

MEASURING URBAN DAIRY CONSUMERS' AWARENESS OF THE GEORGIAN MILK MARK



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IMPACT ASSESSMENT

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INTRODUCTION: PURPOSE OF THE RESEARCH

In recent years, the dairy sector has formalised in Georgia, with the development and growth of small and medium-sized dairy enterprises sourcing milk from small-scale farmers¹. In 2018, the ALCP from a standpoint of wishing to undertake interventions to further underpin the sustainability of the dairy SME sector, including through product diversification, differentiation and value addition, commissioned a national [urban consumers' dairy and beef preferences survey](#). In the survey urban consumers across Georgia revealed that they wanted to buy dairy products from clean natural milk that comes from healthy grass-fed cattle and compliant enterprises, but the majority (52%) of the consumers could not find such products.

Therefore, in 2018, the ALCP proceeded to facilitate the *Business Institute of Georgia* to create a quality assurance mark backed by an audited system, called the Georgian Milk Mark (GMM). The GMM guarantees that products bearing the label are made from Georgian natural raw milk that does not contain milk powder and/or any vegetable oil and are produced in HACCP certified dairy enterprises, from predominantly grass fed cattle. The *Business Institute of Georgia* registered the *Georgian Milk* mark (GMM) in the *National Intellectual Property Institute* in March 2019. The mark is now protected to avoid falsification and to strengthen the ownership of the *Business Institute of Georgia*, which must regularly audits the dairy enterprises granted a license to use the mark. Seventeen dairy enterprises have been granted use of the mark. Others are currently in the approval process and more yet are seeking to apply.

Consumer Awareness

A national marketing campaign has been underway since January 2019 through the *Georgian Marketing Agency (GMA)*. This has included billboards, social media promotion, flyers, promotions in supermarkets and the creation of a [promotional video](#), which has been shown on various TV channels. The GMM helps consumers to make informed decisions while buying cheese and other dairy products. The promotion of the GMM to consumers is crucial to developing consumer awareness of the mark and is crucial to its success. Hence, it is important for the ALCP to assess changes in consumer awareness and the efficiency of the marketing activities in effecting this change as part of the impact assessment of the GMM intervention.

MAIN FINDINGS

The ALCP survey identified the following key findings:

- * 23% of urban consumers in Georgia **purposefully** buy GMM banded dairy products.
- * 41% of urban dairy consumers buy GMM brands
- * 34% of urban dairy consumers know about the GMM, (*out of whom 67% buy GMM products*)
- * Of the 66% of dairy consumers who do not know about the GMM 25% buy GMM brands²
- * Awareness of the GMM is higher in Akhaltsikhe, Batumi and Kutaisi than in Rustavi, Telavi and Tbilisi
- * *Tsipora-Samtskhe, Shuamta, Tsintskaro and Tsezari* are the most popular GMM brands.

¹ Please, see: [International Labour Organization. \(2020\). Better cheese, better work: The Alliances Caucasus Programme's Impact on Informality and Working Conditions in Georgia's Dairy Sector](#)

² Based on the previous monitoring data, we can assume that they are customers who like the look and taste of these products and who have been buying these products or some time, before the label was introduced.

* The majority of GMM consumers who are aware of the mark (34%) and buy GMM products (23%) do so because they are made of raw milk and the products are ‘ecologically clean’³.

METHODOLOGY

The ALCP carried out a survey representative of urban dairy consumers in Georgia using a multi-stage sampling strategy. Fourteen supermarkets representing all the main chains selling in Georgia were selected (see Table 1) as Primary Sampling Units (PSUs) in Tbilisi, Rustavi, Telavi, Batumi, Kutaisi, Zugdidi and Akhaltsikhe. The main criteria for selecting supermarkets was that their size and location offered good coverage in each city and sell GMM labeled dairy products. In each shop every third customer buying dairy products were interviewed. In total 480 interviews were conducted, out of which 56% were women and 44% - men.⁴

