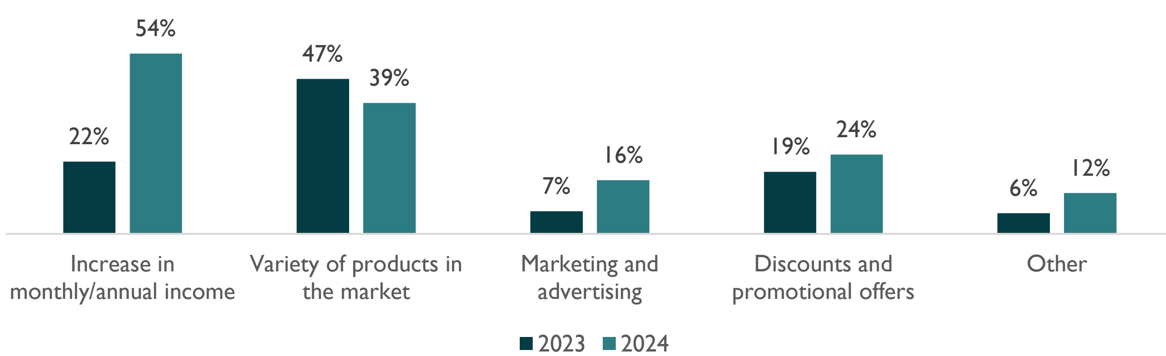

Figure 10. If you buy more products, what are the reasons?

Consumer Knowledge and Willingness to Pay for Certified Organic Products

This sector of the study explores consumer knowledge of certified organic food products in Kosovo. The section examines consumers' awareness level of certified organic products and their willingness to pay more for them.

The survey results showed that in 2024, over half of the respondents (53%) were familiar with certified organic products, whereas 47% lacked knowledge about this topic. Among those familiar with certified organic products, the majority (73%) expressed a willingness to pay more for them, while 27% were not inclined to do so. These findings offer valuable insights into consumer preferences and attitudes toward organic food products.

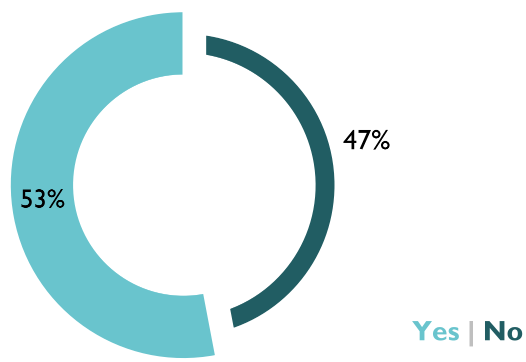

Figure 11. Do you know what a certified organic product is?

In addition to the above, respondents who indicated their willingness to pay more for certified organic products (n=416) were queried about the extent of the price increase they would be willing to accept. Most of them (82%) were willing to pay up to 15% more, and 16 percent said they would pay between 15-30% more. Only a small percentage (1%) were willing to pay more than 30%. Compared to 2023, there was a four-percentage point increase in the number of respondents willing to pay up to 15% more, while the willingness to pay 20% more decreased by 4 percentage points.

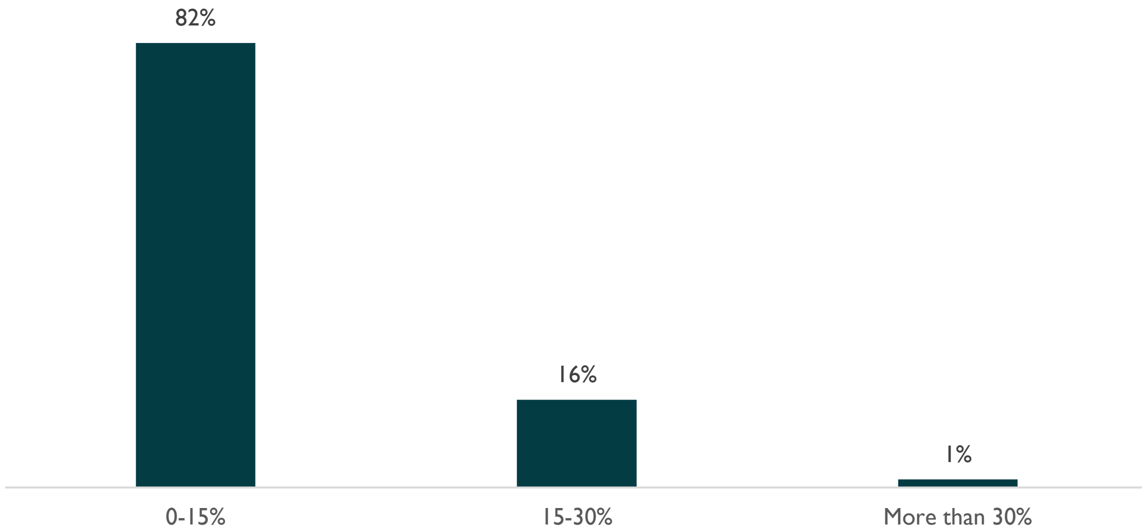

Figure 12. How much more percent (%) are you willing to pay if the product is certified organic?

