PROMOTING PRIVATE SECTOR EMPLOYMENT

CONSUMER SATISFACTION SURVEY

REPORT

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EXECUTIVE SUMMARY

This report presents findings from the Consumer Satisfaction Survey with domestic food products that The Promoting Private Sector Employment (PPSE) commissioned UBO Consulting to conduct between January and February 2023.

The purpose of this survey was to assess market demand and quality improvements of domestic food-related products and competitiveness of domestic products in the market through a survey with a sample of consumers, with a focus on the satisfaction of consumers with domestic processed fruit and vegetable products, related organic products and confectionary products, among others. Other factors, such as the impact of inflation on consumer demand and recommendations/suggestions of consumers on how to improve products in a manner that addressed customer concerns, were also assessed.

UBO Consulting utilized a quantitative data collection methodology for this survey through Computer Assisted Personal Interviewing (CAPI). The sample design included 1068 interviews conducted with Albanian and other ethnic groups who live in Kosovo.

KEY FINDINGS

- The three most consumed products that respondents buy at least less than once a month are soups and spices (99%), teas (98%), and non-alcoholic drinks (97%).
- A large percentage of respondents do not buy/consume alcoholic beverages (65%), pickles (peppers, cucumbers, cabbage, and others) (55%), ajvar, pindjur and similar (35%), and jam/marmalade/compote (35%).
- Domestic products are preferred by most respondents for listed items, with yogurt, strained yogurt, and ayran (95%), water (94%), cheese and cottage cheese (94%), milk (89%), sour cream (89%), and pickles (84%) being the most commonly purchased as domestic products.
- The food products such as soups and spices (32%), jams/marmalade/compote (28%), ketchup, and other sauces (21%) were the products most commonly bought as imports by consumers.
- Three main reasons that respondents buy imported products instead of domestic ones were: imported products are of a higher quality (59%), imported products have the same or lower price than domestic products (59%), and imported products are tastier (34%).
- Respondents that buy imported products declared they would buy domestic ones if the price was lower than imported products (80%), if the quality was the same or better than imported products (76%), and if local/national government would provide a subsidy for the product (22%), and if domestic products were easier to find/locate (21%).
- Forty-three percent of the respondents make decisions about purchasing food products at home before they go to the store; 19 percent make their decisions while in the store, and 38 percent decide what to buy sometimes at home and sometimes at the store.
- Price (72%), quality (70%), and food ingredients (44%) are the most important attributes for respondents when choosing food products.
- Sixteen percent of the respondents find the product origin as one of the three most important factors when selecting food products.
- More than half of the respondents (56%) purchased fewer food products than last year; 37% reported that the number of products they purchased remained the same, while only 6% 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 (91%).

- Sixty-six percent of the respondents know what a certified organic product is, while 34% do not.
- Respondents that knew what a certified organic product is (n=700) were asked to indicate their willingness to pay more for organic products. Half of the respondents (50%) were willing to pay more for such products, while the other half (50%) were not. Among those willing to pay more, 78% would pay up to 15% more, 20% would pay 15-30% more, and only 2% 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 4.33.
- The attributes of domestic food products that received the highest satisfaction scores were expiry and packaging date (4.69), freshness (4.66), food ingredients (4.65), taste (4.60), and quality (4.53).
- Respondents reported lower levels of satisfaction with promotional offers/discounts (4.09), brand reputation (4.01), packaging design (3.91), and price (3.81).

BACKGROUND OF THE PROJECT

PPSE is currently in the first year of its 2021-2025 implementation phase, which is primarily focused on the Food and Natural Ingredients (FNI) and Tourism sectors.

Regarding the Food and Natural Ingredients (FNI) sector, the project's main areas of focus include product development, contracted production expansion of organic production, product development, advocacy, and promotion. To achieve its goals, PPSE collaborates and partners with various actors, including SMEs, sector associations (Organika- Association of Organic NWFP and MAPs producers, and PePeKo - Association of Fruits and Vegetable processors), and other relevant actors in promoting support services.

One of the project's primary objectives is to support sector actors in becoming more competitive in the market. By increasing access to knowledge, new technologies, and marketing services, PPSE supports market actors, leading to an increase in the number of food products in the market, innovation quality, and healthy-related products.

PPSE conducts regular annual impact assessments of each intervention area by surveying PPSE partners and beneficiary SMEs, such as food processors, collection centers, nurseries, and contracted farmers. The goal of the impact assessment is to evaluate the PPSE interventions' impact in the selected sub-sectors, monitoring and measuring SMEs' growth, sector developments, and understanding sector trends. These data will help PPSE improve and design better interventions that address sector constraints.

In addition to PPSE's impact assessment, based on the needs of sector actors, represented through sector associations Organika and PePeKo, PPSE aimed to assess market demand and quality improvements of domestic food-related products and competitiveness of domestic products in the market. This assessment was conducted through a survey with a sample of 1068 consumers throughout Kosovo, focusing on the satisfaction of consumers with domestic processed fruit and vegetable products, organic-related products, and confectionery products, among others. Other factors, such as the impact of inflation on consumers' demand and recommendations/suggestions of consumers on how to improve products in a way that addresses customer concerns, were also assessed.

As part of this assignment, in collaboration with sector associations Organika and PePeKo, PPSE commissioned UBO Consulting to conduct a consumer satisfaction survey.

METHODOLOGY

UBO Consulting conducted a Consumer Satisfaction Survey between January and February 2023 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. After data collection and cleaning, the survey dataset was weighted to address any over or under-sampling of gender. The sampling weights were applied to adjust the data so that it would be representative of the true population.

Table 1. Distribution of interviews per municipality

MUNICIPALITY	NUMBER OF INTERVIEWS
Prishtinë	100
Mitrovicë	67
Gjilan	62
Pejë	55
Prizren	97
Gjakovë	57
Podujevë	51
Vushtrri	47
Skënderaj	37
Klinë	23
Istog	22
Deçan	21
Dragash	24
Suharekë	40
Rahovec	38
Viti	30
Kamenicë	21
Lipjan	33
Shtime	16
Ferizaj	68
Kacanik	19
Fushë Kosovë	19
Obiliq	13
Novobërdë	6
Shtërpcë	7
Drenas	33
Malisheve	41
Junik	3
Mamushë	3
Hani i Elezit	5
Graçanicë	10
Total	**1068**

Initial analysis of field data was carried out by standard means: quantitative survey data was processed using standard evaluation software, stored in individual files in Excel and SPSS, then used to generate numerically based analysis. The purpose of data analysis is to provide answers to the research question being studied. In this case, to answer the research questions listed by the PPSE, UBO Consulting produced a report which relies on descriptive statistics. Descriptive statistics is a powerful tool for data analysis because it provides a comprehensive summary of the data, is easy to understand, can be used for hypothesis testing, and can identify data quality issues. UBO Consulting research team used proper statistical tests based on the project's requirements.

Additionally, to find correlations between data based on various variables, UBO Consulting research team analyzed cross-tabulations based on gender, age, and settlement. These were further utilized to uncover the raw data's patterns, trends, and probabilities. Finally, after the data analysis, research findings are presented comprehensively and organized using tables and charts.

STUDY RESULTS

DEMOGRAPHICS

As mentioned above, the total number of respondents surveyed was 1,068 throughout 31 municipalities of Kosovo. The study consisted of 60 percent male and 40 percent female respondents. Moreover, 56 percent of the respondents were from urban areas, while 44 percent were from rural areas.

As per the age distribution of respondents, 14 percent were 18-24 years old, 20 percent were 25-34 years old, and 9 percent fell in the 35-44 age group. The highest percentage (28%) were 45-54 years old; 20 percent were 55-64, and 9 percent were 65 or older. The majority of respondents were ethnic Albanian (1034 out of 1068), followed by Ashkali (9), Goran (8), Turkish (6), Bosnian (5), Roma (5), and Serb (1).

Fifty-nine percent of the surveyed citizens were the head of the family, while 41 percent had a different status in the family. Forty-nine percent of the respondents were employed, while 51 percent were unemployed. Of those employed, 21 percent work in the public sector, and 79 percent work in the private sector.

Consumer Preferences towards Domestic and Imported Food Products

This sector of the study explores consumers' food purchasing habits and preferences in Kosovo, focusing specifically on their preferences for domestic and imported food products. The section examines the types of products most commonly purchased, the reasons for choosing domestic or imported products, and the factors influencing purchasing decisions.

Firstly, respondents were asked how often they buy the listed products. In general, the three most consumed products, that respondents buy at least less than once a month, are soups and spices (99%), teas (98%), and non-alcoholic drinks (97%). However, more than 90 percent of the respondents also consume/buy fresh pastries, cookies and chocolates (96%), milk (93%), cheese and cottage cheese (92%), yogurt, strained yogurt, and ayran (92%), dried fruits and nuts (92%), sour cream (92%), and ketchup and other sauces (91%). In the meantime, milk is the product that 21 percent of the respondents buy several times a week, followed by yogurt, strained yogurt, and ayran (19%) and non-alcoholic drinks (19%). In contrast, a high percentage of respondents declared that they do not buy/consume alcoholic beverages (65%), pickles (peppers, cucumbers, cabbage, and others) (55%), ajvar, pindjur and similar (35%), jam/marmalade/compote (35%), and water (20%).