Table 1 List of Supermarkets and Number of Interviews

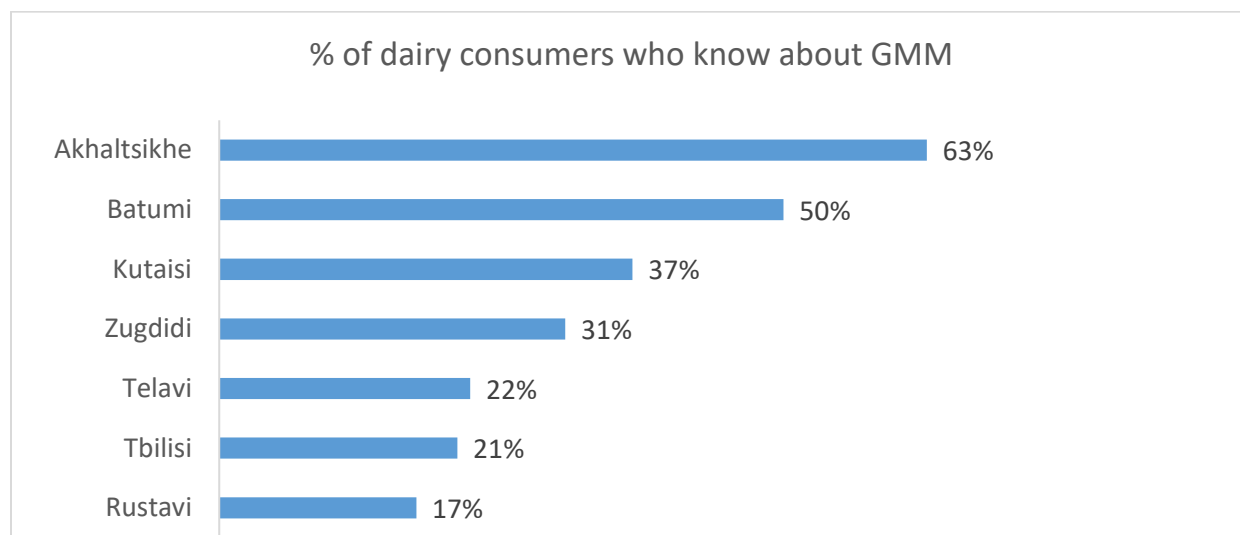
Supermarkets	Number of Interviews
Smart	67
Spar	66
Zgapari	63
Ori Nabidgi	51
Goodwill	47
Madagoni	34
Nikora	34
Okey	30
GMT	27
Willmart	24
Carrefour	18
Magniti	17
Phenix	1
Daily	1

³ This is not an internationally accepted term. However in Georgia ‘*ekologuriad supta*’ is commonly used to denote healthy, clean, natural products. The term was defined in the CRRC consumer survey in relation to dairy, by ‘Ecologically clean’ people generally mean cheese made from raw milk from healthy cows (CRRC, 2018, p. 2).

