

## RESEARCH ARTICLE

**(Open Access)****Brand awareness for edible oil among consumers in Tirana – Albania**LEDIA THOMA<sup>1\*</sup>, ANILA BOSHNJAKU<sup>1</sup>, INA PAGRIA<sup>1</sup><sup>1</sup>Agricultural University of Tirana, Faculty of Economy and Agribusiness

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**Abstract**

Nowadays, it is quite important that business companies understand brand awareness and consumer profile their products and services. They can take advantage of this information to properly adapt their marketing strategies to the needs of their targeted markets and segments. This research paper aims at measuring brand awareness and consumer profile for different types of edible oil (vegetal, maize, soybeans, olive oil) used by consumers in Tirana. Through a set of face to face questionnaires it is revealed that those in charge of purchases in the household are not so much aware on oil brands available in Tirana market. Unaided awareness questions captured only two brands in the consumers' mindset. The rest of the brands available in the market had much lower awareness level even provided by aided questions. The same is true for perceived quality. Consumers give high evaluation scores to the most known brands rather than the other ones. On the other hand, consumers' profile for different types of edible oil differs based on some specific socio – economic variables.

**Keywords:** Brand awareness; Albania's edible oil brands; consumer profile.

**1. Introduction**

The brand is an important concept and for many years now it is crucial to be understood [3,6]. Now a day, building a well-known brand is one the principal objectives of business companies since it can provide sustainable revenues in the long run. The power of a brand lies in what consumers have learned, felt, seen and heard about it over time. A strong brand is one that possesses strong brand equity which in turn provides higher profits. Several empiric studies have revealed a positive relationship between brand equity on one hand and profits & brand expansion opportunities on the other one. High brand equity also contributes to increased competitiveness and customer loyalty. Brand awareness as part of brand equity, refers to the importance of a brand in the customers mind and includes: recognition, recall, top of mind awareness, brand dominance, brand knowledge and brand opinion. According to [1,2], different levels of awareness are used to measure brand awareness. For niche brands, recognition is important while for well-known brands, recall and top of mind awareness are more sensitive and meaningful. Brand recall can also be vital for regularly purchased products like coffee, detergents etc. for which brand decisions are made prior to going to the store.

Brand awareness plays an important role on customers' decision making process. It strongly affects the group of brands to be taken into consideration by the customers. According to Hoyer and Brown [5] brand awareness is the main reason why customers repeat their purchases of a specific brand. Therefore, the brand with highest awareness will be mostly preferred regardless the quality and price of other brands [7]. Albania is a small size economy with a relatively low average GDP per-capita, and narrow export base. Since 1990, whole sectors of the Albanian economy, including agriculture and agroindustry, underwent great changes. Actually, total number of farms in Albania is 351,000. The vast majority of the farms combine agriculture and livestock. Agriculture production in Albanian farms is mainly oriented toward production of vegetables, fruits and cereals. Production of other agricultural products such as sunflowers, soybeans, etc. is pretty low and concentrated in few areas of the country. In 2016, total production of sunflower and soybean was 2'000 and 700 tons respectively. Sunflower production in the country is concentrated in Fieri Region. About 82% of the total sunflower production originates from this area while for soybean both Lezha and Fieri regions contribute equally with about 90% in the total production [4].

The Albanian agro-industry is a complex sector that is made up of small private businesses that were created as a result of the privatization of the former agro-processing state enterprises and new investment from private initiatives. There are about 2400 companies operating in the agribusiness sector. Most of them are engaged in flour and bread production but also in milk, meat and oilseeds processing. According to official statistics, in 1998 there were 52 companies engaged in edible oil production. By that time Albania's vegetable-oil industry consisted of twenty-seven olive-oil plants capable of pressing 755 tons of olives daily; eleven sunflower-oil plants with a daily capacity of 262 tons of seeds; seventeen oil-extraction plants with a daily capacity of 270 tons of olive, cotton-seed, corn, and sunflower pulp; and ten obsolete oil-refinery units with a daily capacity of 110 tons of sunflower oil and soya oil [8]. Now, there are about 120 companies operating in this sector in Albania. Two Albanian companies dominate the edible oil market with their respective brands "Olim" and "Fiol", while the most preferred from the imported brands is "Floriol". These companies have more than a decade operating in the Albanian market. During last decade other foreign and domestic brands have been introduced in our market companies have entered the market like "Beta", "Crystal", "Bomira" "Gold", "premium" and "Sidney" but their market share still remains low compared to the most experienced ones. Almost all companies in the oilseed processing industry import raw materials, since quantity demanded highly exceeds quantity produced. Import of raw materials has placed great strain on the sunflower oil processing industry, so businesses operating in the sector claim for increased investment and support in order to promote sunflower plantation in the country.