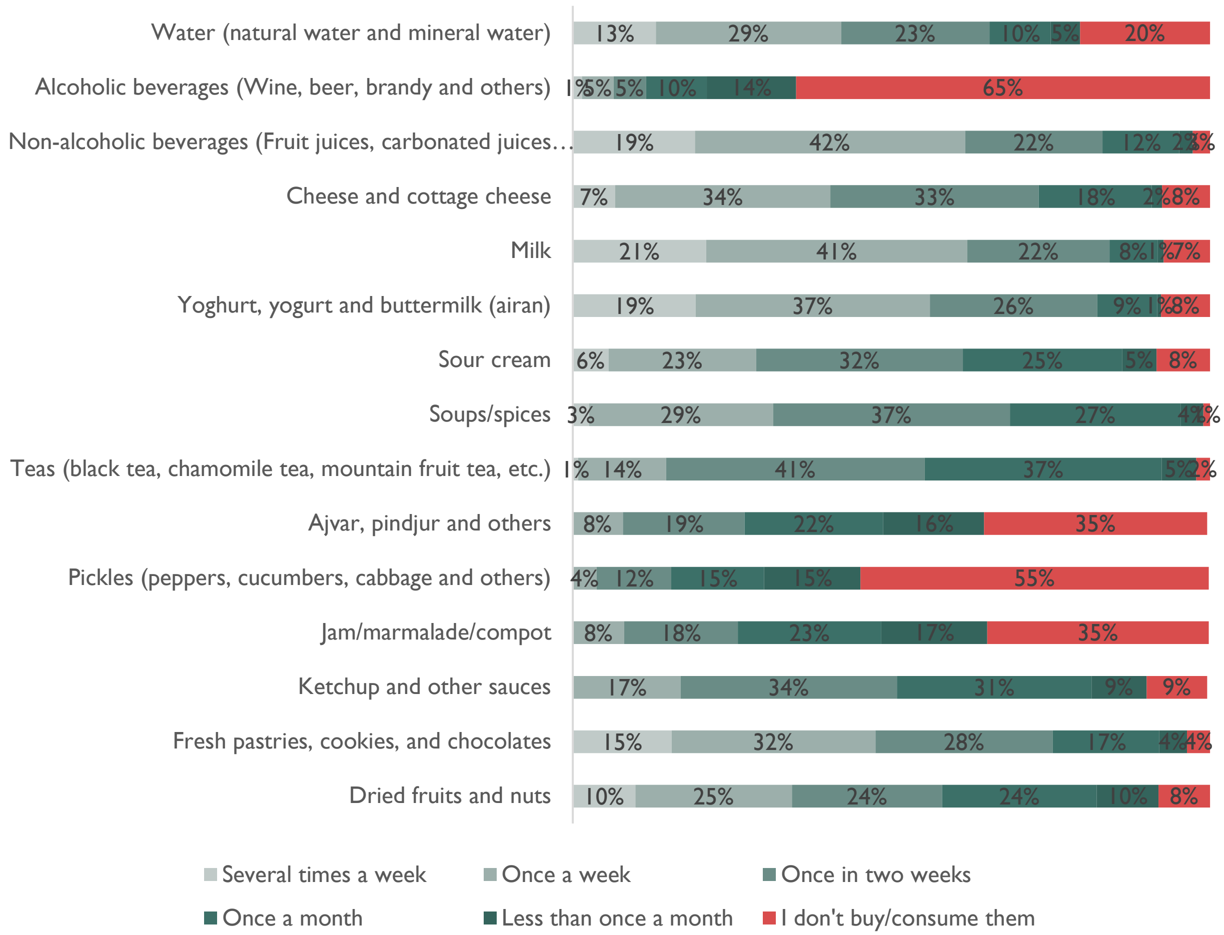

Figure 1. How often do you buy the food products listed below?

Further analysis was conducted by age group, which revealed that 83% of the respondents in the 25-34 age group purchased water at least less than once a month, indicating a higher frequency compared to other age groups. Additionally, the respondents in the 45-54 age group were found to purchase the most alcoholic beverages (38%), while nearly all respondents (99.1%) in the 18-24 age group reported purchasing non-alcoholic drinks. It is noteworthy that these percentages were higher than those reported in other age groups for the same products.

*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	19%	12%	13%	12%	11%	13%
	Once a week	24%	35%	28%	27%	30%	29%
	Once in two weeks	20%	20%	22%	28%	20%	28%
	Once a month	10%	11%	11%	9%	10%	8%
	Less than once a month	6%	5%	5%	1%	10%	2%
	I don't buy/consume them	21%	17%	21%	23%	20%	20%
Alcoholic beverages (Wine, beer, brandy and others)	Several times a week	1%	1%	2%	1%	2%	3%
	Once a week	5%	6%	8%	5%	3%	3%
	Once in two weeks	6%	7%	4%	6%	2%	4%

	Once a month	7%	9%	11%	10%	12%	5%
	Less than once a month	15%	12%	10%	15%	15%	15%
	I don't buy/consume them	66%	65%	65%	62%	66%	70%
Non-alcoholic beverages (Fruit juices, carbonated juices and others)	Several times a week	27%	18%	21%	21%	14%	12%
	Once a week	41%	41%	42%	42%	44%	46%
	Once in two weeks	14%	24%	25%	20%	24%	20%
	Once a month	16%	14%	8%	10%	12%	12%
	Less than once a month	1%	1%	0%	3%	2%	7%
	I don't buy/consume them	1%	2%	3%	3%	5%	2%

The data reveals differences in the frequency of milk product purchases among respondents across different age groups. Specifically, 9 percent of individuals in the 18-24 age group reported buying cheese and cottage cheese, as well as sour cream, several times a week. Further, 24 percent of respondents in both the 25-34 and 65+ age groups reported buying milk several times a week. Additionally, 22 percent of respondents in the 18-24 age group reported buying yogurt, strained yogurt, and ayran several times a week. *It is noteworthy that these percentages were significantly higher than those reported in other age groups for the same 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	9%	7%	8%	7%	4%	6%
	Once a week	32%	35%	33%	32%	36%	35%
	Once in two weeks	32%	27%	36%	34%	35%	33%
	Once a month	17%	22%	12%	18%	17%	16%
	Less than once a month	2%	1%	4%	1%	1%	4%
	I don't buy/consume them	8%	7%	8%	8%	7%	7%
Milk	Several times a week	18%	24%	21%	21%	18%	24%
	Once a week	42%	37%	44%	38%	45%	47%
	Once in two weeks	26%	22%	20%	26%	20%	15%
	Once a month	5%	10%	3%	7%	10%	8%
	Less than once a month	1%	1%	4%	0%	1%	0%
	I don't buy/consume them	8%	6%	9%	8%	6%	7%
Yogurt, strained yogurt and ayran	Several times a week	22%	17%	18%	20%	18%	20%
	Once a week	40%	37%	37%	33%	36%	44%
	Once in two weeks	20%	26%	29%	30%	29%	18%
	Once a month	12%	12%	4%	8%	9%	10%
	Less than once a month	0%	0%	3%	0%	1%	1%
	I don't buy/consume them	7%	7%	9%	8%	7%	7%
Sour cream	Several times a week	9%	5%	7%	5%	4%	4%
	Once a week	26%	23%	23%	21%	24%	26%
	Once in two weeks	23%	33%	33%	38%	33%	28%
	Once a month	31%	25%	21%	21%	26%	31%
	Less than once a month	3%	6%	7%	6%	5%	1%
	I don't buy/consume them	8%	7%	9%	9%	8%	11%

The study findings also revealed that certain age groups showed a higher likelihood of purchasing different food products. For instance, all respondents (100%) in the 55-64 age group reported purchasing soups and spices, and 99% of individuals in the 45-54 age group purchased teas. Similarly, 70% of respondents aged 65 or older reported purchasing ajvar, pindjur, and other similar products.

In contrast, pickles were more commonly purchased by individuals in the 25-34 age group, with 47% of respondents reporting such purchases. Furthermore, 71% of individuals in the 45-54 age group reported purchasing jams, marmalade, or compote, while 94% of respondents aged 35-44 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 98% of individuals in the 18-24 age group, and dried fruits and nuts, which were purchased by 99% of individuals in the 35-44 age group. It is noteworthy that these percentages were significantly higher than those reported in other age groups for the same products.

