



SURVEY ON CONSUMER SATISFACTION WITH THE RETAIL DISTRIBUTION OF GOODS

PRODUCT MARKET REPORT

NON-ALCOHOLIC BEVERAGES

BY
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for

THE EUROPEAN COMMISSION
Health & Consumer Protection
Directorate - General

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Chapter 1 - Introduction

1. Preliminary note

The objective of this report is to present the main findings of the survey for the market of **non-alcoholic beverages**. It details consumers' satisfaction with various aspects of this market.

The first level of analysis aims to describe consumers' feelings about the market and about elements that constitute their retailer's services as well as the problems encountered when purchasing its products.

For each question asked in the questionnaire, a chart presents the results at EU and country level. When relevant, we also highlight the differences by distribution channel and socio-demographic profile of the respondent.

The main indicator used in the analysis (which is widely admitted amongst the research experts' community) is the percentage of satisfied and dissatisfied consumers, based on the scores given on a scale from 1 to 10. "Satisfied" are those who gave a satisfaction score of 8 to 10; "dissatisfied" are those who gave a score of 1 to 4. For the clarity of the analysis, we do not show the neutral consumers on the charts or those who could not give an answer to the question ("don't know"). This is why the figures shown in most of the charts do not add up to 100%.

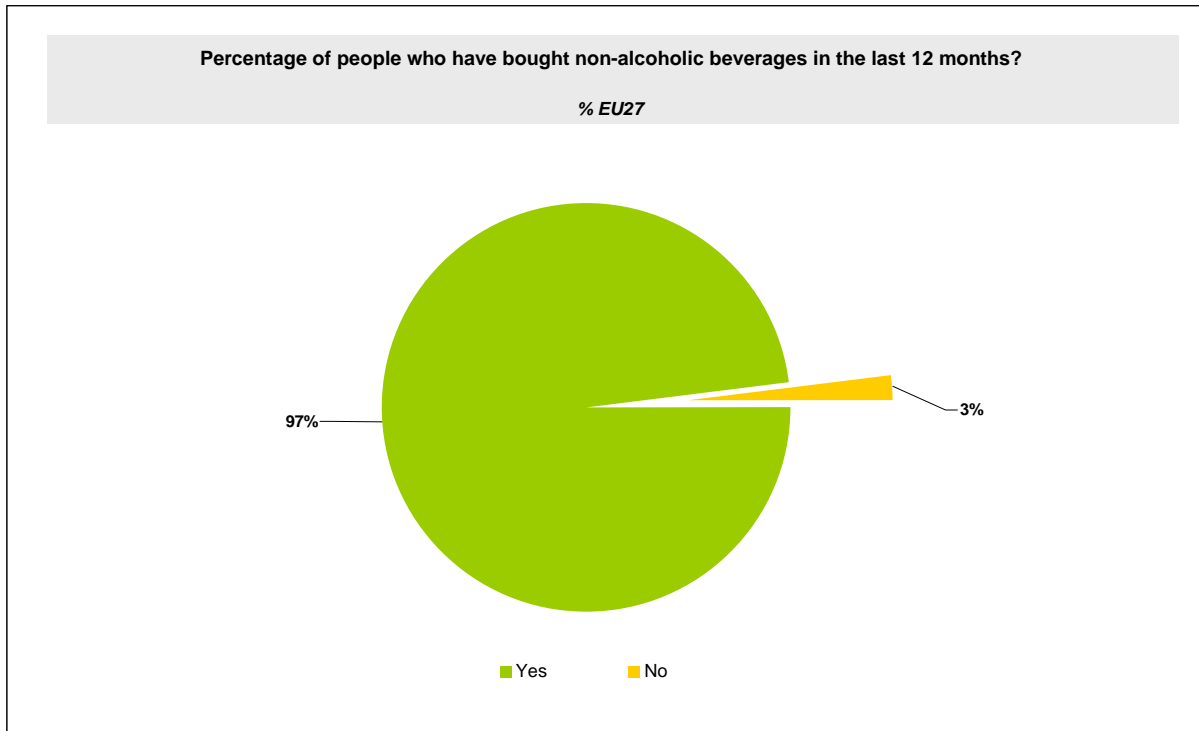
The second level of analysis presented in this report shows the interaction of key satisfaction indicators so as to explain consumers' overall satisfaction.

For more information, the reader will find the full results of the survey as well as a methodological note, country reports and overall reports on DG SANCO web site:

http://ec.europa.eu/consumers/strategy/cons_satisfaction_en.htm

2. Product bought by consumers in the last 12 months

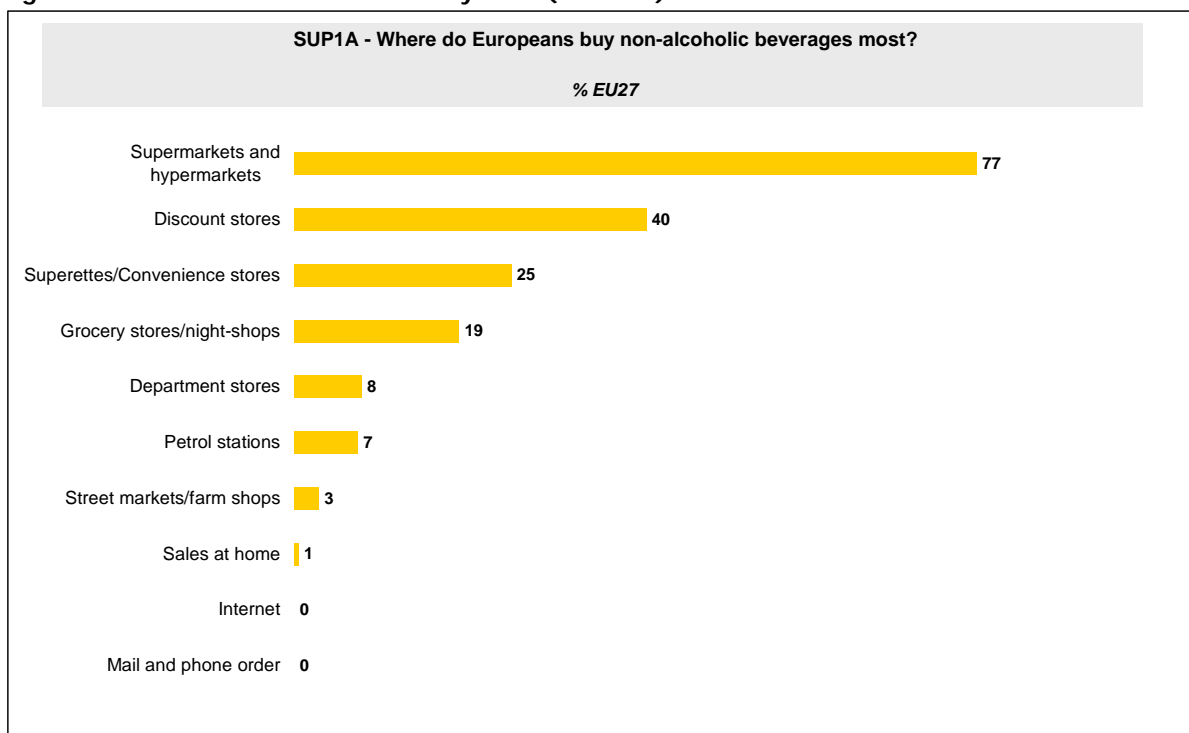
Figure 1 – Product bought by consumers in the last 12 months



97% of consumers in the EU27 have bought non-alcoholic beverages in the last 12 months.

3. Distribution channels used

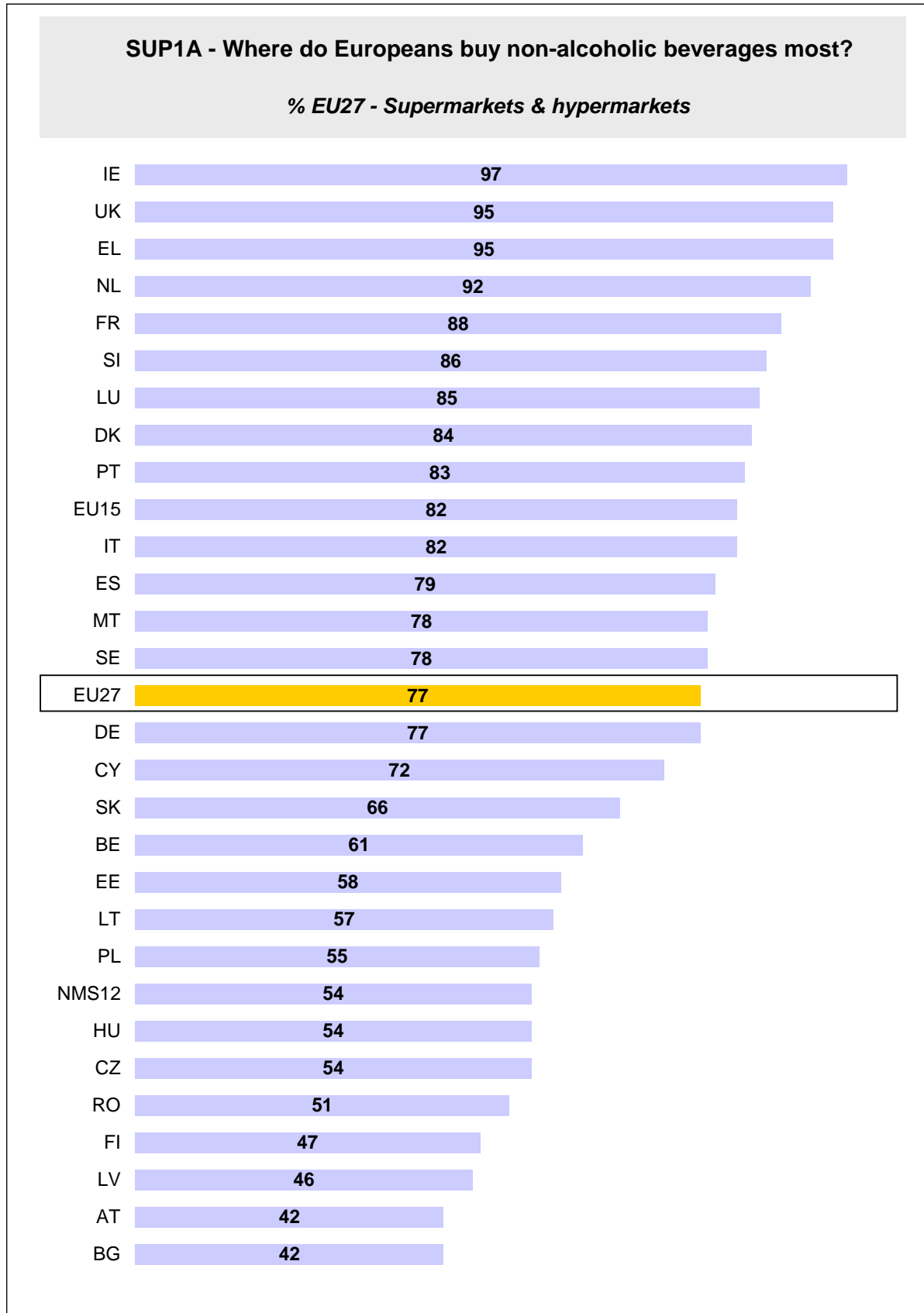
Figure 2 – Distribution channels mostly used (% EU27)



Respondents were asked to indicate the places where they have bought non-alcoholic beverages most (i.e. usual places). They could indicate several answers.