When analyzing the data by gender, it is apparent that a higher percentage of males (78%) than females (68%) reported being able to pay more for organic products. Conversely, a higher percentage of females (32%) than males (22%) indicated that they were not able to pay more for organic products.

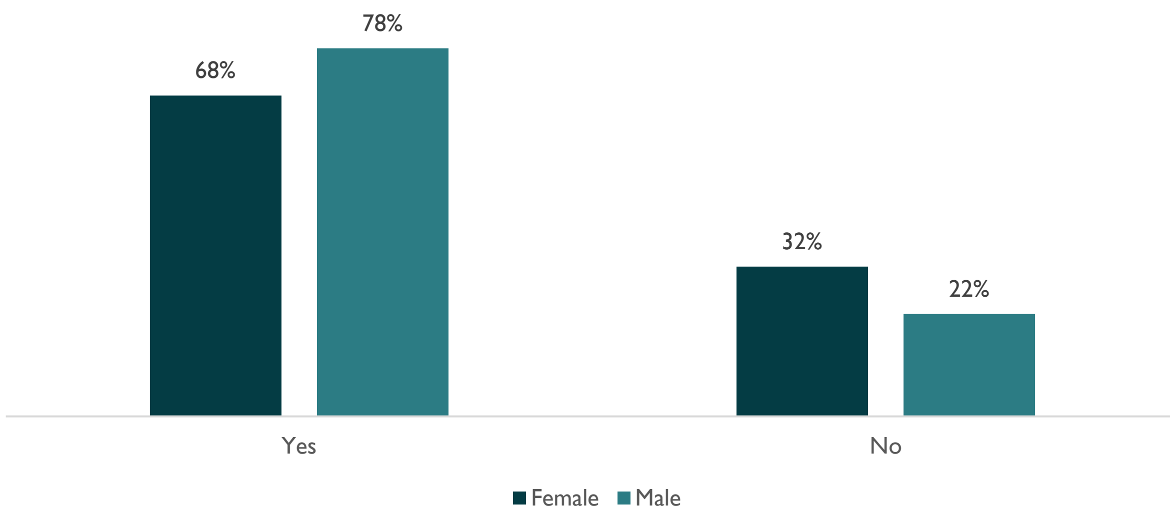

*Figure 13. How much more percent (%) are you willing to pay if the product is certified organic? *Gender*

Consumer Satisfaction with Key Attributes of Domestic Products

Finally, the last sector of the study examines the level of satisfaction among consumers in Kosovo with key attributes of domestic food products. The section focuses on factors such as food ingredients, quality price, expiry and packaging date, freshness, taste, brand reputation, packaging design, and more.

Finally, the study evaluated consumer satisfaction with various attributes of domestic food products. Overall, the satisfaction score, measured on a 7-point scale, ***<u>increased from 4.33 in 2023 to 5.15 in 2024,</u>*** indicating an improvement in consumer satisfaction with domestic food products.

The graph below presents consumer satisfaction scores for various attributes of food products in 2023 and 2024, excluding attributes with no data in 2023. In 2024, there are notable improvements in satisfaction scores for attributes such as packaging design (+0.9), brand reputation (+0.7), price (+0.5) and promotional offers/discount (+0.5), indicating an increased satisfaction with these aspects compared to 2023.

In 2024, results revealed that respondents were most satisfied with diversity, availability, expiry and packaging date, ads in various media channels, and product placement (4.9) which garnered an average satisfaction score of 4.9. Other attributes that were rated highly by respondents included food ingredients, promotion in the shop, packaging design, freshness, safety, taste and brand reputation with a satisfaction level of 4.8. In contrast, respondents reported lower levels of satisfaction with price (4.3).

There is no significant difference when analyzing data based on gender, age and settlement. Respondents are most satisfied with diversity and least satisfied with the price of domestic food products.