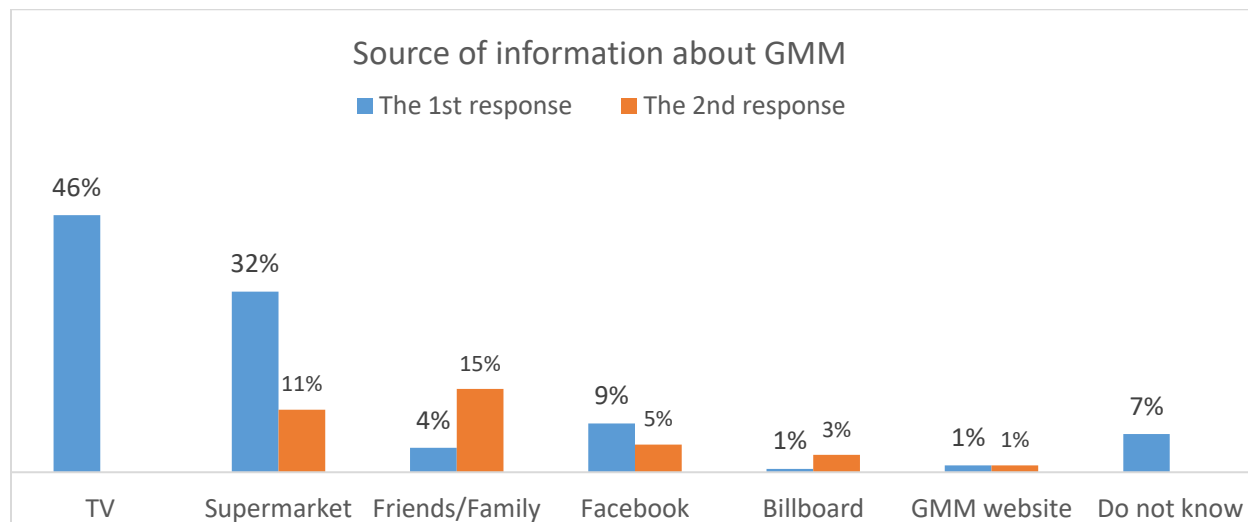
⁴ However, the results are not disaggregated by gender because no significant difference was observed between men and women respondent’s answers.

RESULTS

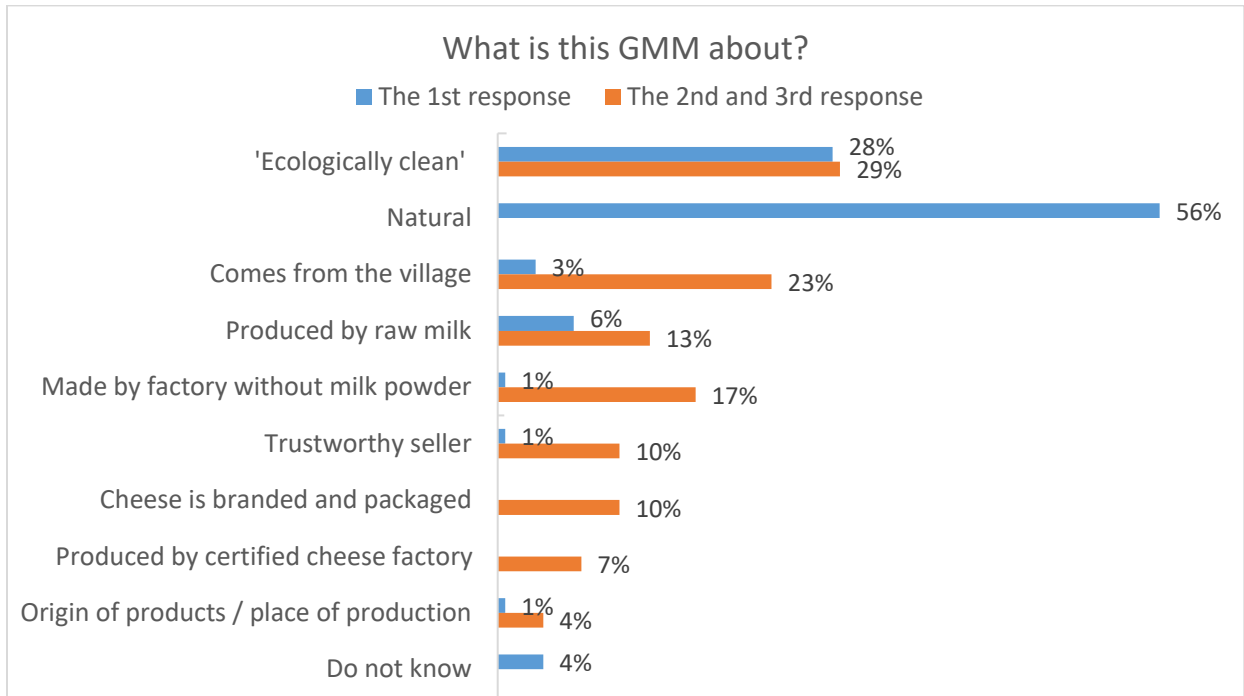
According to the survey, 34% of dairy consumers know about the GMM. However, the percentage varies across different regions of Georgia: The highest percentage of the customers who know about the GMM was observed in Akhaltsikhe (63%) and Batumi (50%), while the lowest – in Tbilisi (21%) and Rustavi (17%). The ALCP qualitative data and feedback from the field suggest that there are multiply reasons why the regional variation might have taken place: GMM cheese factories, supermarkets and local media had better promotion in Akhaltsikhe, Batumi and Kutaisi, than in other regions.