Non-alcoholic beverages are mostly purchased at supermarkets and hypermarkets. Four consumers in ten have also bought them in discount stores, a quarter in convenience stores and one in five at greengrocers or in night shops.

Figure 3 – Distribution channels mostly used: Supermarkets & hypermarkets (% by country)



Supermarkets and hypermarkets are the places where consumers usually buy non-alcoholic beverages. This is the case for more than 9 consumers in 10 in Ireland, UK, Greece and the Netherlands. They are followed by French people (88%), Slovenians (86%), people in Luxembourg (85%), the Danes (84%), the Portuguese (83%) and the Italians (82%)

On the other side of the spectrum we find the Bulgarians (42%), the Austrians (42%), the Latvians (46%) and the Finns (47%). The first two would rather buy non-alcoholic beverages in convenience stores. This is the case of more than 8 Slovaks in 10.

More than 6 Irish people and Romanians in 10 would buy non-alcoholic beverages in grocery stores.

Finally, almost 8 Danes and Germans in 10 would buy these products in discount stores, as shown in the next chart.

Figure 4 – Distribution channels mostly used: Discount stores (% by country)

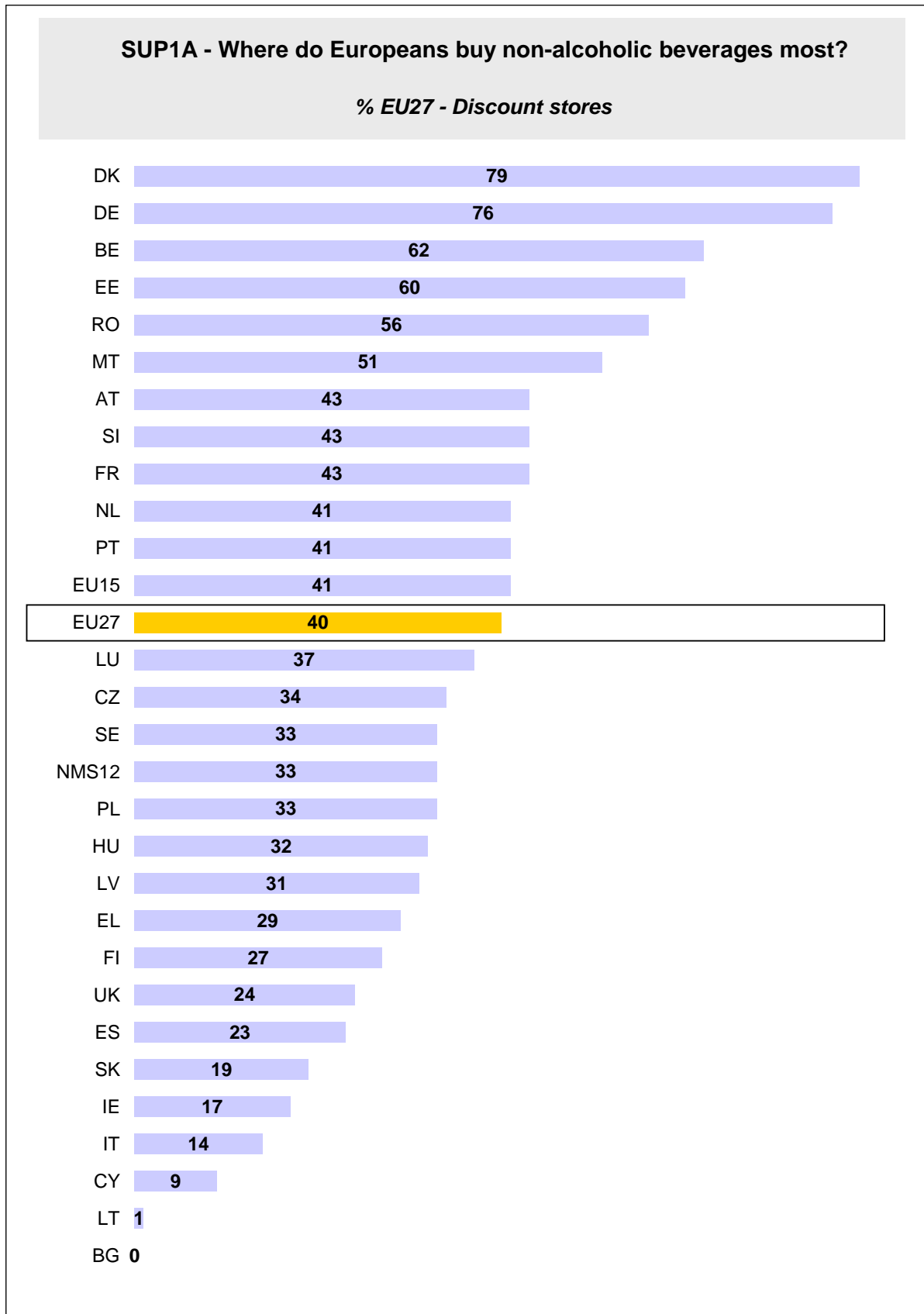


Figure 5 - Distribution channels mostly used: Superettes/Convenience stores (% by country)

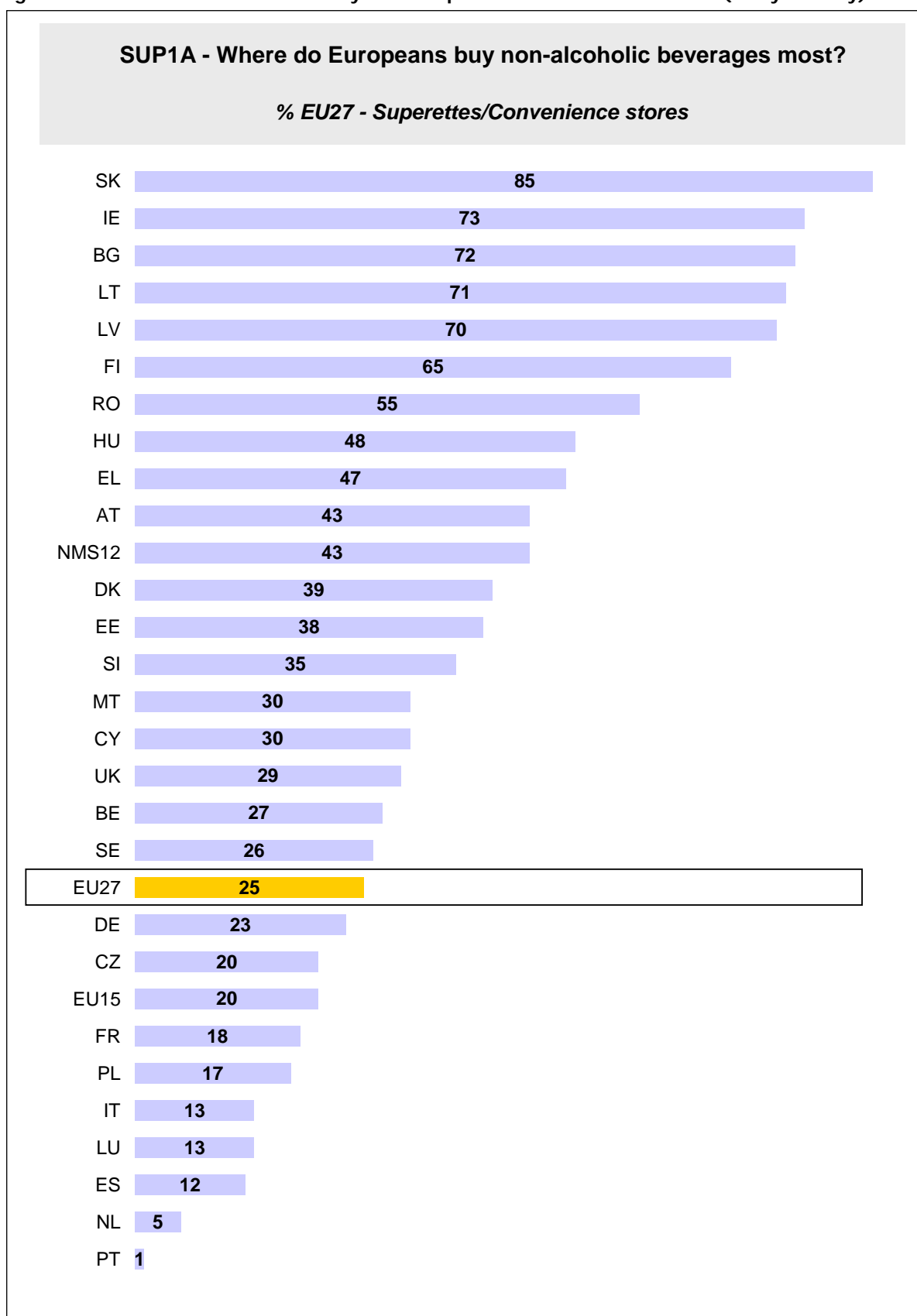
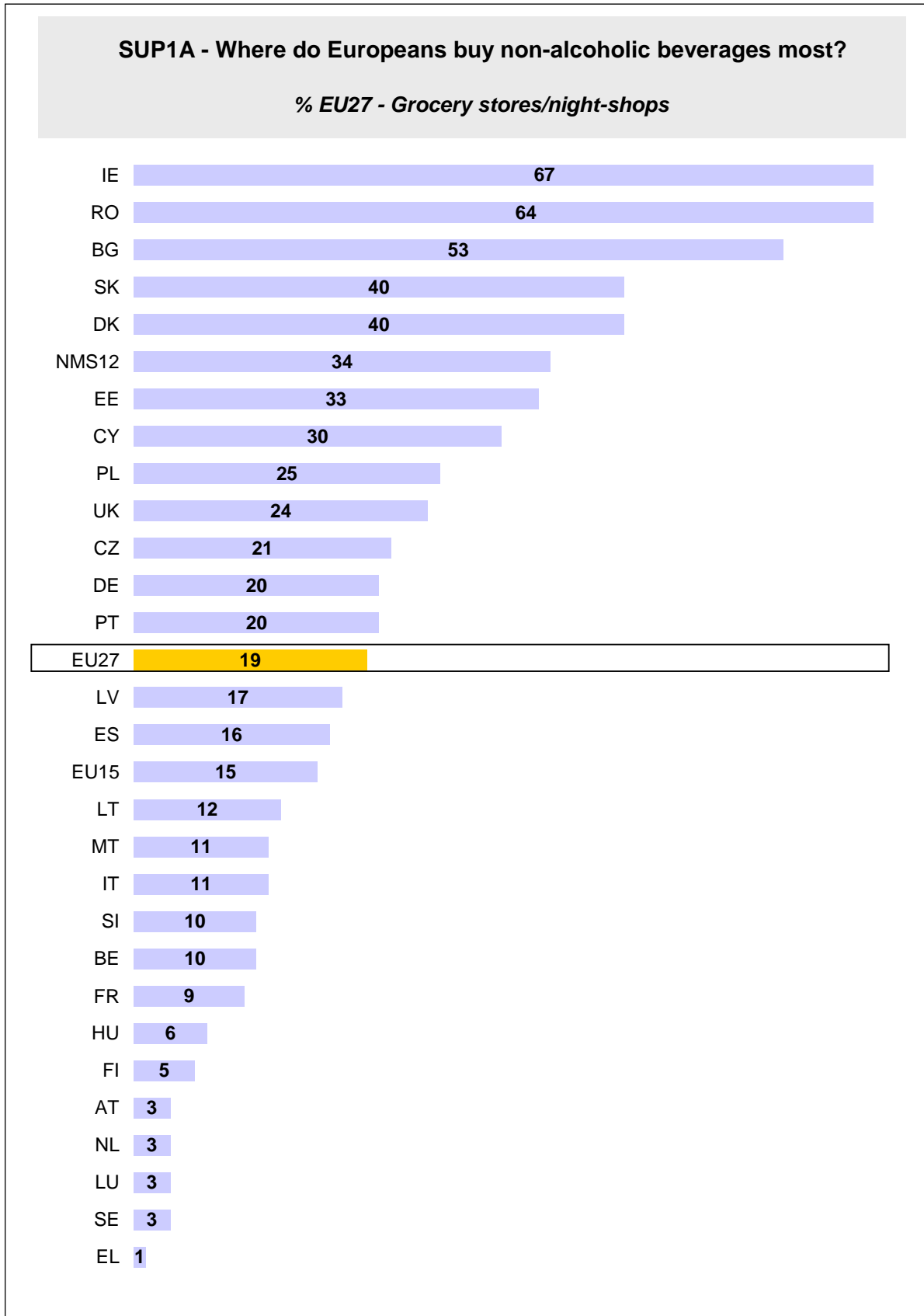
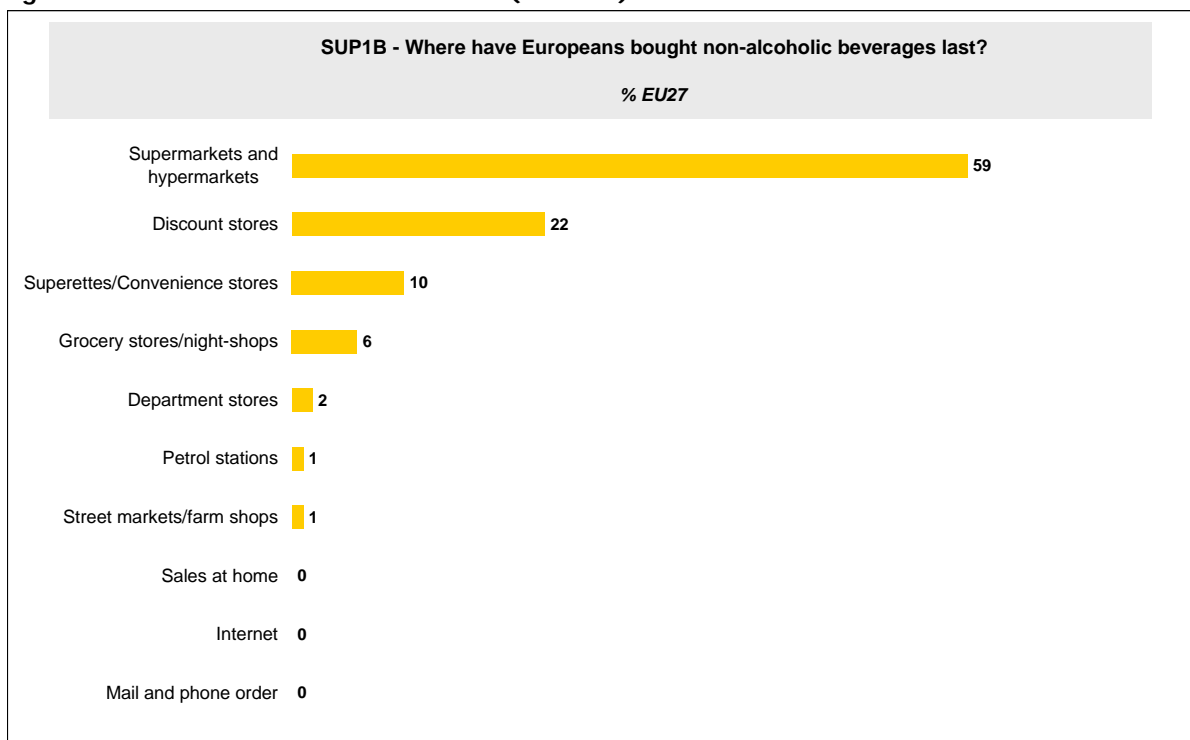