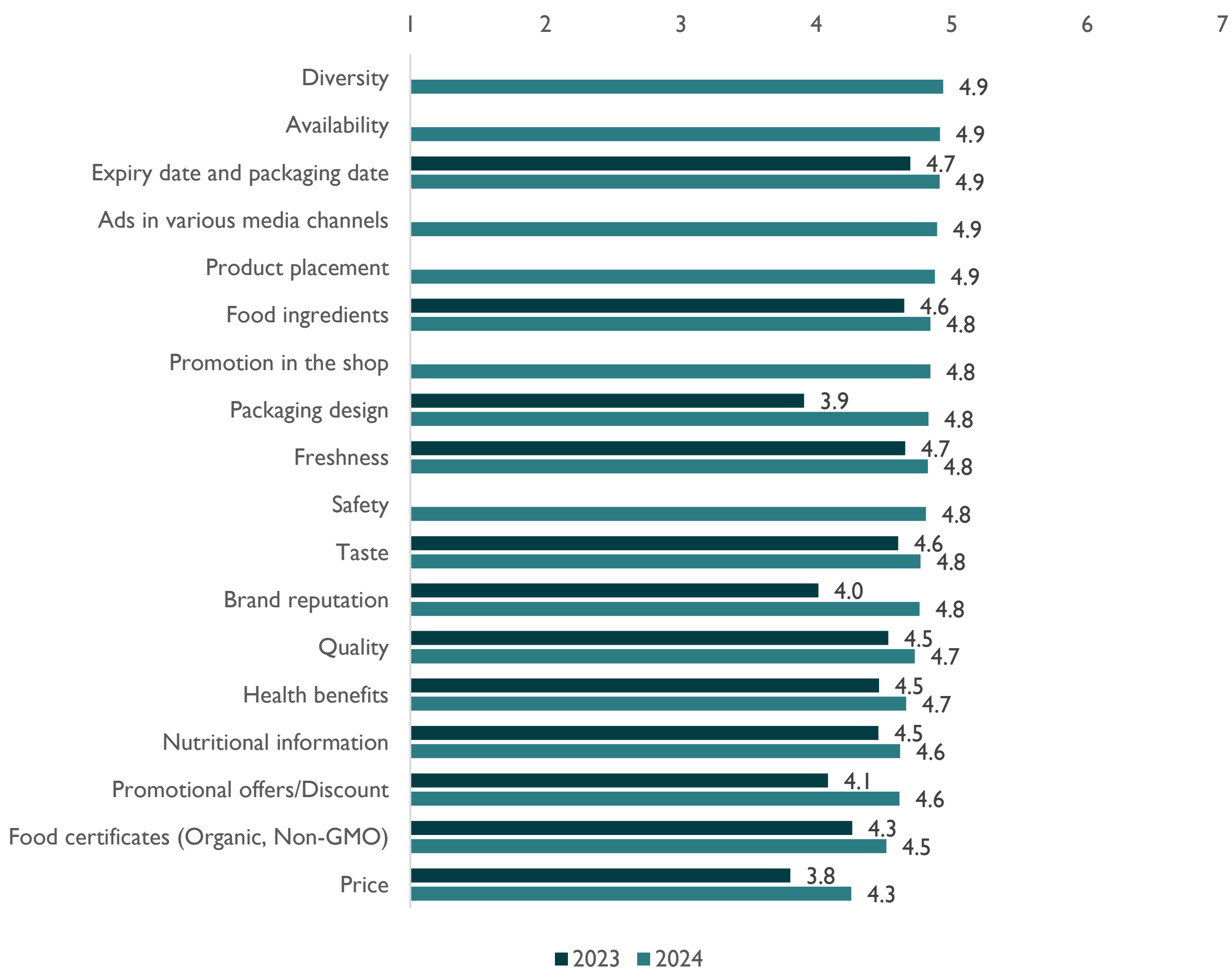

Figure 14. On a scale of 1 to 7, where 1 is not satisfied at all and 7 is very satisfied, how satisfied are you with the following attributes for domestic products?

Principal Component Analysis (PCA)

Principal Component Analysis (PCA) is a powerful statistical technique used to simplify the complexity of high-dimensional data while retaining its essential features. It works by transforming the original variables into a new set of uncorrelated variables called principal components. These components are linear combinations of the original variables and are ordered in such a way that the first component explains the largest possible variance in the data, the second component explains the second largest variance, and so on.

PCA is particularly useful for reducing the dimensionality of data when there are a large number of variables, as it can help identify patterns and relationships that may not be apparent in the original data. By reducing the number of variables, PCA can make it easier to visualize the data, identify important features, and perform further analysis.