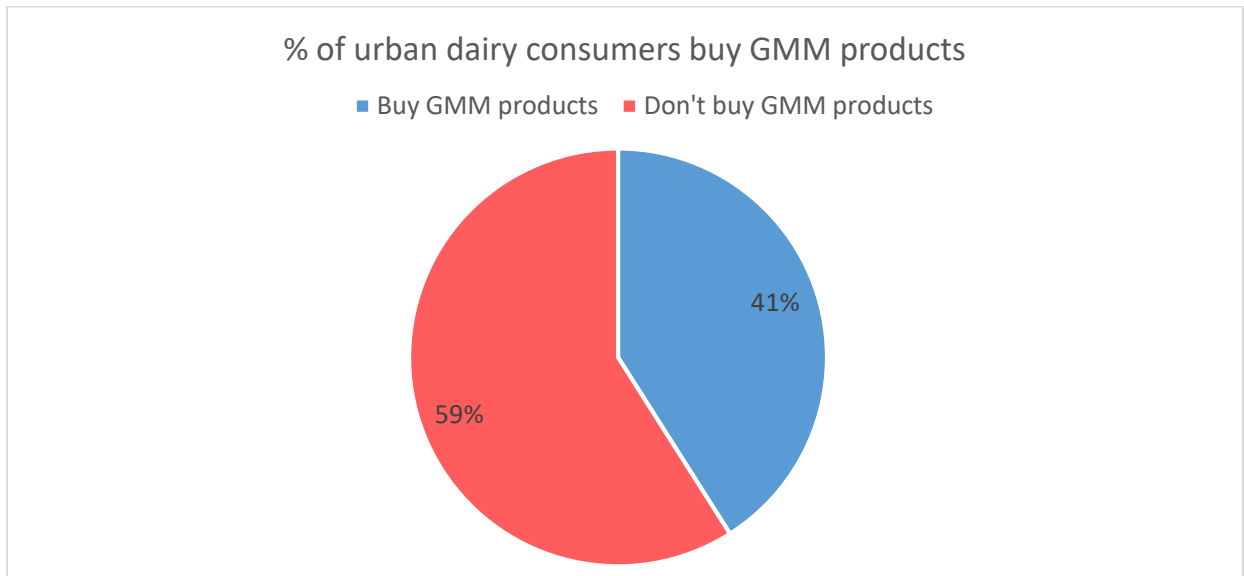
The main source of information about the GMM is TV (46%), and then supermarkets (43%), friends/family members (19%) and Facebook (14%).