Figure 6 - Distribution channels mostly used: Grocery stores/night-shops (% by country)



Consumers were also asked to indicate the place (i.e. only one answer) where they last bought non-alcoholic beverages. Almost 60% of consumers mentioned supermarkets and hypermarkets, as shown in the following chart.

Figure 7 – Distribution channels used last (% EU27)



Consumers were then asked to evaluate the product market on different dimensions, having in mind the last place where they have purchased this product. Results are shown in the following chapters.

Chapter 2 – Overall satisfaction

1. Overall satisfaction with the retailer

1.1. OVERALL RESULTS

Almost 8 EU consumers in 10 are satisfied with their retailer when it comes to buy non-alcoholic beverages. Consumers from the New Member States tend to be slightly more satisfied with their retailer than those in the former EU15.

The proportion of consumers who are dissatisfied is marginal, whether in the EU15 or in the NMS12.

1.2. DIFFERENCES BETWEEN DISTRIBUTION CHANNELS

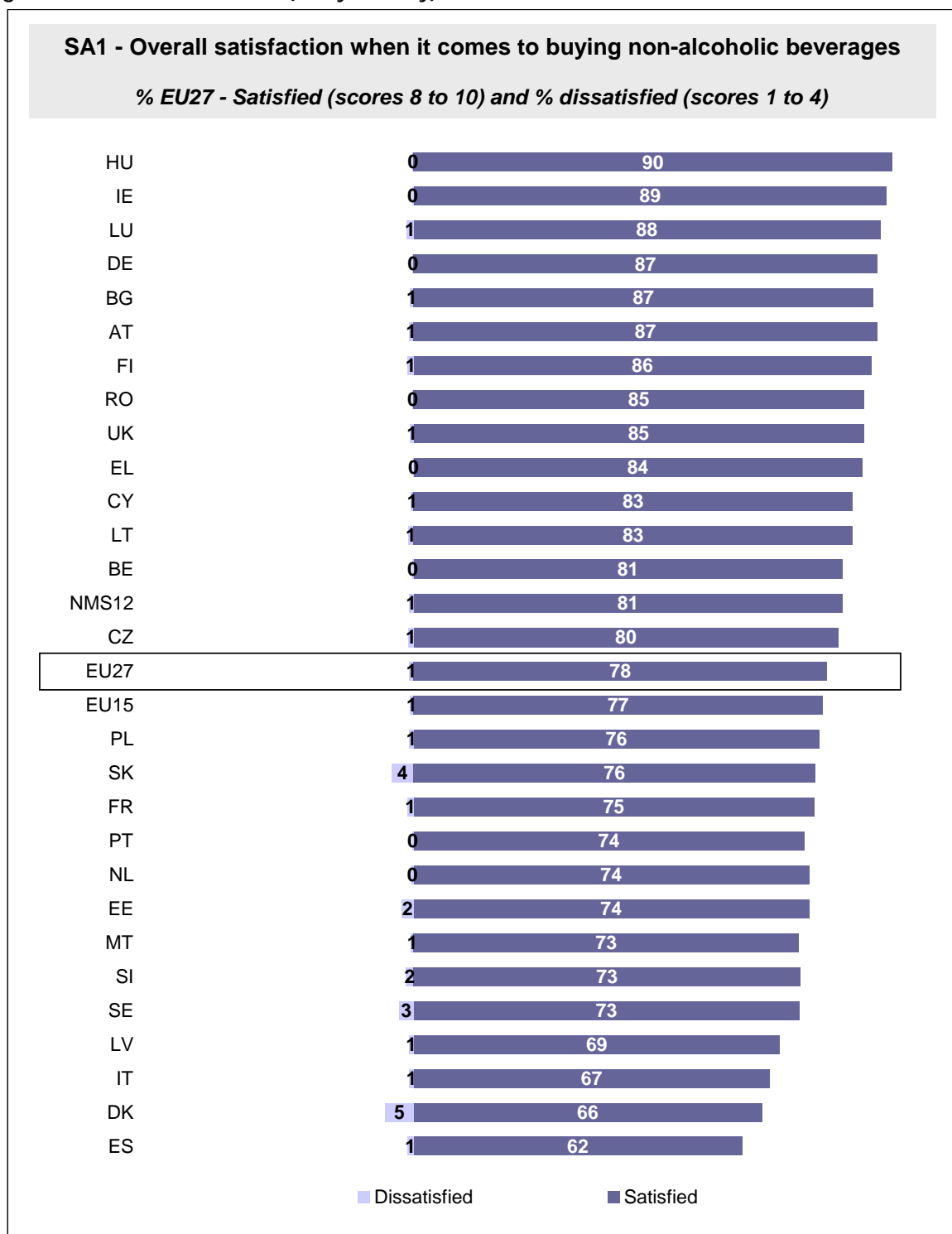
Those who purchase non-alcoholic beverages on street market/in farm shops, on the Internet and through sales at home seem to be more satisfied (more than 8 consumers in 10) with their retailer than those who purchase these products through other channels (petrol stations in particular).

1.3. DIFFERENCES BETWEEN EU MEMBER STATES

On average, 78% of EU consumers are satisfied with their retailer, when it comes to buying non alcoholic beverages. The most satisfied are the Hungarians (90%) the Irish people (89%), consumers in Luxembourg (88%), the Germans (87%), the Bulgarians (87%), the Austrians (87%), The Finns (86%), the Romanians (85%), the British (85%), the Greeks (84%), the Cypriots (83%), the Lithuanians (83%), the Belgians (81%) and the Czechs (80%).

Results are shown in the following chart.

Figure 8 - Overall satisfaction (% by country)



1.4. DIFFERENCES BY SOCIO-ECONOMIC PROFILE

Results broken down by socio-demographic variables do not show significant differences, except for students and those who finished their studies before 16 years old who seem less satisfied than others with their retailer.

2. Value for money of products

2.1. OVERALL RESULTS

Overall, EU consumers seem to be satisfied with the value for money offered by their retailer when it comes to non-alcoholic beverages (68% of satisfied). Satisfaction is clearly marked among consumers from the new Member States (75% of satisfied compared to 66% in EU15). Very few people are dissatisfied (2% on average).