*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	2%	4%	1%	3%	2%	2%
	Once a week	28%	31%	34%	26%	27%	34%
	Once in two weeks	37%	31%	40%	39%	39%	40%
	Once a month	25%	31%	23%	29%	26%	20%
	Less than once a month	6%	3%	2%	2%	6%	2%
	I don't buy/consume them	2%	1%	1%	1%	0%	2%
Teas (black tea, chamomile tea, mountain fruit tea, etc.)	Several times a week	1%	2%	0%	0%	1%	1%
	Once a week	19%	11%	18%	13%	10%	18%
	Once in two weeks	37%	33%	46%	42%	45%	46%
	Once a month	33%	48%	28%	38%	34%	31%
	Less than once a month	7%	4%	6%	5%	8%	1%
	I don't buy/consume them	4%	2%	2%	1%	2%	2%
Ajvar, pindjur and others	Several times a week	0%	0%	1%	1%	0%	1%
	Once a week	6%	9%	10%	7%	5%	15%
	Once in two weeks	21%	17%	21%	19%	20%	18%
	Once a month	22%	24%	15%	22%	21%	24%
	Less than once a month	14%	16%	15%	20%	14%	11%
	I don't buy/consume them	37%	33%	39%	33%	39%	30%
Pickles (peppers, cucumbers, cabbage and others)	Several times a week	1%	0%	0%	0%	0%	0%
	Once a week	4%	4%	4%	3%	3%	8%
	Once in two weeks	10%	10%	12%	15%	11%	8%
	Once a month	16%	19%	8%	13%	15%	13%
	Less than once a month	13%	15%	19%	14%	16%	14%
	I don't buy/consume them	56%	53%	57%	54%	55%	57%
Jam/marmalade/compot	Several times a week	0%	0%	1%	0%	0%	0%
	Once a week	6%	8%	9%	8%	7%	10%
	Once in two weeks	17%	23%	15%	18%	14%	15%
	Once a month	25%	20%	23%	26%	21%	16%
	Less than once a month	12%	17%	14%	18%	15%	25%
	I don't buy/consume them	39%	32%	38%	29%	42%	34%
Ketchup and other sauces	Several times a week	1%	1%	1%	0%	0%	1%
	Once a week	20%	15%	26%	14%	15%	21%
	Once in two weeks	31%	34%	32%	40%	32%	27%
	Once a month	34%	35%	28%	30%	30%	21%
	Less than once a month	6%	8%	6%	8%	11%	13%
	I don't buy/consume them	8%	7%	6%	9%	12%	17%
Fresh pastries, cookies, and chocolates	Several times a week	18%	17%	20%	16%	11%	12%
	Once a week	33%	29%	29%	35%	31%	35%

	Once in two weeks	25%	28%	28%	25%	34%	26%
	Once a month	19%	18%	17%	17%	16%	11%
	Less than once a month	2%	5%	4%	4%	5%	8%
	I don't buy/consume them	2%	3%	3%	3%	4%	9%
Dried fruits and nuts	Several times a week	15%	9%	10%	10%	6%	8%
	Once a week	23%	25%	34%	23%	24%	21%
	Once in two weeks	23%	24%	24%	23%	23%	26%
	Once a month	23%	27%	18%	23%	26%	28%
	Less than once a month	9%	7%	13%	11%	10%	11%
	I don't buy/consume them	7%	8%	1%	9%	11%	7%

Respondents who declared that they bought and/or consumed the above-listed products were further asked if they purchased them domestically or imported. This graph depicts the proportion of domestically bought products versus imported ones, as reported by the respondents. The data indicate that domestic options were preferred for most of the products. Notably, yogurt and buttermilk (95%), water (94%), cheese and cottage cheese (94%), milk (89%), sour cream (89%), and pickles (84%) were the most frequently purchased domestic products.

On the contrary, soups and spices (32%), jams/marmalade/compote (28%), ketchup, and other sauces (21%) were the products most commonly bought as imports by the respondents. In the meantime, respondents declared that they buy imported and domestic fresh pastries, cookies, and chocolates (36%), alcoholic beverages (35%), and dried fruits and nuts (26%). Additionally, respondents reported purchasing both imported and domestic fresh pastries, cookies, and chocolates (36%), alcoholic beverages (35%), and dried fruits and nuts (26%).

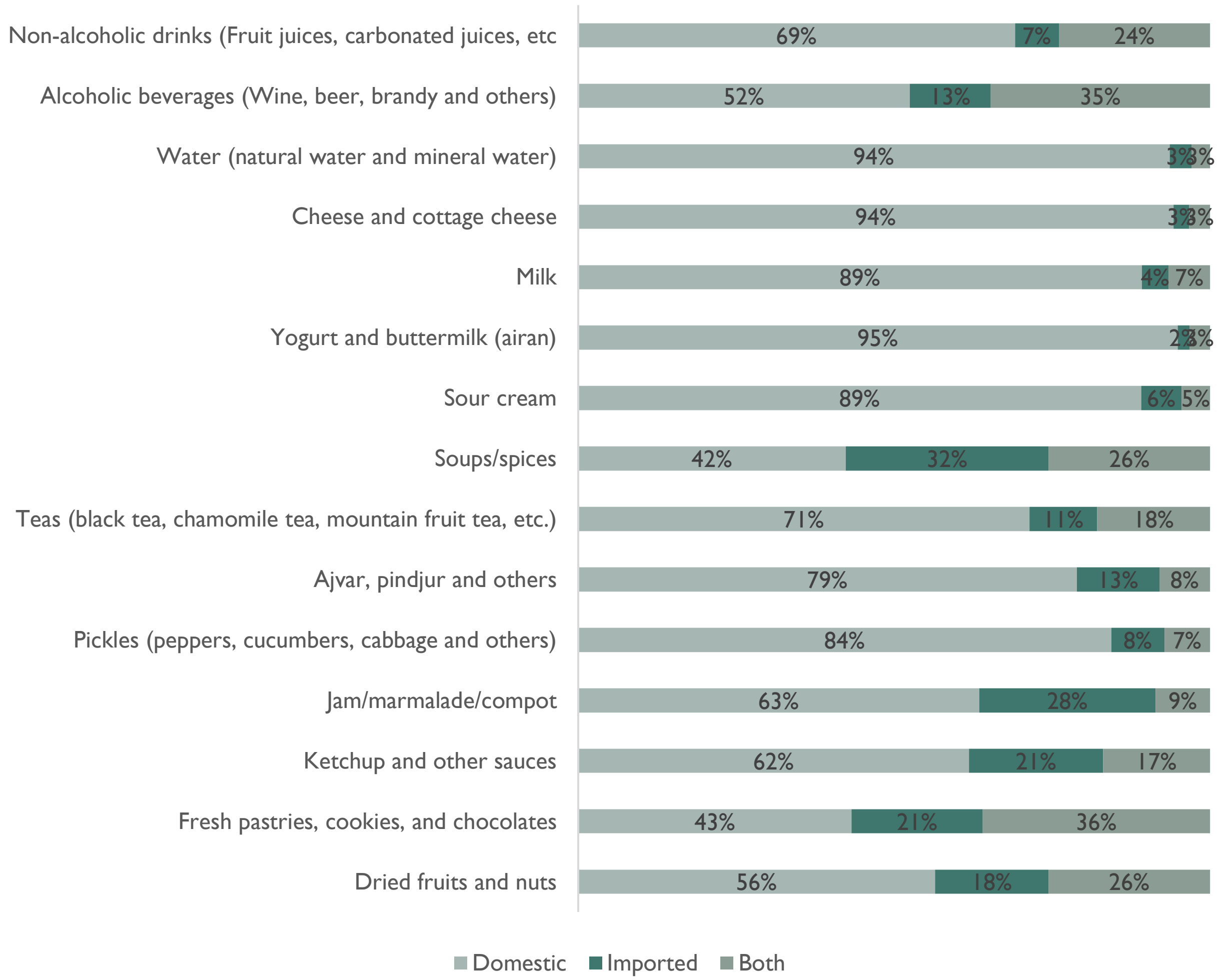

Figure 2. When you usually buy these products, are they domestic or imported? (The list shows only the products for which the respondent has declared that he buys them at least 'less often than once a month')

Respondents who reported buying domestic and imported products were asked to estimate the percentage of their domestic versus imported purchases. The data was accumulated with the previous question and is analyzed and presented in the graph below, revealing a difference in findings.

Among the most frequently purchased domestic products were yogurt, strained yogurt, and ayran (97%), cheese and cottage cheese (96%), and water (96%). Conversely, the most commonly imported products were soups and spices (46%), fresh pastries, cookies and chocolates (39%), and jam/marmalade/compote (32%).