For this analysis, we have grouped the attributes related to food products into four categories based on their similarities:

Table 6. Grouped Attributes - PCA

Product Integrity	Freshness, Safety, Taste, Quality, Nutritional Information, Health Benefits.
Access and Availability	Availability, Diversity, Expiry Date and Packaging Date.
Consumer Engagement	Packaging Design, Promotion in the Shop, Product Placement, Ads in Various Media Channels.
Market Positioning:	Brand Reputation, Food Certificates, Price, Promotional Offers/Discounts.

The results of the PCA analysis indicate the following:

1. **Product Integrity:** A coefficient of 0.500 suggests a positive and moderate relationship between "Product Integrity" and consumer satisfaction. This means that as the score for Product Integrity increases (indicating better food quality, more nutritional value, greater health benefits, and longer expiry dates), consumer satisfaction is expected to increase. The size of the coefficient (0.500) indicates the extent of impact "Product Integrity" has on consumer satisfaction. Specifically, for a one-unit increase in the Product Integrity component score, consumer satisfaction is expected to increase by 0.500 units, holding all other factors constant. This provides a quantitative measure of how important product integrity factors are in influencing consumer satisfaction.
2. **Access and Availability:** A coefficient of -0.001 suggests a very weak and negative relationship between "Access and Availability" and consumer satisfaction. This means that there is little to no impact of factors such as availability, diversity, and expiry dates on consumer satisfaction. The small size of the coefficient indicates that these factors are not significant drivers of consumer satisfaction in this analysis.
3. **Consumer Engagement:** A coefficient of 0.097 suggests a positive and moderate relationship between "Consumer Engagement" and consumer satisfaction. This means that factors such as

packaging design, promotion, product placement, and ads in various media channels can moderately influence consumer satisfaction. For a one-unit increase in the Consumer Engagement component score, consumer satisfaction is expected to increase by 0.097 units, holding all other factors constant.

4. **Market Positioning:** A coefficient of 0.013 suggests a very weak and positive relationship between "Market Positioning" and consumer satisfaction. This means that factors such as brand reputation, food certificates, price, and promotional offers have little impact on consumer satisfaction in this analysis. The small size of the coefficient indicates that these factors are not significant drivers of consumer satisfaction.

Table 7. PCA Analysis

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	5.154	0.024		214.545	0.000
Product Integrity	0.551	0.054	0.543	10.248	0.000
Consumer Engagement	0.099	0.052	0.097	1.894	0.058
Access And Availability	-0.001	0.048	-0.001	-0.025	0.980
Market Positioning	0.013	0.058	0.013	0.231	0.818

a. Dependent Variable: 8. Overall, on a scale of 1 to 7, how satisfied are you with domestic food products?

Overall, these findings suggest that focusing on Product Integrity and Consumer Engagement strategies may be more effective in enhancing consumer satisfaction with domestic food products compared to Access and Availability or Market Positioning strategies.

CONCLUSION

In conclusion, the Consumer Satisfaction Survey conducted by UBO Consulting on behalf of The Promoting Private Sector Employment (PPSE) offers valuable insights into the food purchasing habits and preferences of consumers in Kosovo. The study reveals the types of products that are most frequently purchased, the factors that influence purchasing decisions, and consumer satisfaction levels with domestic food products and their attributes.

The survey findings indicate that soups and spices, teas, and non-alcoholic beverages and fresh pastries, cookies and chocolates are the most commonly purchased food products, while alcoholic beverages, pickles, jam/marmalade/compote and ajvar, pindjur, are purchased less frequently. The most commonly purchased domestic products include water, cheese and cottage cheese, and yogurt, strained yogurt and ayran. Respondents also purchase imported food products, with teas, soups and spices, and ketchup and other sauces being the most commonly imported.

The reasons for choosing imported products are typically related to higher quality, similar or lower prices, and that imported products go through higher control through state agencies. However, respondents stated they would switch to domestic products if they were cheaper or had the same or better quality or if they were easier to find. The most important factors when choosing food products are price, quality, and food ingredients. The study also shows that the price increase has reduced the number of food products purchased, primarily due to inflation.

Most respondents are knowledgeable about certified organic products, with majority willing to pay more for such products. Finally, the survey reveals that consumers are relatively satisfied with domestic food products, particularly with diversity, availability, and expiry and packaging dates. However, promotional offers/discounts, food certificates and price received lower satisfaction.

Finally, Product Integrity and Consumer Engagement strategies may be more effective in enhancing consumer satisfaction with domestic food products compared to Access and Availability or Market Positioning strategies. In summary, the survey highlights consumer preferences and the factors influencing purchasing decisions and satisfaction levels with food products.