2.2. DIFFERENCES BETWEEN DISTRIBUTION CHANNELS

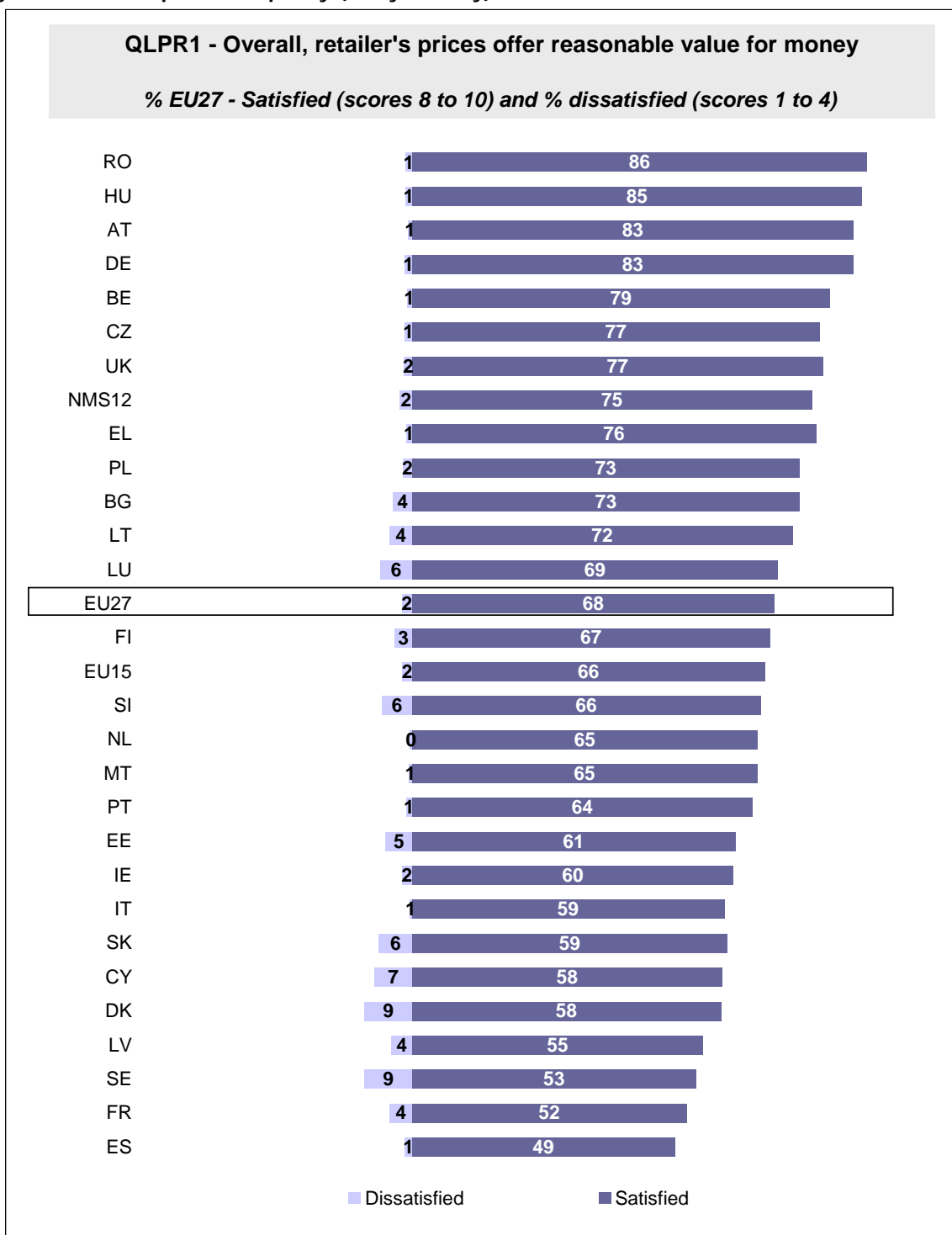
Those who purchase non-alcoholic beverages on street market/in farm shops, on the Internet, in discount stores and through sales at home seem to be more satisfied than the average (more than 70% of satisfied consumers against 68% at EU27 level) with the value for money offered by their retailer than those who purchase these products through other channels (petrol stations in particular with only 36% of satisfied consumers).

2.3. DIFFERENCES BETWEEN EU MEMBER STATES

The following consumers are more satisfied than the average with their retailer's prices when it comes to non-alcoholic beverages: Romanians (86%), Hungarians (85%), Austrians (83%), Germans (83%), Belgians (79%), Czechs (77%), British (77%), Greeks (76%); Poles (73%), Bulgarians (73%) and Lithuanians (72%).

In only one country, the proportion of consumers who are satisfied with their retailer's prices is below 50%. This is the case of Spain (49%).

Figure 9 – Overall price and quality (% by country)



2.4. DIFFERENCES BY SOCIO-ECONOMIC PROFILE

Women tend to be slightly more satisfied than men when it comes to evaluate their retailer's prices of non-alcoholic beverages. Satisfaction tends to increase with the age of the consumer. In terms of education of the respondent, those who finished studying before the age of 16 years old are the least satisfied.

3. Quality of services

3.1. OVERALL RESULTS

Overall, EU consumers seem to be satisfied with the quality of services offered by their retailer when it comes to non-alcoholic beverages (71% of satisfied). Consumers from the new Member States tend to be more satisfied (77% of satisfied) than others (70% in the EU15). Very few people are dissatisfied (2% in the EU27).

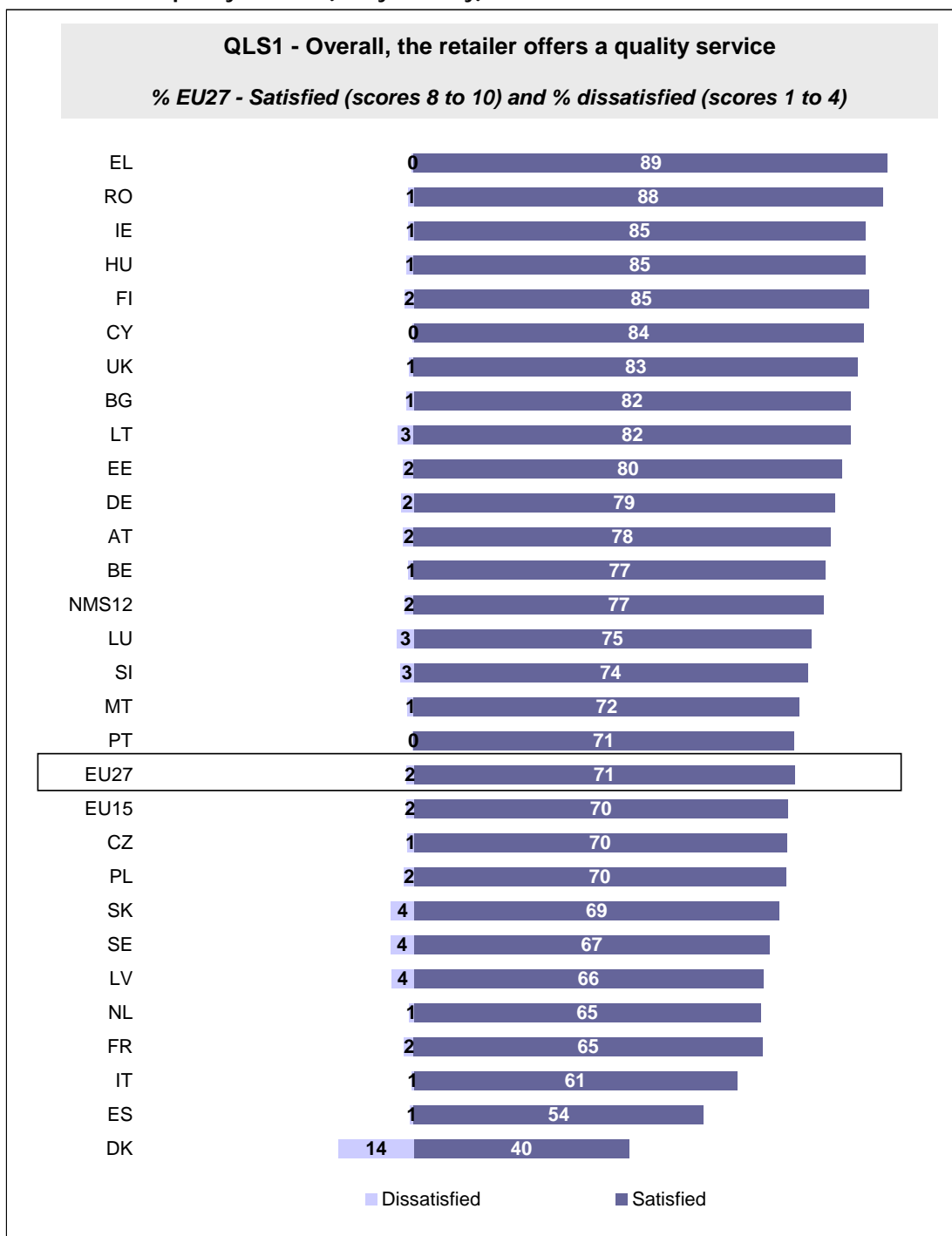
3.2. DIFFERENCES BETWEEN DISTRIBUTION CHANNELS

As already observed before, consumers who purchase non-alcoholic beverages on street market/in farm shops, on the Internet and through sales at home seem to be more satisfied (more than 8 consumers in 10) with the quality of service offered by their retailer than those who purchase these products through other channels such as petrol stations (59% of satisfied consumers) and discount stores (67% of satisfied consumers).

3.3 DIFFERENCES BETWEEN EU MEMBER STATES

In a majority of EU Member States, consumers are quite satisfied with the quality of services offered by their retailer, particularly for more than 8 consumers in 10 in Greece, Romania, Ireland, Hungary, Finland, Cyprus, UK, Bulgaria, Lithuania and Estonia. On the other side of the spectrum we find Denmark where only 40% said they were satisfied with the quality of services offered by their retailer. In this country, 14% of consumers said they were dissatisfied (against an EU average of 2%).

Figure 10 – Overall quality service (% by country)



3.4. DIFFERENCES BY SOCIO-ECONOMIC PROFILE

Women tend to be more satisfied than men when it comes to evaluate the quality of services offered by their retailer. In addition, the older the consumers are, the more they are satisfied. As previously observed, the least educated as well as students seem to be the least satisfied.

4. Respect of consumer protection rules

4.1. OVERALL RESULTS

Overall, consumers think that their retailer is trustworthy and adheres to the rules set in place to protect consumers. In the New Member States more than 7 in 10 think so, whereas they are a little bit more than 60% in the EU15.