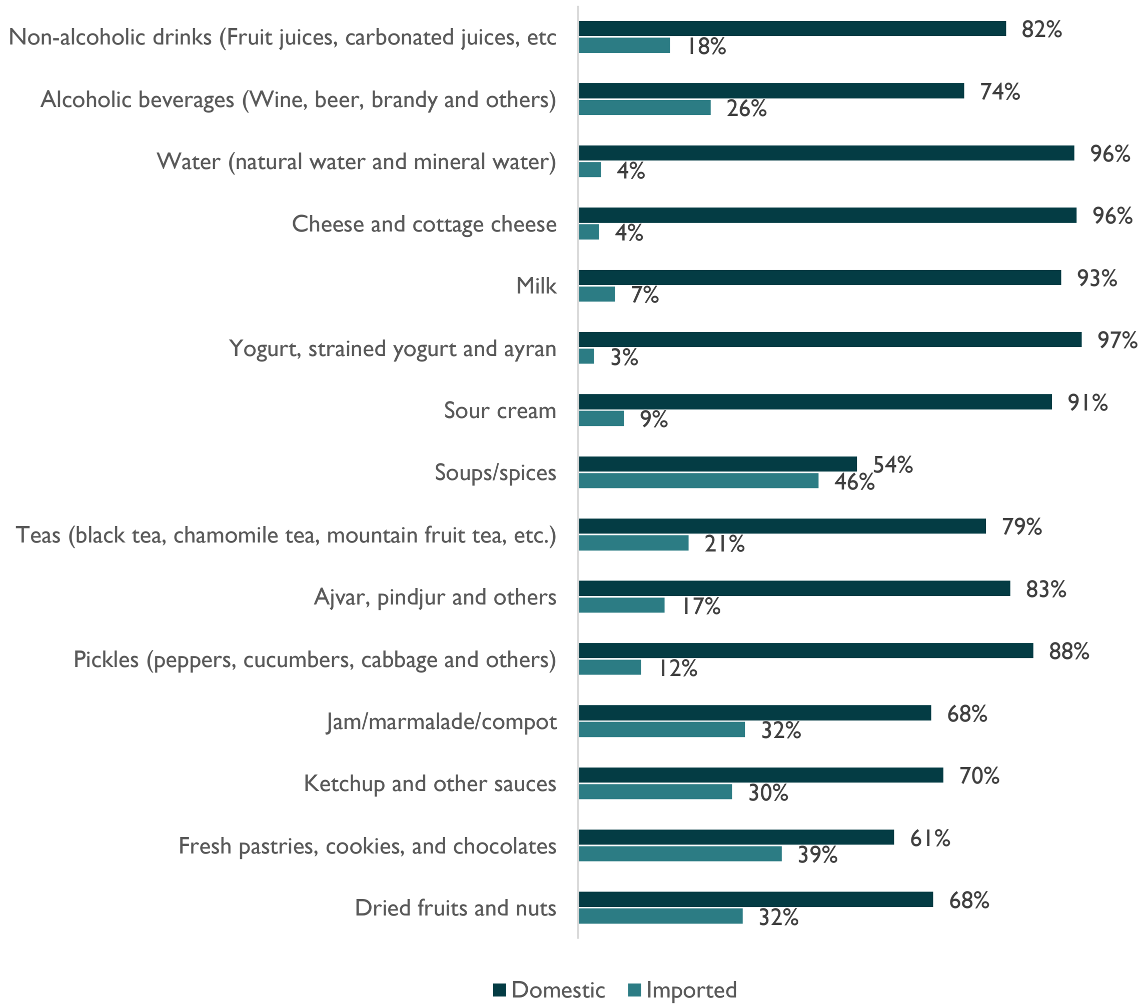

Figure 3. When you usually buy these products, are they domestic or imported? & If 'both', approximately what percentage of purchases are domestic products and what percentage are imported products?

Those who declared they buy/consume imported food products were further asked what makes them choose the imported rather than the domestic one. The results indicate that 59 percent of the respondents choose imported products because they are of a higher quality. Furthermore, the same share of respondents (59%) stated that imported products have the same or lower prices than domestic products. A large percentage of respondents (34%) declared that imported products are tastier, while 23 percent stated that these products are safer than domestic ones. Fourteen percent believe that imported products go through a higher control through state agencies, and 10 percent think that imported products have better packaging than domestic ones.

Figure 4. If imported, what makes you choose the imported product?

Upon analyzing the same question by gender, a notable difference was observed in why males and females choose to buy imported food products over domestic ones. Sixty-three percent of men buy imported products because they perceive them to be higher quality, a larger percentage when compared to women (55%). In addition, 62 percent of men think that imported products have the same or lower price than domestic products, and 57 percent of women think the same. Moreover, 36 percent of men find imported food products tastier, a higher percentage than women (31%). It is also noticed that a larger proportion of women (23%) find it difficult to identify the domestic product, leading them to purchase imported ones, a higher percentage when compared to men that declared the same (17%).

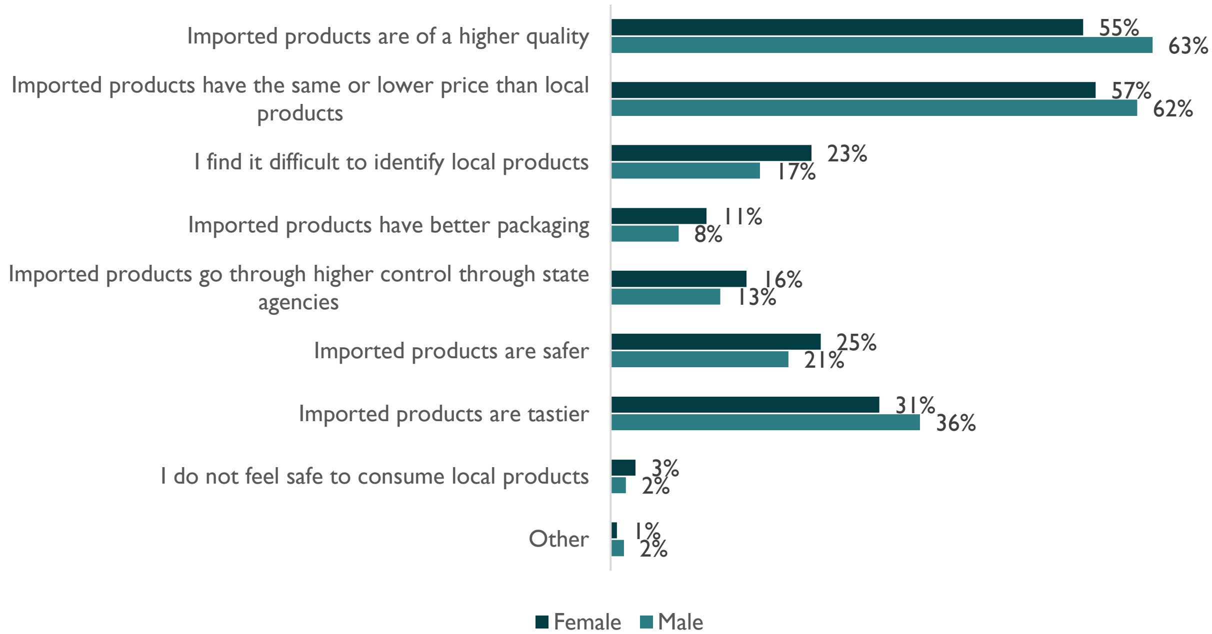

*Figure 5. If imported, what makes you choose the imported product? *Gender*

Most respondents (80%) indicated that they would purchase domestic products in the future if the price were lower than the price of the imported product, followed by 76 percent of respondents who would buy domestic products if their quality was equal to or better than that of imported products. A smaller proportion of respondents (22%) stated that they would be influenced if the local or national government provided a subsidy for the product. Furthermore, 21 percent of respondents would opt for domestic products if they were easier to locate, for instance, if they were placed in a specific section separate from imported products. Finally, 19 percent of respondents said they would be influenced to buy domestic products if the design was superior to imported products.

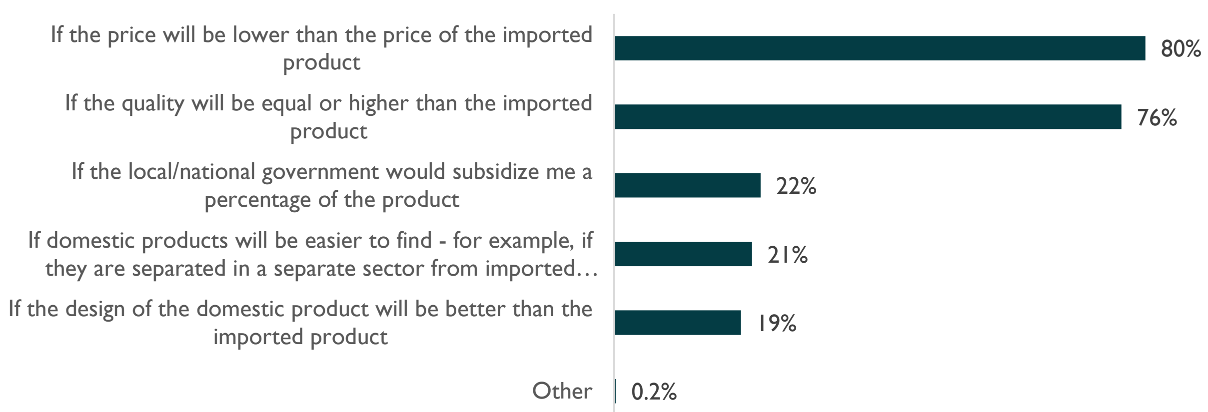

Figure 6. If imported, what would influence you to buy this product domestic in the future?

The data analysis based on settlement of the respondents, revealed a difference in what would influence them to buy a domestic product instead of an imported one. Specifically, 81 percent of respondents residing in rural areas stated that they would buy domestic products if their quality was equal to or better than that of imported products, whereas this percentage was slightly lower for respondents from urban areas (73%).