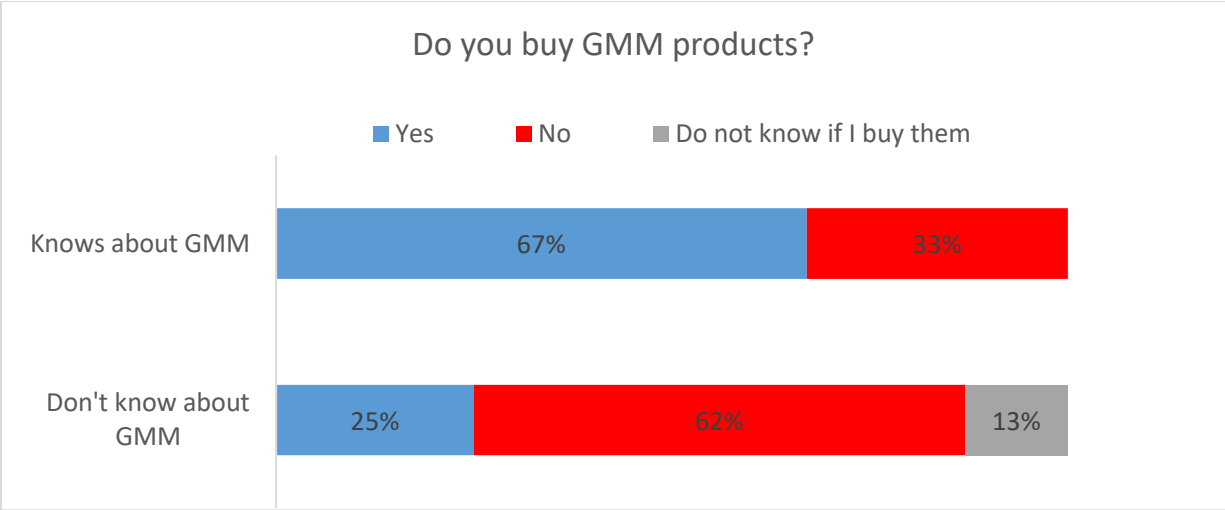
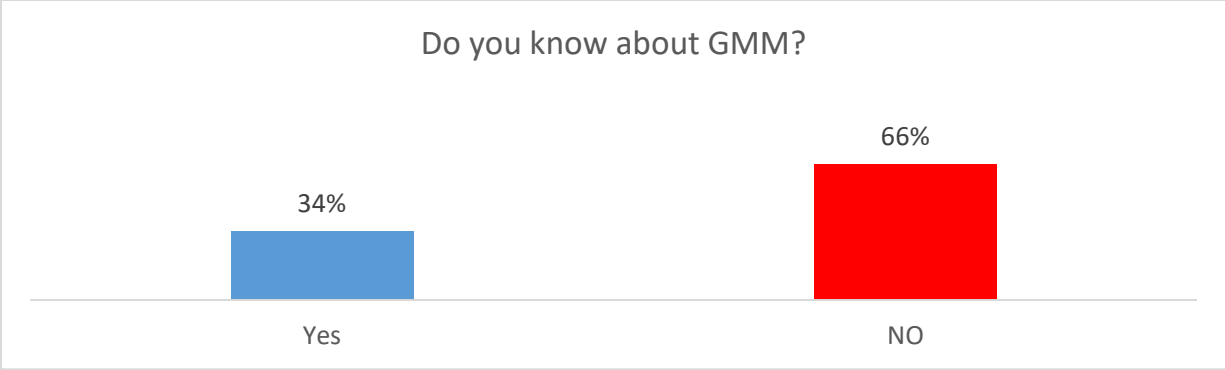


For the question 'What is the GMM about?' in which interviewees could give up to three responses, the majority of consumers mentioned that the mark indicates that GMM products are 'ecologically clean' (57%), natural (56%) and come from villages (26%).