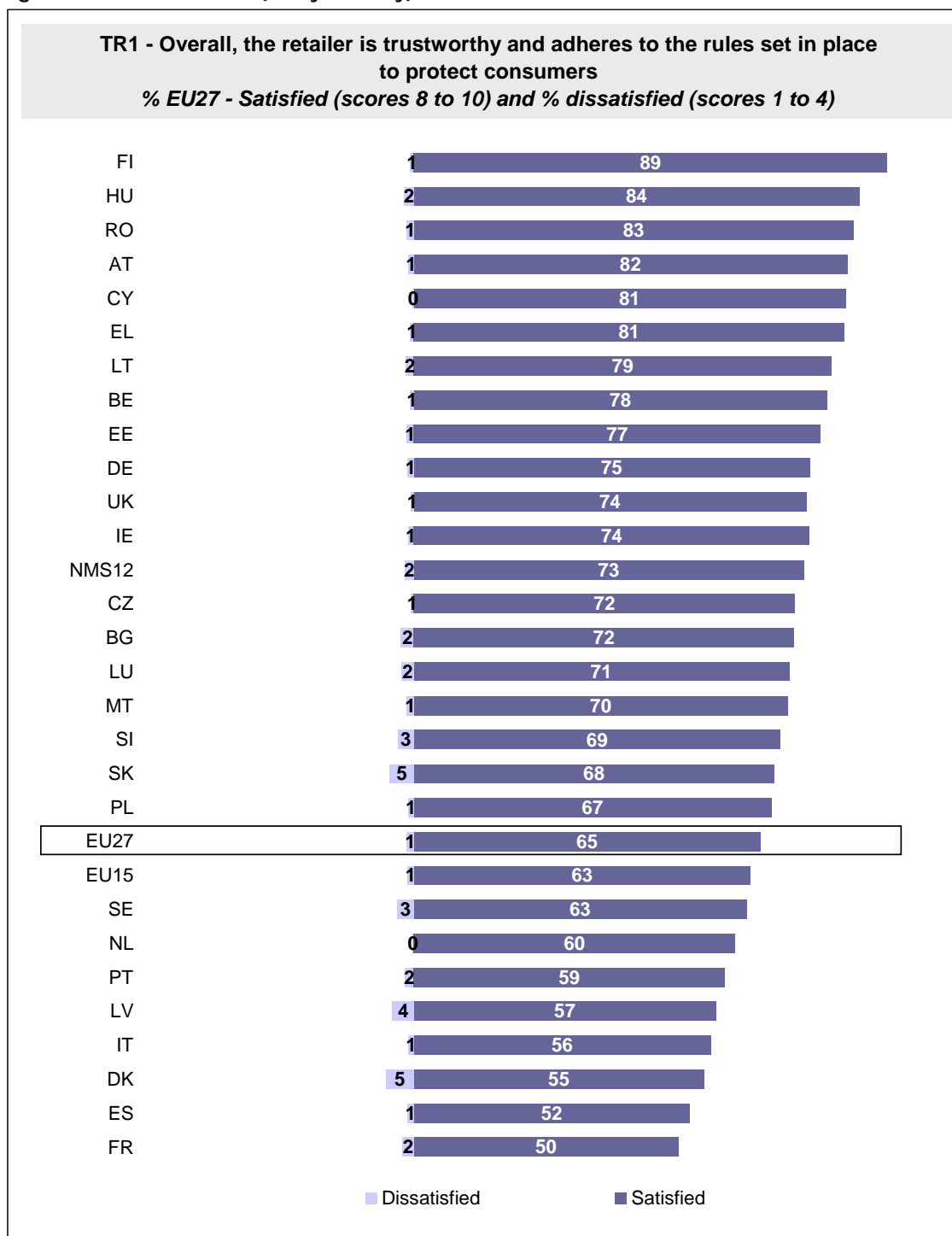
4.2. DIFFERENCES BETWEEN DISTRIBUTION CHANNELS

Consumers who purchase non-alcoholic beverages on street market/in farm shops, on the Internet, through sales at home and in grocery stores seem to be more satisfied (more than 7 consumers in 10) with the quality of service offered by their retailer than those who purchase these products through other channels, particularly petrol stations (51% of satisfied consumers).

4.3. DIFFERENCES BETWEEN EU MEMBER STATES

In each country, at least 50% of consumers think that their retailer is trustworthy and adheres to the rules set in place to protect them. In Finland, they are almost 9 in 10 to think so. On the other side of the spectrum we find France, Spain, Denmark, Italy, Latvia and Portugal with less than 6 consumers in 10.

Figure 11 – Overall trust (% by country)



4.4. DIFFERENCES BY SOCIO-ECONOMIC PROFILE

As observed previously, the older the consumer, the more satisfied. Students seem to be the least satisfied with the way their retailer comply with consumer protection rules.

5. Satisfaction with market

5.1. OVERALL RESULTS

Overall, EU consumers seem to be satisfied with the market of non-alcoholic beverages (71% of satisfied). Though, their evaluation of the market in general is a little less favourable than the opinion they have about their retailer (78%).

As already observed, consumers from the new Member States tend to be more satisfied with the market (76% of satisfied) than others (70% in the EU15). Very few people are dissatisfied (1% on average).

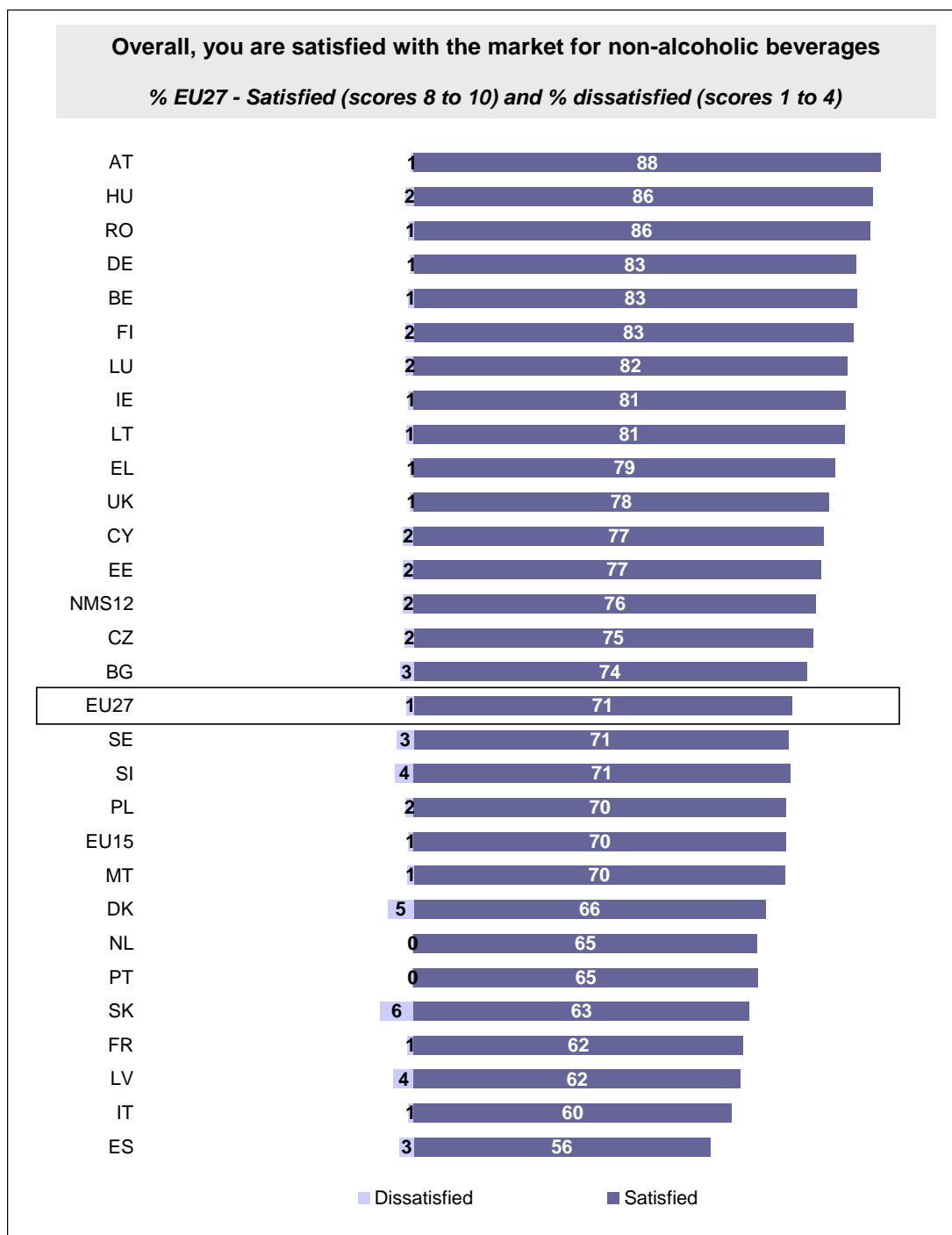
5.2. DIFFERENCES BETWEEN DISTRIBUTION CHANNELS

When it comes to consumers' satisfaction with the market of non-alcoholic beverages by distribution channel, consumers tend to give similar patterns of answers as already observed for the four previous dimensions i.e. overall satisfaction with the retailer, price/quality, quality of service and trust. In general, those who buy non-alcoholic beverages on street markets/in farm shops tend to be the most satisfied.

5.3. DIFFERENCES BETWEEN EU MEMBER STATES

In most of the EU27 Member States, more than 7 consumers in 10 are satisfied with the market of non-alcoholic beverages. The most satisfied consumers are found in Austria, Hungary, Romania, Germany, Belgium, Finland, Luxembourg, Ireland and Lithuania. In these countries more than 8 consumers in 10 said they are satisfied with the market. On the other hand, Spain is the only country where less than 60% of people said they were satisfied with the market.