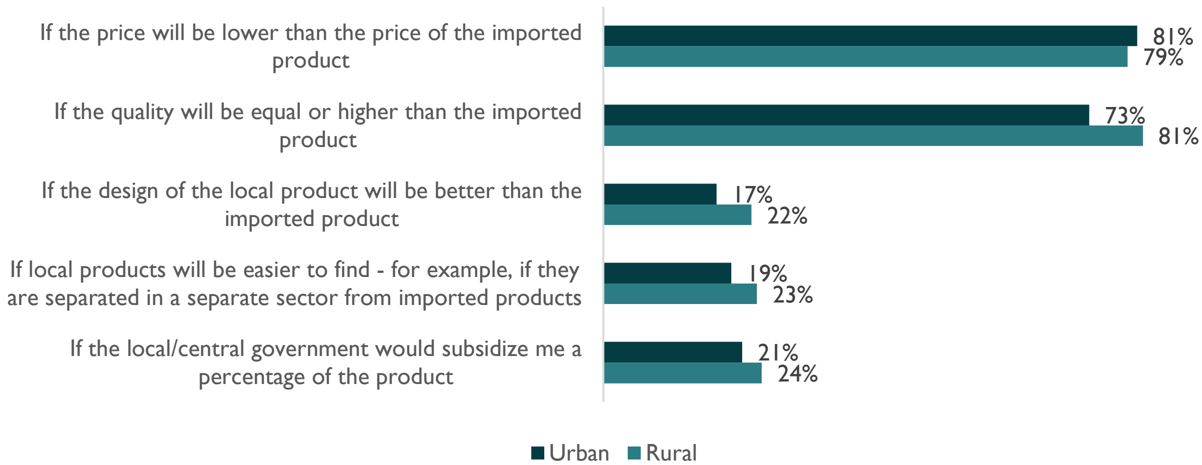

*Figure 7. If imported, what would influence you to buy this product domestically in the future? *Settlement*

Of the respondents, a significant proportion (43%) reported that they make their decisions about purchasing food products at home before going to the store. In contrast, 19 percent of participants make decisions in the store after examining the available products. The remaining respondents (38%) reported that they sometimes make decisions at home and sometimes in the store. Notably, a very small proportion of respondents (0.12%) who reported an alternate approach were asked to provide a specific reason. They said they rely on someone from their family calling them while they are out to tell them what to buy.

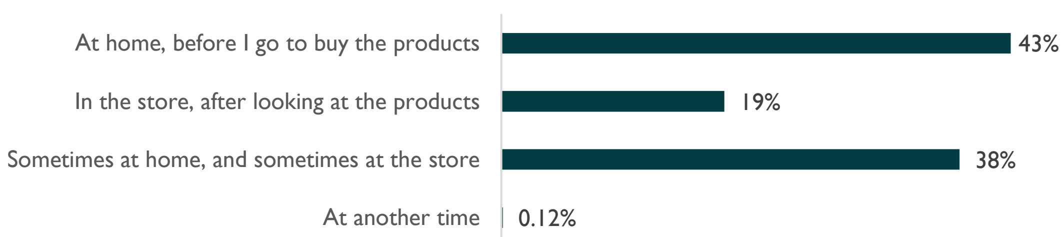

Figure 8. Usually, when you buy food products, you decide what to buy in:

Key Attributes for Food Products

This sector of the study focuses on the key attributes that influence the purchasing decisions of consumers in Kosovo when it comes to food products. The section examines the importance of price, quality, food ingredients, packaging design, promotional offers/discounts, etcetera.

The graph below illustrates that the majority of respondents consider the price (72%), quality (70%), and food ingredients (44%) to be the most important attributes when choosing food products. In contrast, food certificates (2%), packaging design (6%), and brand reputation (8%) are considered to be the least important attributes. *In addition to that, 16 percent of the respondents find the product origin as one of the three most important factors when selecting food products.*

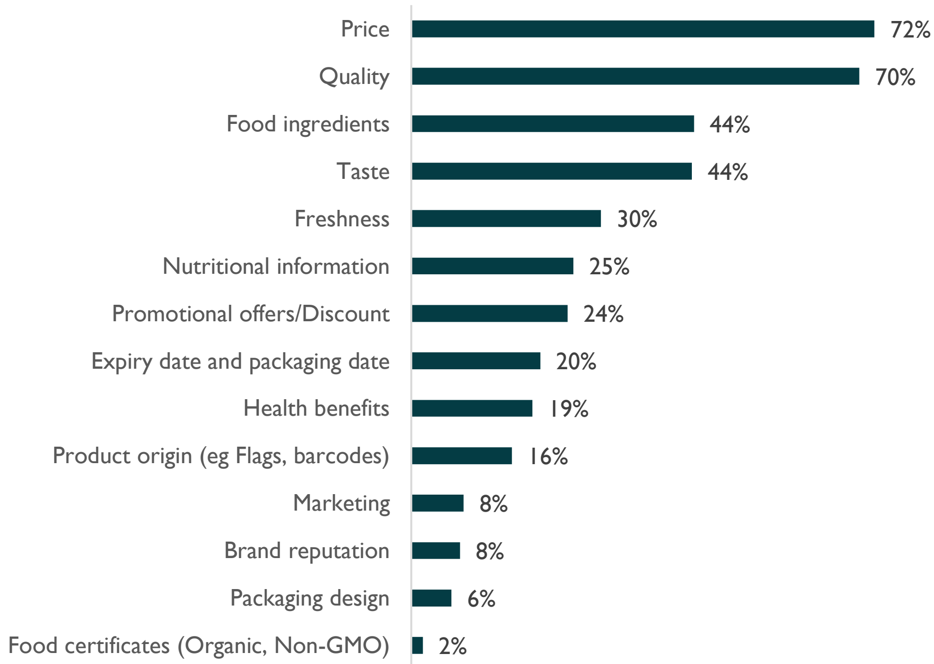

Figure 9. What are the 3 (three) most important attributes when selecting food products?

The data analysis based on settlement revealed notable differences in the attributes considered most important by respondents when selecting food products. For respondents residing in urban areas, price (71%), quality (68%), and food ingredients (48%) were identified as the top three attributes. In the meantime, for respondents residing in rural areas, price (75%), quality (73%), and taste (41%) were deemed the most important attributes.

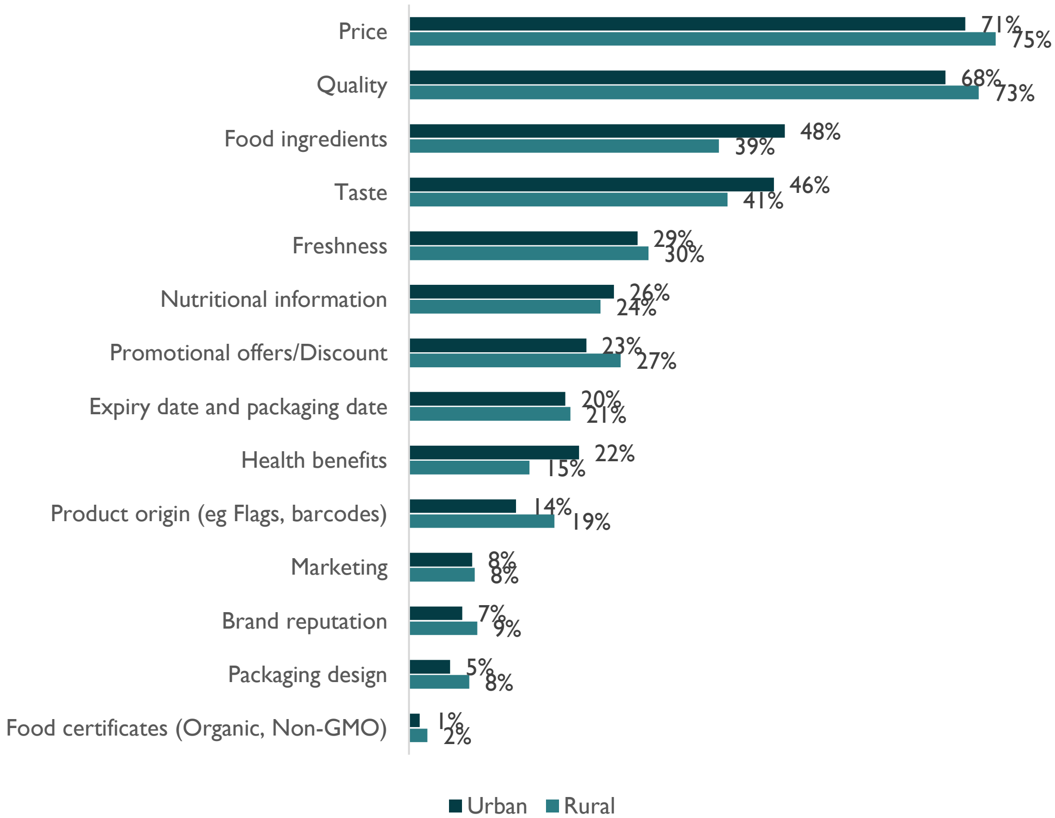

*Figure 10. What are the 3 (three) most important attributes when selecting food products? *Settlement*

Based on the data presented in Table 1, it is evident that the key attributes for food product selection vary among different age groups. Price, quality, and taste are the three most salient attributes for the age cohorts of 18-24 and 25-34. In the meantime, price, quality, and food ingredients are considered the top three factors for the age groups of 35-44, 45-54, 55-64, and 65 years or older.

Furthermore, it is noteworthy that while price and quality remain the important attributes across all age groups, there are notable differences in the importance assigned to taste and food ingredients. Specifically, younger consumers (aged 18-34) prioritize taste as the third most crucial attribute. Respondents aged 35 or older attach greater importance to food ingredients as the third most significant factor in their food product selection.