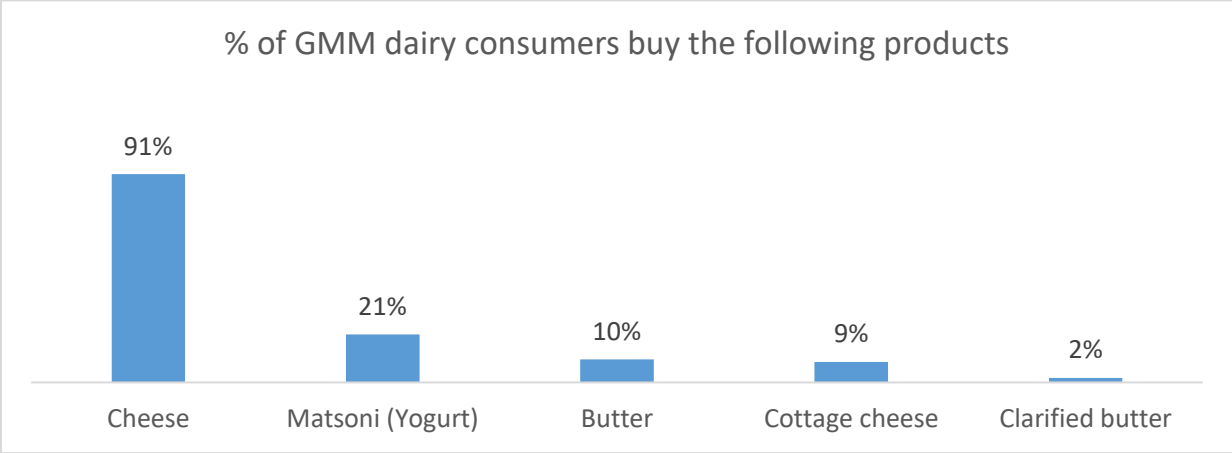


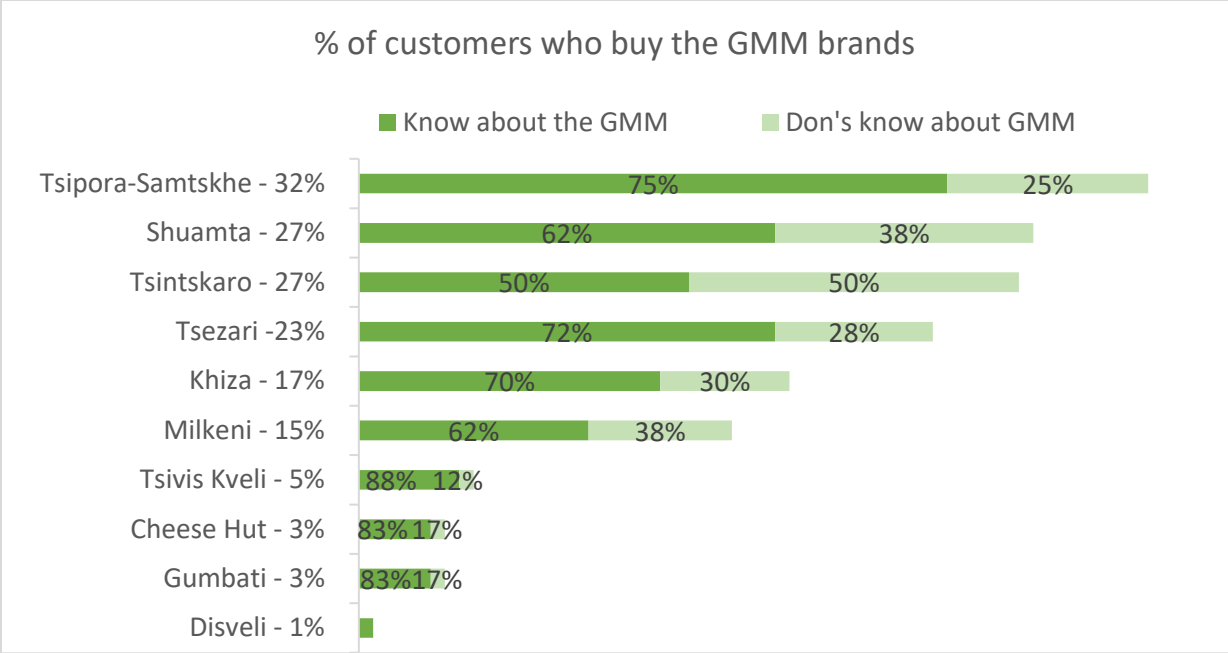
In total, 34% of the urban dairy consumers know about the GMM, out of whom 67% stated that they buy GMM labeled products. The main finding is that overall 23% of urban dairy consumers purposefully buy GMM branded products. It is important to note, that there are also consumers of GMM products who are not aware of the label, but who buy the products (25%). In total, 41% of urban dairy consumers buy GMM labeled products.