Figure 12 – Satisfaction with the market (% by country)



5.4. DIFFERENCES BY SOCIO-ECONOMIC PROFILE

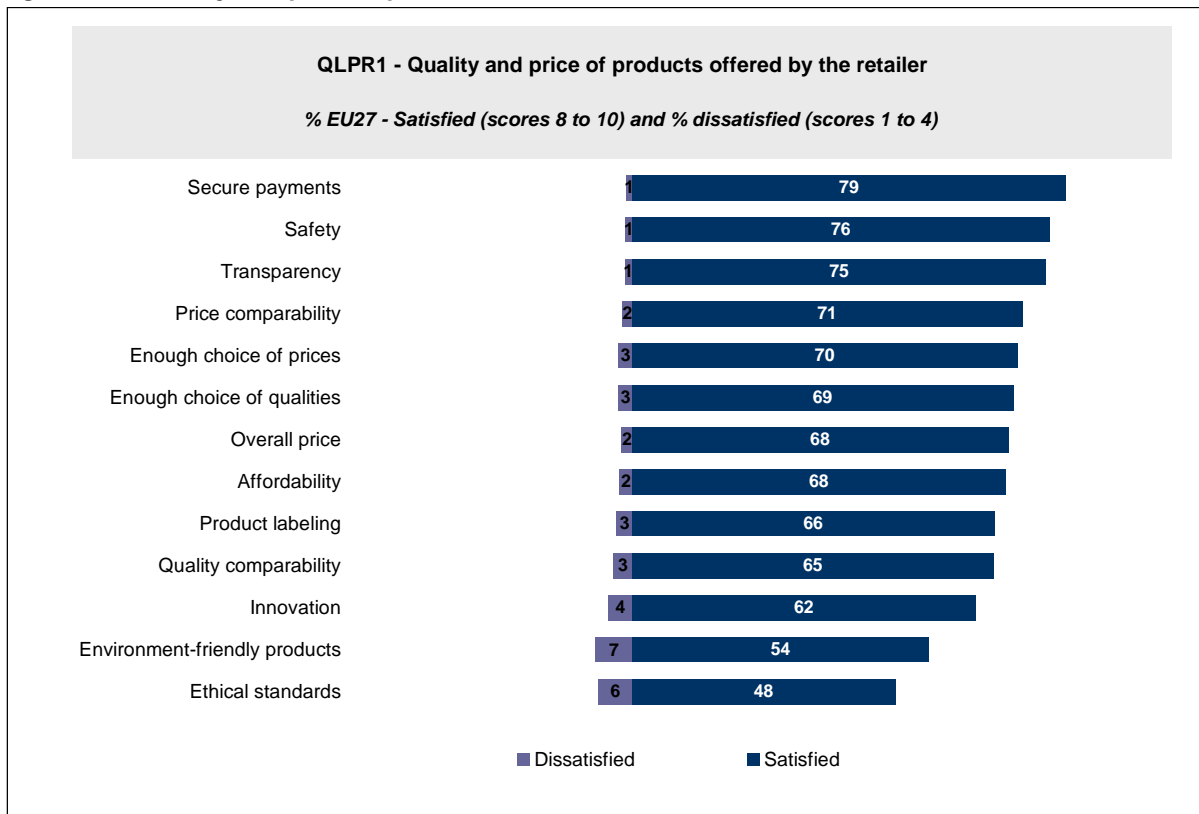
Women tend to be more satisfied than men when it comes to evaluate the market of non-alcoholic beverages. Younger people tend to be less satisfied than others. In addition, the least satisfied are to be found among self-employed.

Chapter 3 – Detailed results

1. Quality and price of products

1.1. OVERALL RESULTS

Figure 13 – Quality and price of products (% EU27)



Speaking of quality and prices of non-alcoholic beverages offered by their retailer, more than 7 consumers in 10 said they were particularly satisfied with:

- Secure payments i.e. their retailer offers easy and safe ways to pay for their products
- Safety of products
- Price transparency i.e. prices are clear and accurate so that they know exactly what they are going to pay, before they buy the product.
- Price comparability i.e. it is easy to compare prices of products at their retailer when buying non-alcoholic beverages

On the other hand, only 48% think their retailer offers a wide enough choice of products that have been produced according to specific ethical standards (e.g. “fair trade”, produced without the use of child labour, etc.).

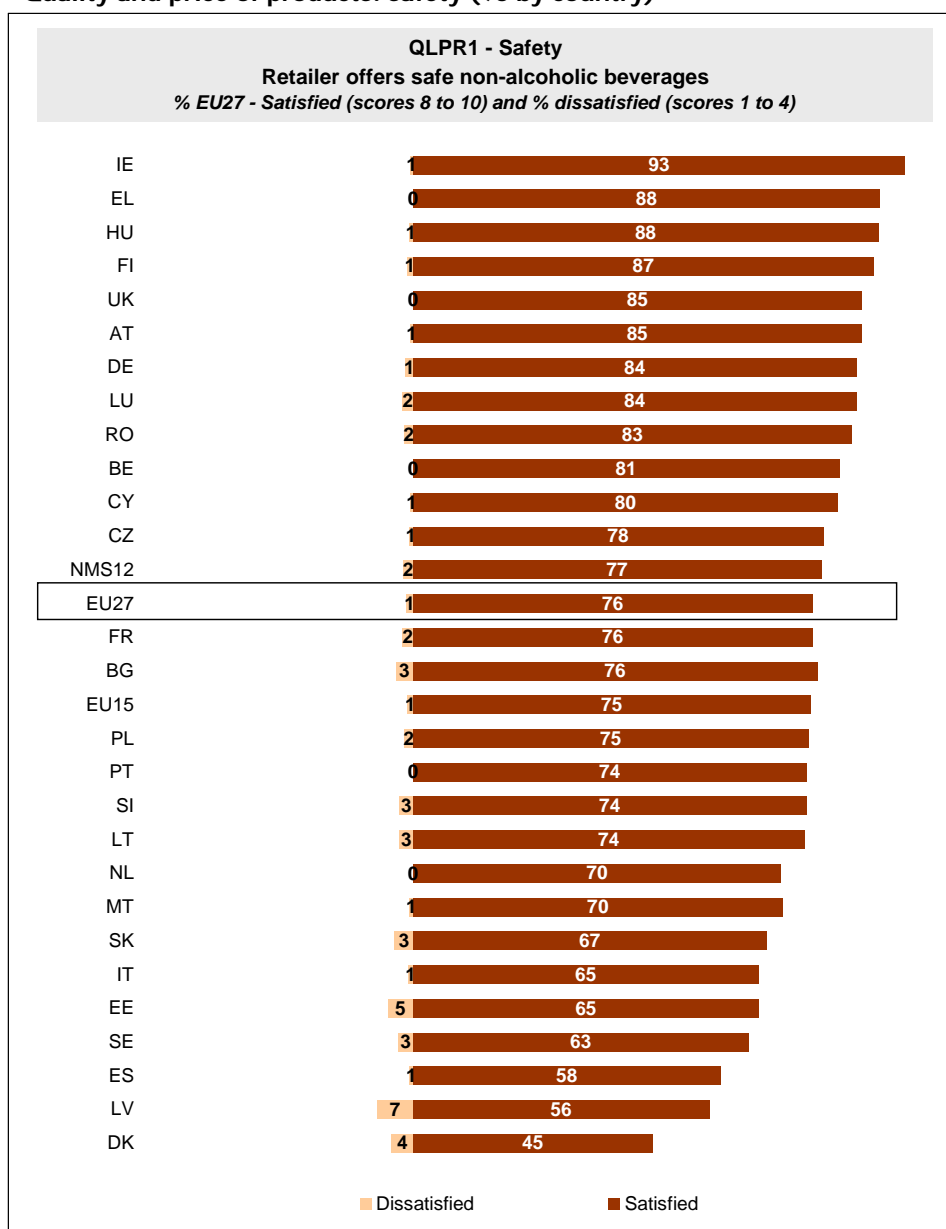
1.2. DIFFERENCES BETWEEN DISTRIBUTION CHANNELS

Consumers who usually buy non-alcoholic beverages on the Internet, on street markets or in farm shops tend to be more satisfied than others with the value for money offered by their retailers. This observation is also true when looking at consumers' satisfaction with each component of price/quality. However, when looking at affordability and price transparency in particular, those who buy non-alcoholic beverages in discount stores are also among the most satisfied. The least satisfied with all dimensions of price/quality are those who buy these products in petrol stations.

1.3. DIFFERENCES BETWEEN EU MEMBER STATES

A) SAFETY

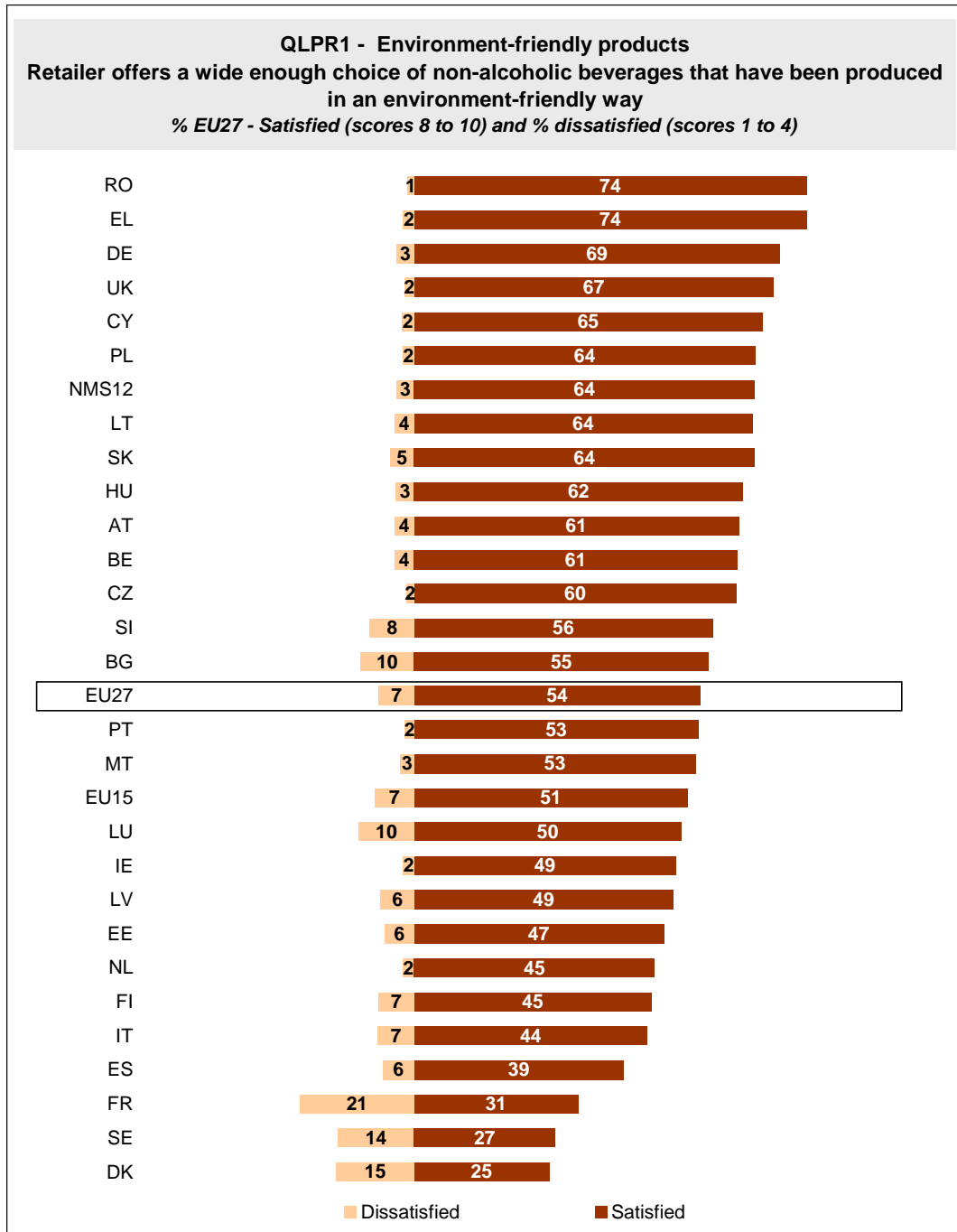
Figure 14 – Quality and price of products: safety (% by country)



Overall, a large majority of EU consumers feel that their retailer offers safe non-alcoholic beverages. The only exception is Denmark where only 45% feel so.