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

Age Group	1st	2nd	3rd
18-24	Price	Quality	Taste
	77%	68%	44%
25 - 34	Quality	Price	Taste
	69%	68%	48%
35 - 44	Price	Quality	Food ingredients

	78%	64%	42%
45 - 54	Quality	Price	Food ingredients
	73%	72%	48%
55 - 64	Price	Quality	Food ingredients
	73%	69%	47%
65+	Quality	Price	Food ingredients
	77%	69%	50%

The data analysis based on gender revealed notable differences in the attributes considered most important by respondents when selecting food products. For female respondents, price (76%), quality (69%), and food ingredients (45%) were identified as the top three attributes. In the meantime, for male respondents, quality (72%), price (68%), and taste (43%) were deemed the three most important attributes.

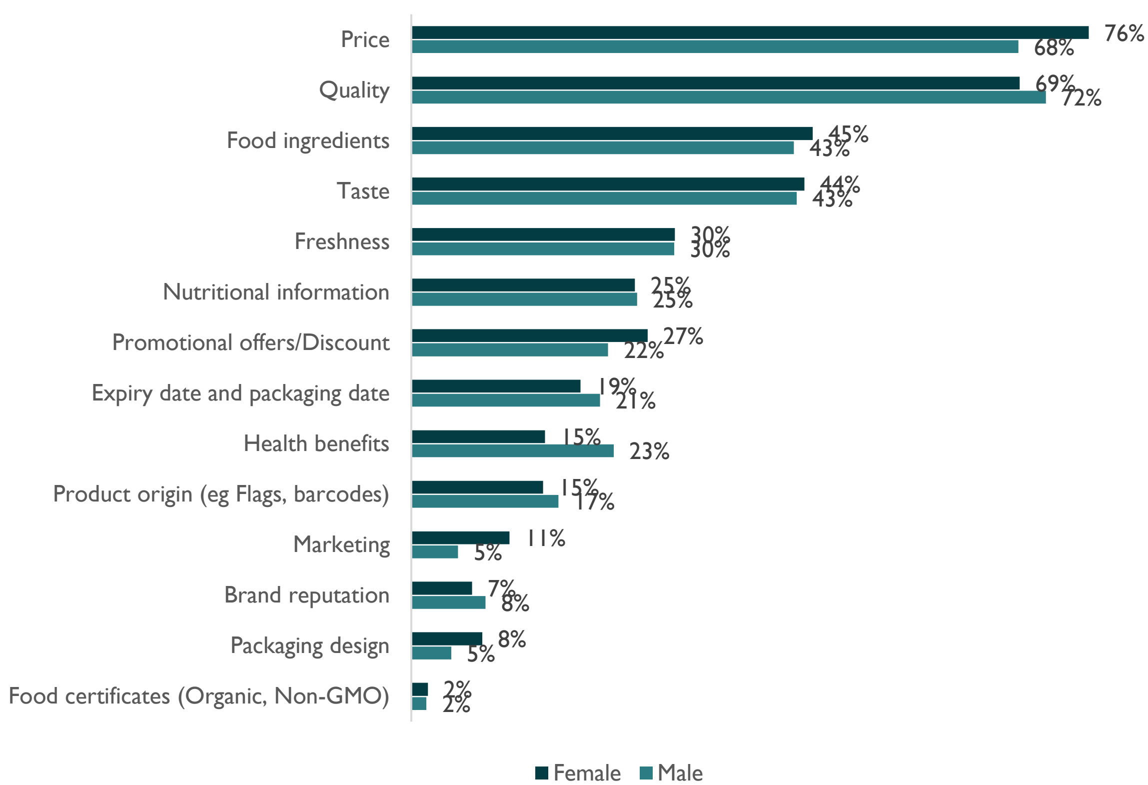

*Figure 11. What are the 3 (three) most important attributes when selecting food products? *Gender*

Over half of the respondents (56%) reported purchasing fewer food products compared to the previous year, while only 6% reported buying more. Meanwhile, 37% of respondents reported that the number of products they purchased remained the same.

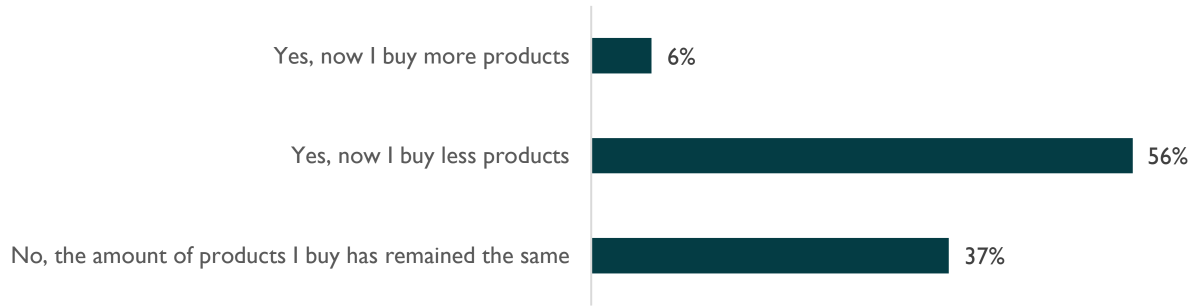

Figure 12. Compared to last year, has the amount/quantity of food products you buy changed?

As shown in the graph below, 63 percent of the respondents from rural areas declared that they buy fewer food products than last year, showing a significant difference compared to respondents from urban areas that declared the same (51%).

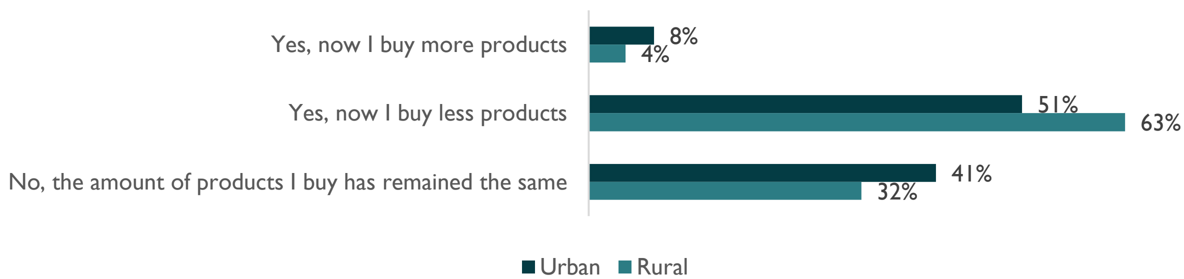

*Figure 13. Compared to last year, has the amount/quantity of food products you buy changed? *Settlement*

Among the respondents who reported purchasing fewer products (n=603) than the previous year, a follow-up question was posed to determine the reasons for their reduced purchasing habits. The vast majority of the respondents (91%) indicated that the price increase was the primary reason for purchasing fewer products. A smaller proportion of respondents (8%) cited a decreased income as the reason for their reduced purchases. Additionally, one percent of respondents reported that health concerns were the primary factor influencing their decision to reduce the consumption of processed food products. Additionally, in the category labeled as "other," respondents provided open-ended responses explaining the reasons for their reduced food product consumption. Some respondents mentioned that their overall food consumption had decreased, while others noted that their family size had decreased, leading to a reduction in the number of food products they purchased. Lastly, less than one percent (0.14%) of the respondents cited food waste as their reduced purchasing habits.

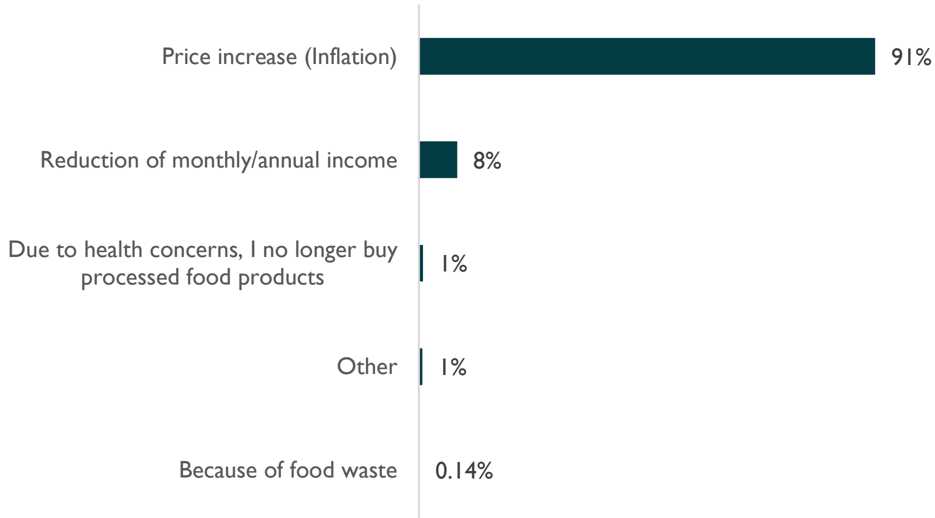

Figure 14. If you buy less products, what are the reasons?

Furthermore, the respondents who reported purchasing more food products compared to the previous year (n=67) were asked to specify the reasons for their increased purchasing habits. Most of these respondents (47%) cited the variety of available products on the market as the primary reason for their increased purchases. A smaller proportion of respondents (22%) attributed increased purchases to increased income. Additionally, some respondents (19%) cited discounts and promotional offers as the reason for increased purchases. A small number of respondents (7%) reported that marketing and advertising influenced their purchase of more food products. The remaining respondents (6%) selected the "other" category and were further asked to specify their reasons. Responses included having a relative who now works abroad, an increase in the standard of living, and an increase in the food consumption needs of their family.