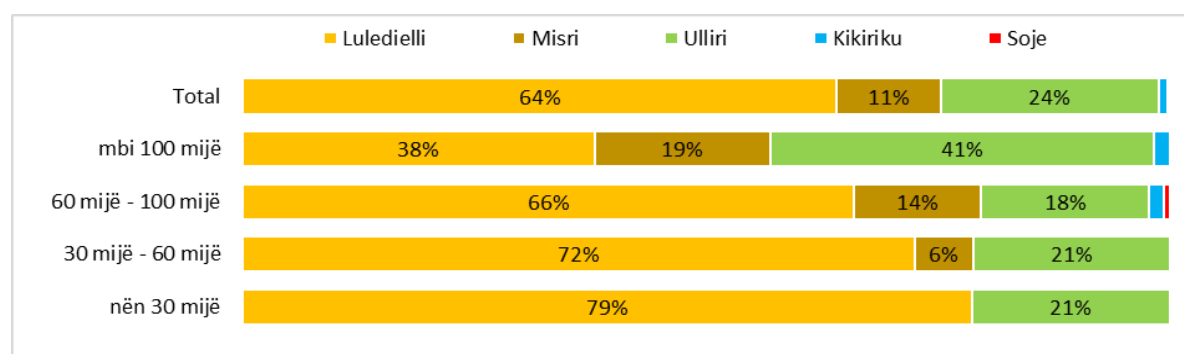
## 2. Material and Methods

The primary objective of the study is to measure brand awareness for edible vegetable oil among consumers in Tirana (Albania). Since edible vegetable oil is a regularly purchased product, for which customer decisions are made away from the point of purchase, brand recall is used to measure brand awareness for this product. The study focuses on branded edible oil traded in Tirana grocery stores and supermarkets. For purposes of the study, several domestic and imported brands such as Olim, Floriol, Fiol, Bomira, etc. are targeted. In order to fulfill the objective of the study, a number of 331 face to face questionnaires are realized, aiming at the people in charge of grocery shopping for their households. Stratified sampling method is used and the population of the study (number of households units in Tirana) is divided into different subgroups according to 11 administrative units in Tirana city. Simple probability sampling is applied within different strata. Data from the questionnaire helped to understand some specific elements of consumers buying behavior, as well as consumers' profile for edible vegetable oil in Tirana. Furthermore, secondary data helped to give a general picture of the edible vegetable oil sector in Albania.

## 3. Results and Discussion

### 3.1. Purchasing habits and brand awareness for edible oil in Tirana market

Analyses performed on the data generated by questionnaire show that the majority of families in Tirana (64%) use sunflower oil, 11% maize oil and 24% olive oil. Other types of edible oil such as soya and peanuts oil are almost not used in Tirana households.



**Figure 1.** Type of edible oil usually bought according to household income level *Source: Authors*

Furthermore, more than 40% of the families with high levels of monthly income (over 100'000 ALL) use olive oil for cooking. Maize oil increases its presence in the Tirana families as the average monthly income rises (Figure 1).

About 88% of respondents report to use branded vegetable oil in their household. The rest of 12% report to use unbranded vegetable oil or branded ones but bought personally in neighbor countries like Italy and Greece. “Floriol” an imported brand and “Olim”, a domestic one own more than 60% of the edible oil market in Tirana (Table 2). Consumers in Tirana seem to be “loyal” to their brand of edible oil since more than 50% of them report that will leave and ask elsewhere if they do not find their brand in the shop. However, “Floriol” and ‘Olim” seem to be substitutes for each other among those who report that they will go for another brand in the same shop, if they do find their preferred one there.