B) ENVIRONMENT-FRIENDLY PRODUCTS

Figure 15 – Quality and price of products: environment-friendly products (% by country)

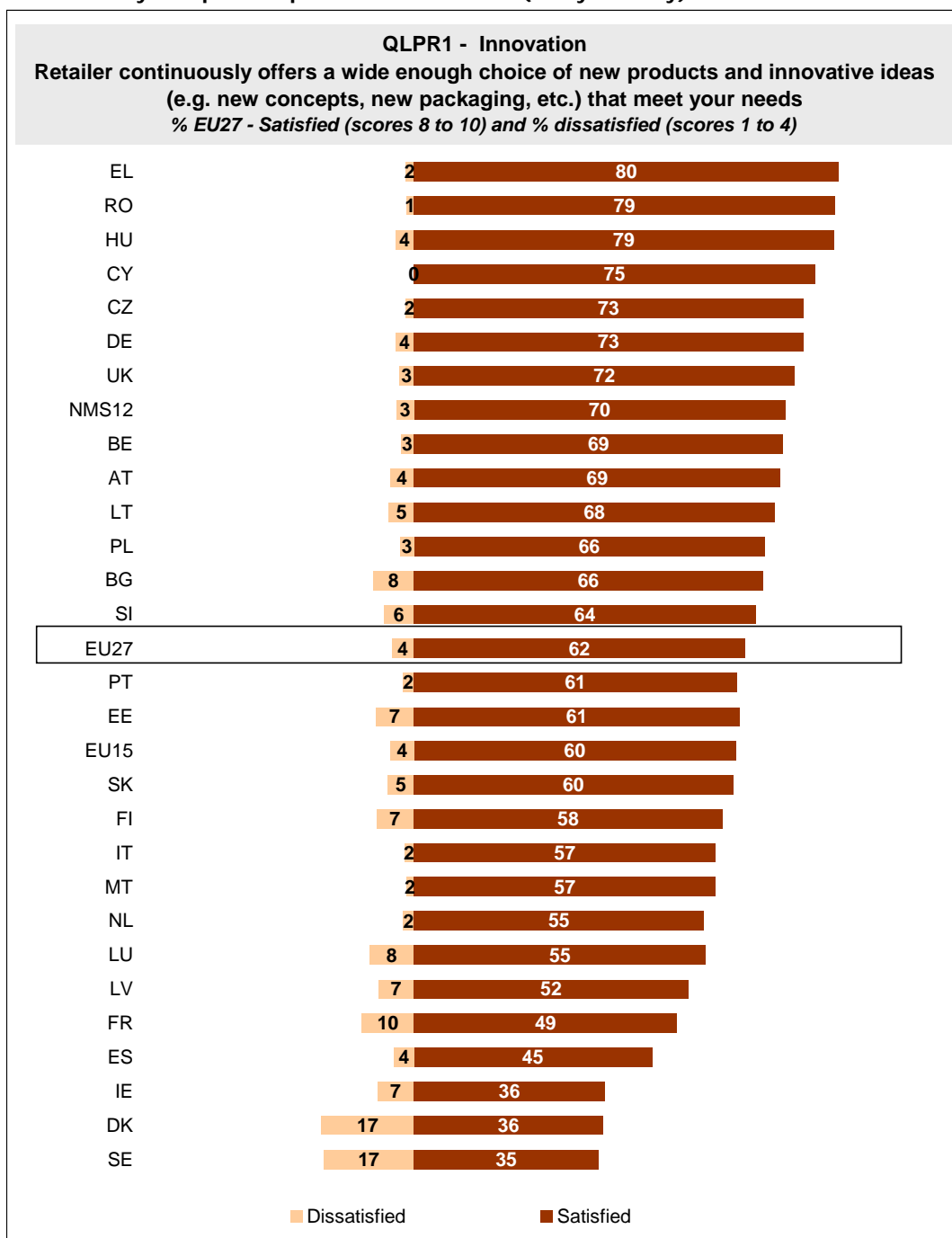


A little more than 50% of EU consumers think that their retailer offers environment-friendly products. In Romania and Greece in particular, they are more than 70% to think so. On the other side of the spectrum we find Denmark (25%), Sweden (27%), France (31%), Spain (39%), Italy (44%), Finland (45%), the Netherlands (45%), Estonia (47%), Latvia and Ireland (49% each).

It is also interesting to note the relatively high proportion of dissatisfied consumers (compared to an average of 7%) in France (21%), Denmark (15%), Sweden (14%), Luxembourg and Bulgaria (10% each).

C) INNOVATION

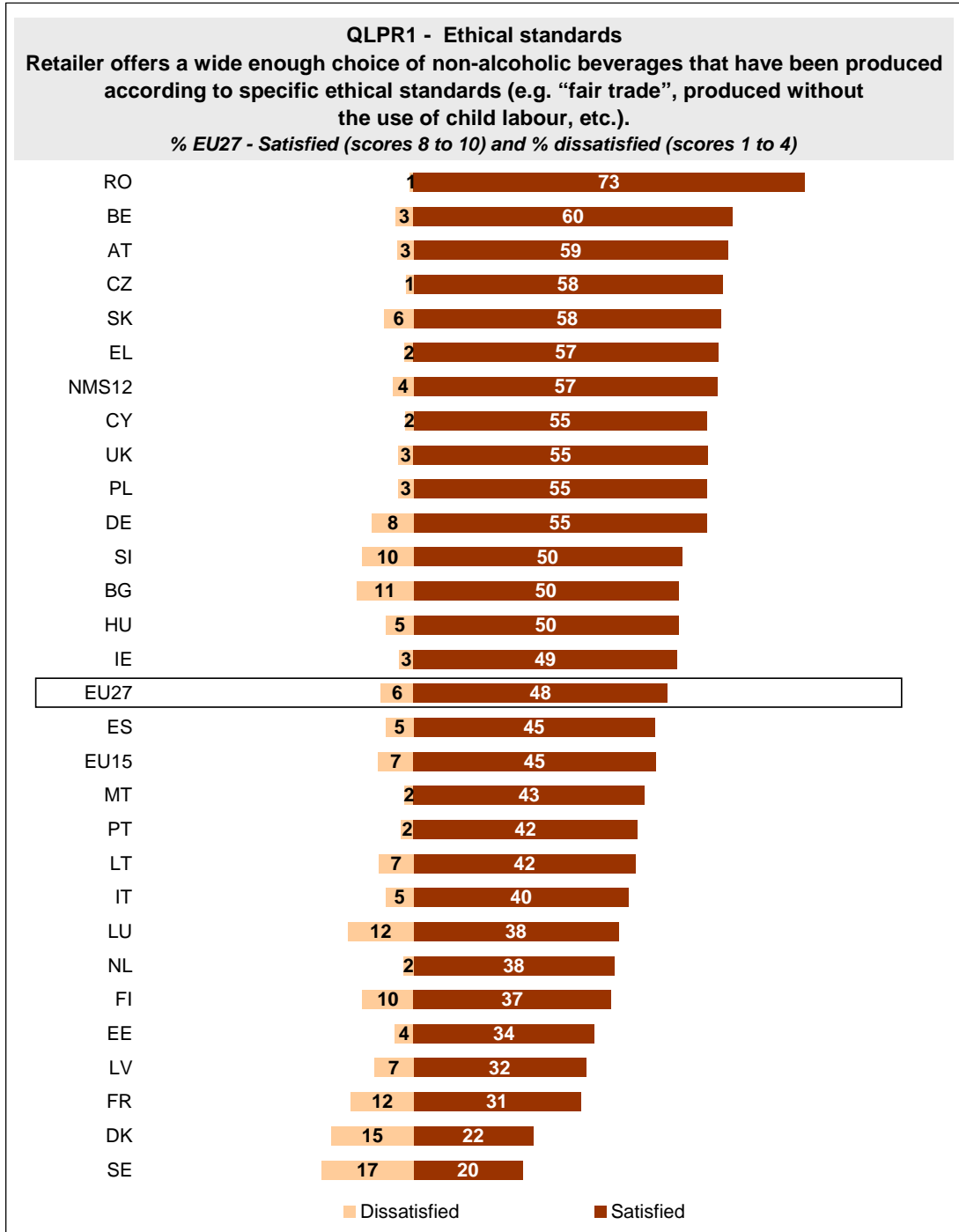
Figure 16 – Quality and price of products: innovation (% by country)



Almost one fifth of consumers in Denmark and Sweden (against an EU average of 4%) do not think that their retailer offers innovative ideas and concepts that meet their needs. To a lesser extent, this is also the case of 10% of people in France.

D) ETHICAL STANDARDS

Figure 17 –Quality and price of products: ethical standards (% by country)