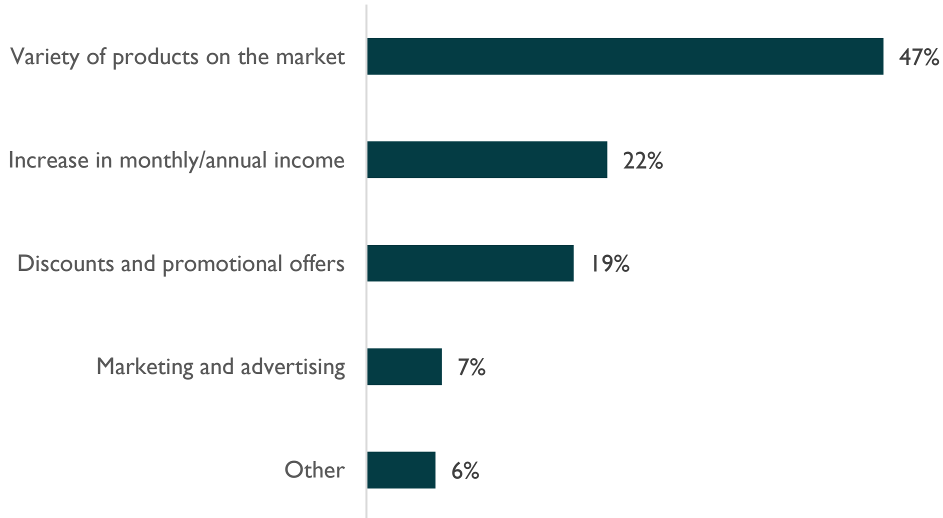

Figure 15. If you buy more products, what are the reasons?

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 findings revealed that a significant proportion of the respondents (66%) demonstrated familiarity with certified organic products. In comparison, 34% of the respondents reported a lack of knowledge regarding this topic. Additionally, respondents that knew what a certified organic product is (n=700) were asked to indicate their willingness to pay more for organic products. Half of the respondents (50%) reported that they were not willing to pay more for such products, while the other half reported that they were willing to do so. These findings provide valuable insights into consumer preferences and attitudes toward organic food products.

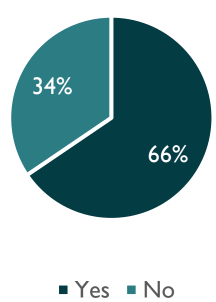

Figure 16. Do you know what a certified organic product is?

As depicted in the graph below, male respondents demonstrated a greater level of knowledge regarding certified organic products, with 71 percent stating that they knew what it is, compared to female respondents (60%), that stated the same.

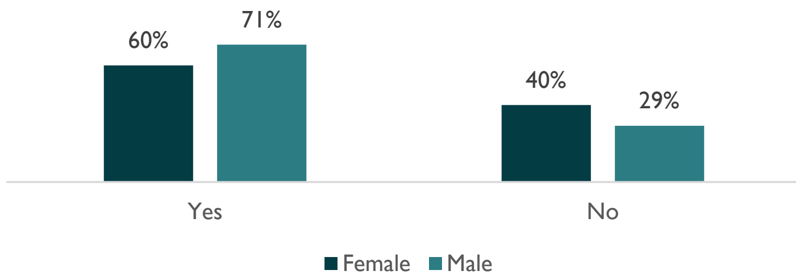

*Figure 17. Do you know what a certified organic product is? *Gender*

Further analysis of the data by age indicated that respondents aged 35-44 displayed the highest level of knowledge of certified organic products, with 73 percent indicating so. In contrast, respondents aged 18-24 exhibited the lowest level of familiarity, with 39 percent indicating a lack of knowledge regarding certified organic products.

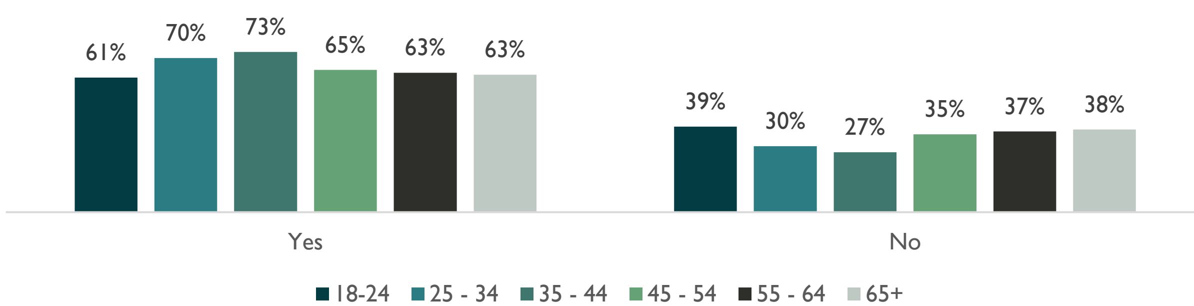

*Figure 18. Do you know what a certified organic product is? *Age*

In addition to the above, respondents who indicated their willingness to pay more for certified organic products (n=348) were queried about the extent of the price increase they would be willing to accept. Results indicated that the majority of respondents (78%) would pay up to 15% more for such products, and 20% of respondents indicated that they would pay between 15-30% more. Only a marginal percentage (2%) reported that they would be willing to pay more than 30% for certified organic products.

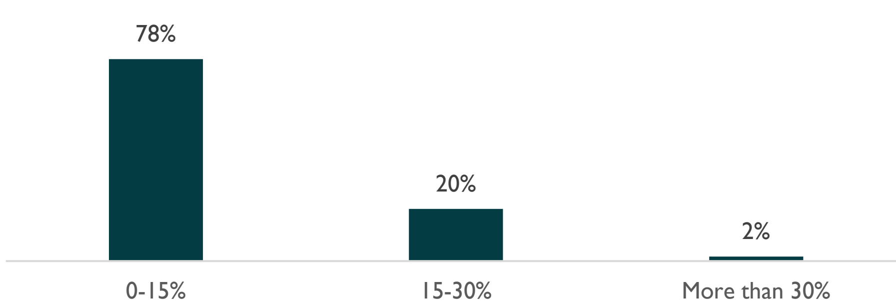

Figure 19. How much more percent (%) are you willing to pay if the product is certified organic?

In the study, a difference in the willingness to pay more for a certified organic product was observed between respondents from urban and rural areas. Specifically, a higher percentage of respondents from rural areas (85%) expressed their willingness to pay up to 15% more for a certified organic product compared to those from urban areas (74%). Conversely, a larger proportion of respondents from urban areas (25%) were willing to pay 15-30% more for the certified organic product compared to those from rural areas (14%). This finding suggests that urban respondents are more inclined to pay a higher price for a certified organic product.

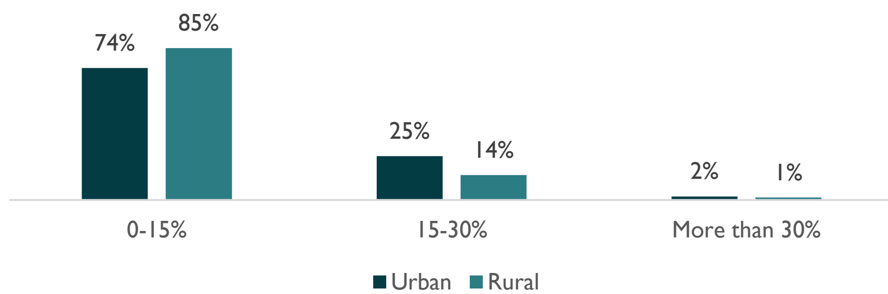

*Figure 20. How much more percent (%) are you willing to pay if the product is certified organic? *Settlement*

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. The average satisfaction score, measured on a 7-point scale, was found to be 4.33. However, the results revealed that respondents were most satisfied with the expiry and packaging date of domestic food products, which garnered an average satisfaction score of 4.69. Other attributes that were rated highly by respondents included freshness (4.66), food ingredients (4.65), taste (4.60), and quality (4.53). Satisfaction with health benefits and nutritional information received a moderate rating of 4.46, while satisfaction with food certificates and marketing received scores of 4.26 and 4.12, respectively. In contrast, respondents reported lower levels of satisfaction with certain attributes such as promotional offers/discounts (4.09), brand reputation (4.01), packaging design (3.91), and price (3.81).

Additionally, there is no significant difference when analyzing data based on gender. Males and females are most satisfied with the expiry and packaging date and least satisfied with the price of domestic food products.

Figure 21. 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?

A difference was observed in the satisfaction level of respondents from rural and urban areas. In general, the satisfaction score for attributes of domestic food products in rural areas was found to be higher (4.52) than that in urban areas (4.18). When analyzing the satisfaction level with specific attributes, it was found that respondents from rural areas are most satisfied with the expiry and packaging date (4.96), while respondents from urban areas are most satisfied with freshness (4.50). On the other hand, respondents from rural areas are the least satisfied with packaging design (3.86), whereas respondents from urban areas are least satisfied with price (3.62). These findings suggest that rural and urban consumers may have different preferences and priorities when it comes to their satisfaction with the attributes of domestic food products.