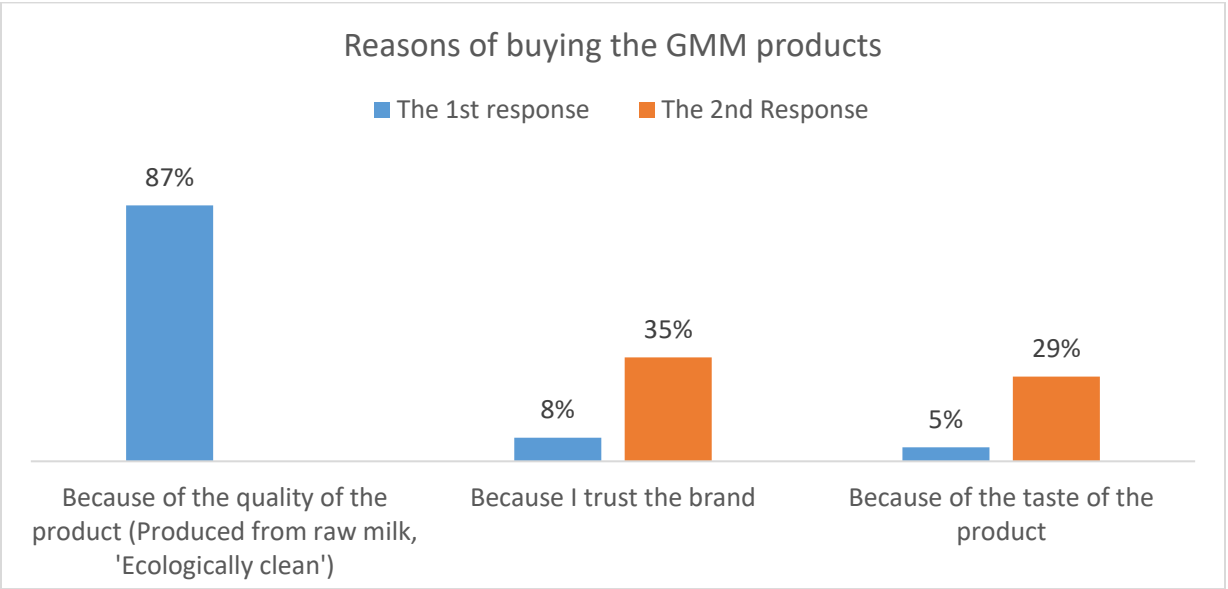


When it comes to type of products, 91% of GMM consumers buy cheese, 21% - Matsoni (Yogurt), 10% - butter, 9% - cottage cheese and 2% - Clarified butter. Most of the GMM customers buy dairy products made by *Tsipora-Samtskhe* (32%), *Shuamta* (27%), *Tsintskaro* (27%) and *Tsezari* (26%).





Among the main reasons for buying GMM products, the first is the quality of the products: consumers prefer to buy GMM labelled brands because they are 'ecologically clean' / produced by raw milk (87%) and they trust the brands (43%).



CONCLUSION

According to the survey, 41% of urban dairy consumers buy GMM products and this figure will increase when more people get information about the mark and other dairy factories gain GMM licenses. Regarding awareness, more than a third (34%) of urban dairy consumers know about the GMM, 67% of whom purposefully buy GMM brands. This means that overall 23% of urban dairy consumers purposefully buy GMM branded products. These figures are slightly higher than what was expected by the programme. Awareness in Tbilisi, Rustavi and Telavi is lower than awareness in Akhaltsikhe, Batumi and Kutaisi. The reasons behind this difference may help further target marketing initiatives.

It was observed that consumers prefer to buy 'ecologically clean' and natural products, which are made from raw milk and come from villages. They put less emphasis on FS&H standards and certification or packaging.

Overall, it was apparent that a significant number of consumers are aware of and value the GMM. The results underline the potential of the GMM for value-added dairy production and indicate the growing success of the intervention, and need for continuous promotion and availability throughout Georgia.