Consumers in Tirana seem to be pretty aware of the most important edible oil brands. Descriptive analyses shows that the highest level of unaided recall belong to the mostly bought brands like Floriol (68%) and Olim (64%). Respective level of awareness is quite low for all the other brands taken into consideration. Similarly, analyses of the aided recall question for these brands show the same. Only 23% of the respondents report to have heard about “Bomira” as and edible oil brand while for “Sidney, “Gold” and “Premium” figures vary from 1 to 12%. (Table 1).

**Table 1.** Analyses results for brand awareness and purchasing habits

Brand Name	Brand Recall (%)		Brand Usually bought <sup>c</sup> (%)	Quality perception <sup>d</sup> (%)*
	Unaided Recall <sup>a</sup>	Aided Recall <sup>b</sup>		
Floriol	68	24	39	34
Olim	64	25	25	26
Fiol	11	29	5	10
Gold	6	12	2	5
Bomira	7	23	3	4
Sidney	4	5	3	5
Premium	1	1	1	2
Other	9	14	22	

<sup>a</sup> Question: Please, mention up to two brands of edible oil you can remember

<sup>b</sup> Question: For each of the following milk brands please indicate whether you have heard of or not.

<sup>c</sup> Question: Which of the following brand do you usually buy? c

<sup>d</sup> Question For each of the edible oil brands you have heard of please give an evaluation on perceived quality (1 – very poor, 7 – excellent).

Source: Authors

### 3.2. Consumer profile

For business companies, it is important to discover the consumers profile for the products and services they offer in a given market. It helps them to tailor appropriate marketing strategies for different consumers groups according to their specific characteristics. In this study, we also try to reveal consumers profile for different types of edible oil (sunflower, maize and olive and oil) on some socio-economic variables as for example age and education of the person in charge of the purchases in the household, number of household members as well as monthly income.

**Table 2.** Socio-economic profile for different types of edible oil

Description	Sunflower Oil	Maize Oil	Olive Oil
Average Age (years)	40	39	36
Average education level (years)	12	14	16

Average number of household members	4.5	4.4	4.4
Average monthly income (EUR)	435	470	570

Table 2 shows information about consumers profile in Tirana for different types of edible oil. Analyses performed showed that sunflower oil is consumed in those household with the lowest average level of income (435 EUR monthly) and with a person in charge of purchasing with the oldest average age (40 years) and the lowest average level of education (12 years – high school completed). The contrary is true for olive oil. It seems to be consumed more in those households with the highest average level of income (570 EUR monthly), with the youngest average age (36 years) and highest level of education (at 16 years old college completed) of the person responsible for purchases. It seems like there is not any difference among consumers profile for different types of edible oil according to the average number of household members.

#### 4. Conclusions

Oilseeds processing industry in Albania has undergone through significant changes during last two decades. Its contribution to total production, employment and investments within agro-processing industry is increasing continuously. Nowadays, several modern domestic oilseeds processing companies are operating successfully in Albania, taking also advantages of their brand names. Most of these companies are specifically engaged in refining and bottling of imported crude vegetable oil. In order to improve the performance of operators in this specific subsector, proper support and investments are needed to enhance country's production capabilities of some specific agricultural products such as sunflower. The transition from centralized economy to market oriented one, has been accompanied by changes in consumer preferences and composition of their food diet. This is reflected by consumer habits for edible oil as well. Being much more sensitive toward health and healthy food, consumers in Albania seem to be more and more oriented toward more healthy oil, low in cholesterol such as maize oil and olive one.

The consumers in Tirana seem to be fully aware only of the mostly bought brands in this area such as Floriol (imported brand) and Olim (domestic one). They also give higher evaluation score with regard to perceived quality of these two brands compared to other ones with lower level of awareness. In Tirana, consumer behavior toward edible vegetal oil depends on some specific socio-economic characteristics of the person responsible for purchases and the same household, such as: age, education, monthly income and number of family members. Olive oil is more present at high level income households. It is also much more present in the receipts prepared by younger and more educated housewives.

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