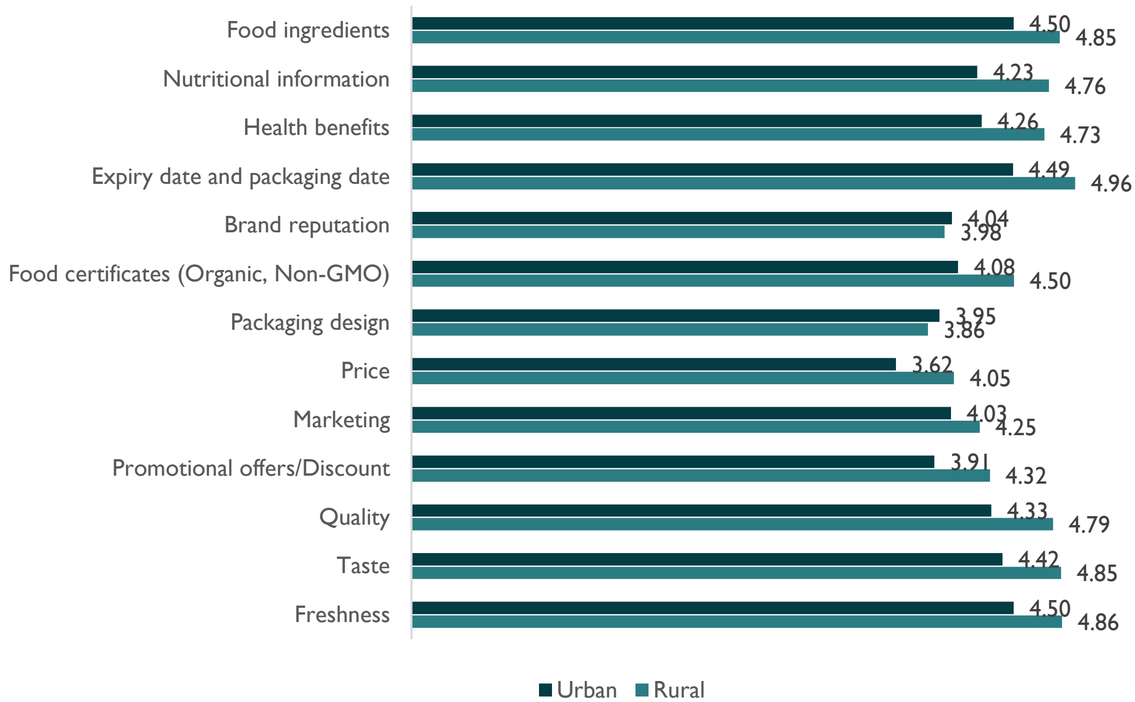

*Figure 22. On a scale of 1 to 7, where 1 is not satisfied at all and 7 is very satisfied, how satisfied are you with the following attributes for local products? *Settlement*

As shown in the table below, respondents from age group 18-24, 25-34 and 45-54 are mostly satisfied with the expiry and packaging date of domestic products. While respondents of 35-44 age group are mostly satisfied with freshness (4.83), the respondents within the group age 55-64 are mostly satisfied with food ingredients, and respondents that are 65 years or older are mostly satisfied with taste (4.70).

Table 6. 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 local products?

	18-24	25 - 34	35 - 44	45 - 54	55 - 64	65+
Food ingredients	4.65	4.63	4.73	4.72	**4.55**	4.60
Nutritional information	4.53	4.42	4.54	4.56	4.27	4.47
Health benefits	4.51	4.44	4.55	4.51	4.33	4.49
Expiry date and packaging date	**4.74**	**4.74**	4.79	**4.72**	4.54	4.68
Brand reputation	4.16	3.99	4.30	4.03	3.81	3.94
Food certificates	4.33	4.31	4.52	4.23	4.11	4.28
Packaging design	4.08	3.93	**3.90**	3.92	3.78	**3.85**
Price	**4.07**	**3.75**	4.03	**3.74**	**3.62**	3.96
Marketing	4.31	4.06	4.34	4.10	4.02	4.08

Promotional offers/Discount	4.21	4.12	4.32	4.01	3.97	4.08
Quality	4.53	4.52	4.72	4.62	4.29	4.64
Taste	4.68	4.55	4.78	4.67	4.40	**4.70**
Freshness	4.69	4.69	**4.83**	4.66	4.51	4.68

Correlation Analysis

Towards the end of this study, a Pearson Correlation analysis was carried out to investigate the interrelationships between the variables explored in this research. The Pearson Correlation coefficient measures the degree and direction of the linear association between two variables. A value of +1 denotes a perfect positive correlation, -1 denotes a perfect negative correlation, and 0 indicates no correlation between the variables. A correlation coefficient greater than 0.7 is considered a strong correlation, while a coefficient between 0.3 and 0.7 is a moderate correlation, and a coefficient less than 0.3 is a weak correlation.

The results of the Pearson Correlation analysis (See Table 4) show that there is a strong positive correlation between promotional offers and price ($r = 0.74$, $p < 0.01$). This indicates that as the satisfaction level with promotional offers increases, the satisfaction level for price also tends to increase. The significance level (p-value) is less than 0.01, meaning that the correlation is statistically significant and not due to chance. It is reasonable to find a strong positive correlation between promotional offers and price satisfaction because promotional offers typically involve discounts or special deals on products, which can reduce the perceived price of those products. When customers are satisfied with the promotional offers, they may perceive the price of the product as more affordable, leading to higher satisfaction with the price. However, it is important to note that correlation does not necessarily imply causation, and there may be other factors that contribute to both price and promotional offer.

In the meantime, there is a significant association between nutritional information and health benefits, and certain food-related factors such as food ingredients, packaging and expiry date, and food certificates. The results suggest a strong positive correlation between these variables, indicating that when the level of satisfaction with nutritional information and health benefits increases, the satisfaction with attributes such as food ingredients, packaging and expiry date, and food certificates also tends to increase. Additionally, the variables of quality and taste have a strong correlation with taste and freshness, with all these showing a Pearson Correlation higher than 0.700. In contrast, brand reputation and packaging design have the least association with quality, taste and freshness.

Table 7. Pearson Correlation

	Brand reputation	Packaging design	Price	Promotional offers	Food ingredients	Nutritional information	Health benefits	Expiry and packaging date	Food certificates	Marketing	Quality	Taste	Freshness
Brand reputation	1	.707**	-.136**	-.084**	.111**	.102**	.084**	.172**	.166**	.210**	**0.057**	**.086****	**-0.024**
Packaging design	**.707****	1	-.102**	-.111**	.094**	.078*	.088**	.130**	.183**	.296**	0.009	0.048	-.063*
Price	-.136**	-.102**	1	**.739****	.588**	.572**	.610**	.545**	.593**	.371**	.634**	.626**	.613**
Promotional offers	-.084**	-.111**	**.739****	1	.568**	.564**	.607**	.537**	.572**	.451**	.642**	.602**	.621**
Food ingredients	.111**	.094**	.588**	.568**	1	**.819****	**.815****	.754**	.697**	.412**	.745**	.747**	.721**
Nutritional information	.102**	.078*	.572**	.564**	**.819****	1	**.842****	.766**	.704**	.391**	.762**	.770**	.730**
Health benefits	.084**	.088**	.610**	.607**	**.815****	**.842****	1	.766**	.722**	.391**	.793**	**.808****	.754**
Expiry and packaging date	.172**	.130**	.545**	.537**	.754**	**.766****	**.766****	1	.649**	.409**	**.705****	**.701****	.685**
Food certificates	.166**	.183**	.593**	.572**	.697**	**.704****	**.722****	.649**	1	.420**	.668**	.656**	.585**
Marketing	.210**	.296**	.371**	.451**	.412**	.391**	.391**	.409**	.420**	1	.288**	.310**	.337**
Quality	**0.057**	0.009	.634**	.642**	**.745****	**.762****	**.793****	**.705****	.668**	.288**	1	**.886****	**.806****
Taste	**.086****	0.048	.626**	.602**	**.747****	**.770****	**.808****	**.701****	.656**	.310**	**.886****	1	**.811****
Freshness	**-0.024**	-.063*	.613**	.621**	**.721****	**.730****	**.754****	.685**	.585**	.337**	**.806****	**.811****	1

*Note: Significance level *=5%; **=1%*

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 are the most commonly purchased food products, while alcoholic beverages, pickles, ajvar, pindjur, and jam/marmalade/compote are purchased less frequently. The most commonly purchased domestic products include yogurt, strained yogurt and ayran, water, cheese and cottage cheese, milk, sour cream, and pickles. However, respondents also purchase imported food products, with soups and spices, jams/marmalade/compote, 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 tastier products. However, respondents stated they would switch to domestic products if they were cheaper or had the same or better quality. 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 half willing to pay more for such products. Finally, the survey reveals that consumers are relatively satisfied with domestic food products, particularly with expiry and packaging dates, freshness, food ingredients, taste, and quality. However, promotional offers/discounts, brand reputation, packaging design, and price received lower satisfaction.

In summary, the survey highlights consumer preferences and the factors influencing purchasing decisions and satisfaction levels with food products.