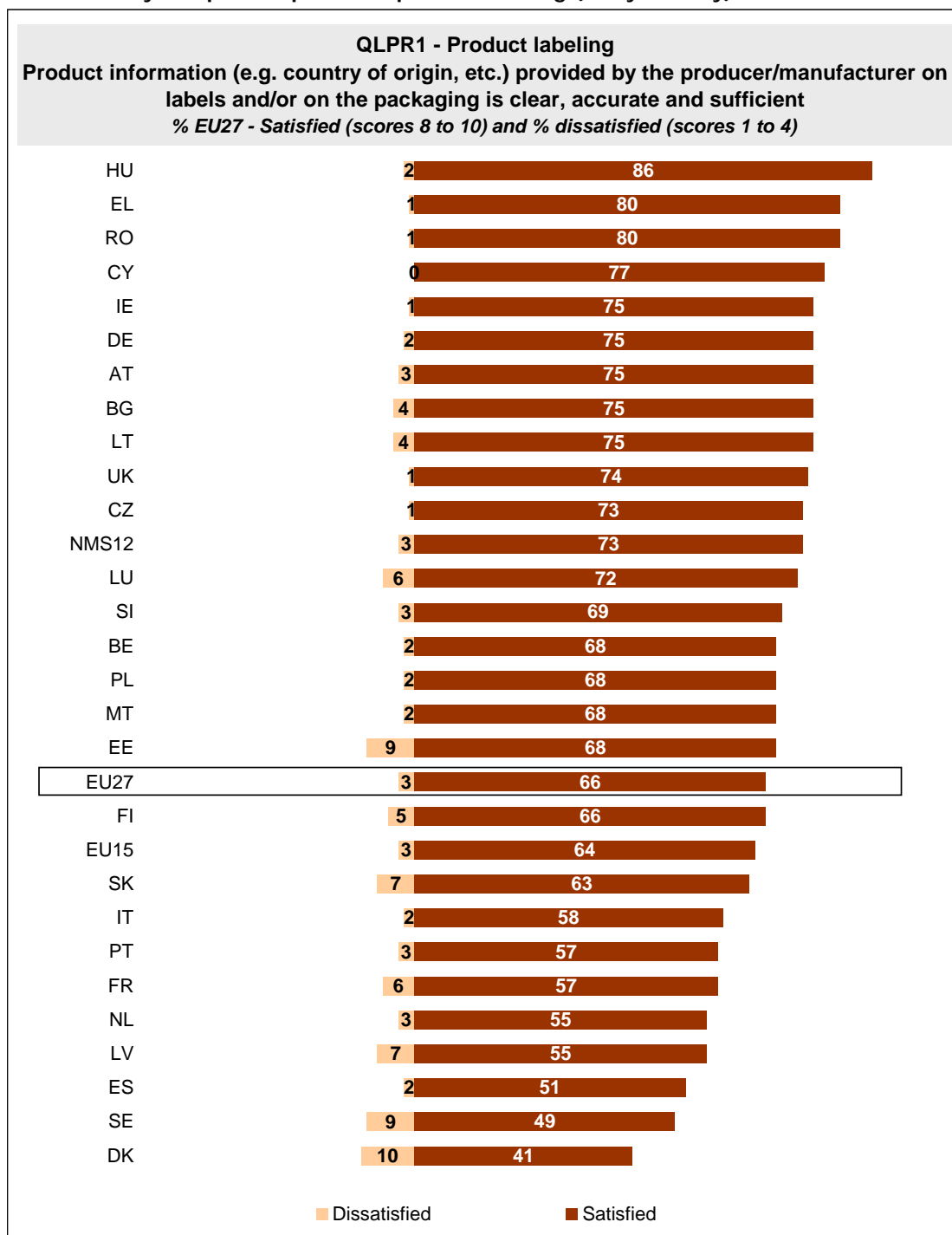


In some countries, consumers are more dissatisfied than the average (6%) with the choice of products that have been produced according to ethical standards. This is particularly the case in Sweden (17%), Denmark (15%), France (12%), Luxembourg (12%) and Finland (10%). However, for consumers across the EU it was difficult to evaluate their retailer on this criterion. In particular, we find a high proportion of “Don’t know’s” (compared to the EU average of 17%) in Estonia (51%), Denmark (43%), Hungary (38%), Sweden (37%), Latvia (36%), Lithuania (36%), Malta (35%), Luxembourg (31%), Cyprus (29%), the Netherlands (28%) and Czech Republic (25%).

Although relatively large proportions stating that they are dissatisfied is a valid finding (especially when seen in comparison with the usually very low levels of dissatisfaction) the comparison with the satisfied consumers is somewhat "skewed" by the high proportions of "Don't know's".

E) PRODUCT LABELING

Figure 18– Quality and price of products: product labeling (% by country)

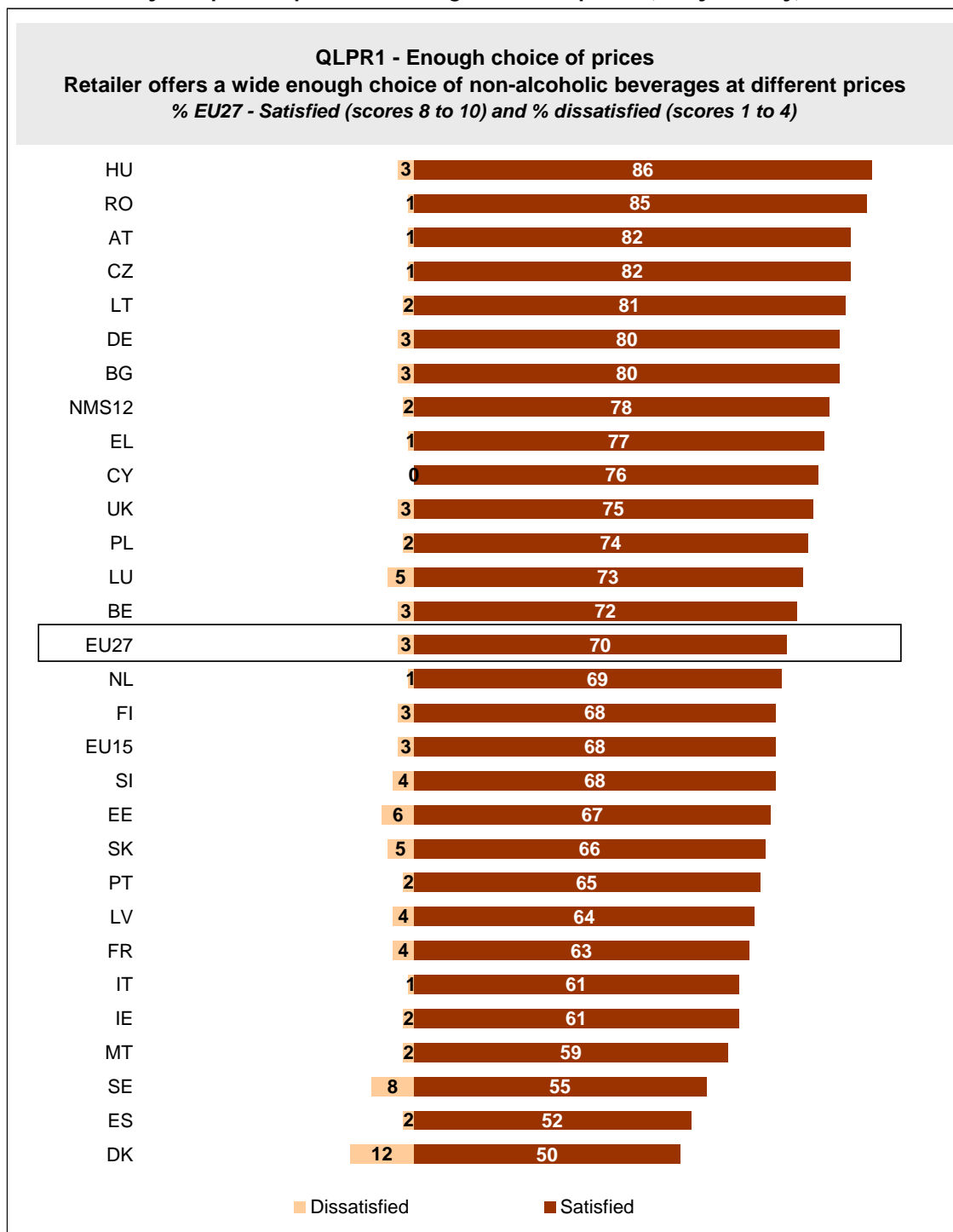


Product labeling does not seem to be a problem for a great majority of consumers. In particular, more than 8 consumers in 10 in Hungary and to a lesser extent in Greece and

Romania are satisfied with it. On the other hand, only 41% of consumers in Denmark and 49% in Sweden are satisfied (against an EU average of 66%). In these two countries, respectively 10% and 9% of consumers are even dissatisfied (against an EU average of 3%). This is also the case in Estonia (9% of dissatisfied).

F) ENOUGH CHOICE OF PRICES

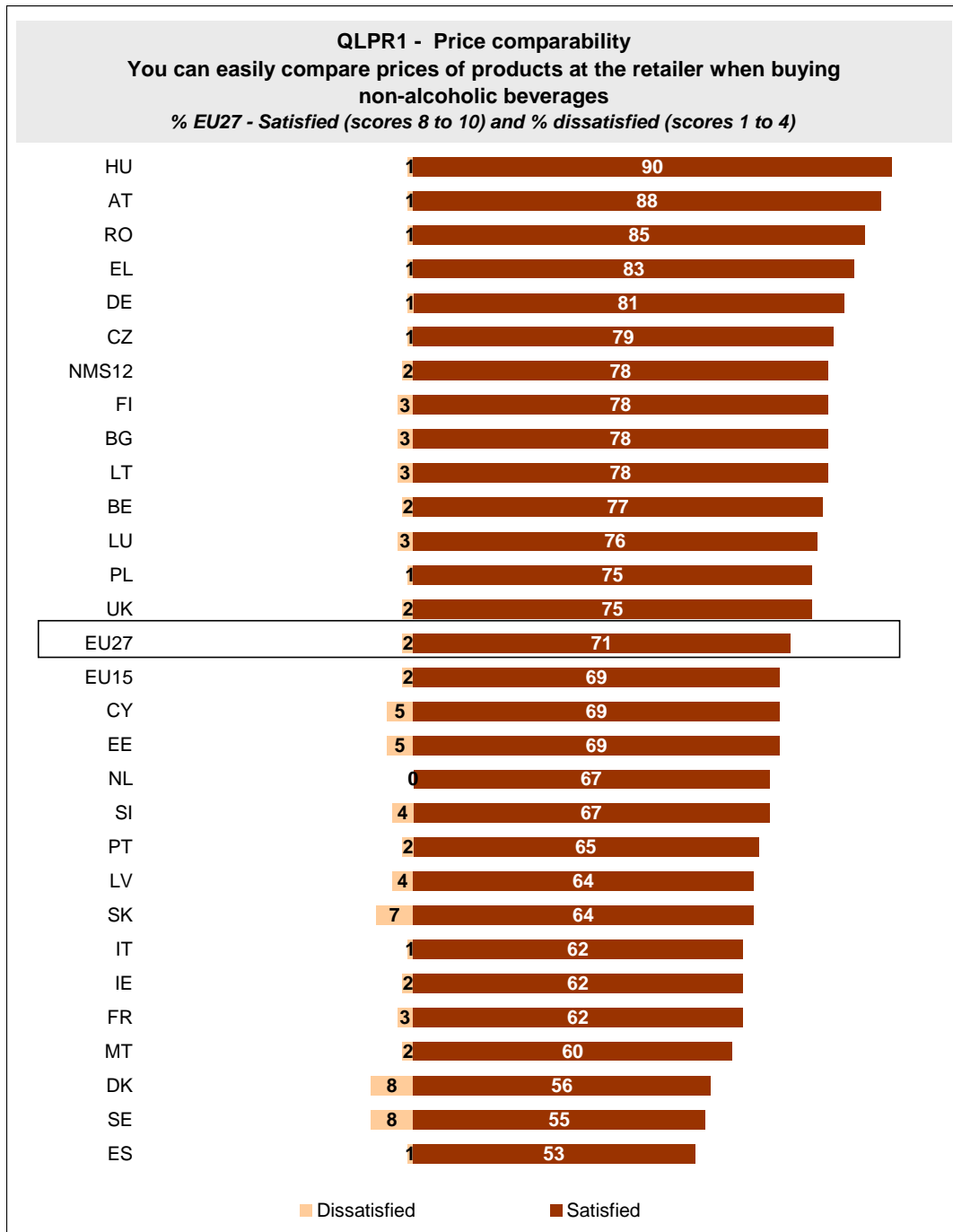
Figure 19– Quality and price of products: enough choice of prices (% by country)



More than 8 consumers in 10 in Hungary, Romania, Austria, Czech Republic, Lithuania, Germany and Bulgaria (against an EU average of 70%) are satisfied with the choice of prices offered by their retailer. On the other side of the spectrum we find Denmark, Spain, Sweden and Malta with less than 60% of satisfied consumers. In Denmark, 12% are even dissatisfied with the choice of prices offered by their retailer (against an EU average of 3%).

G) PRICE COMPARABILITY

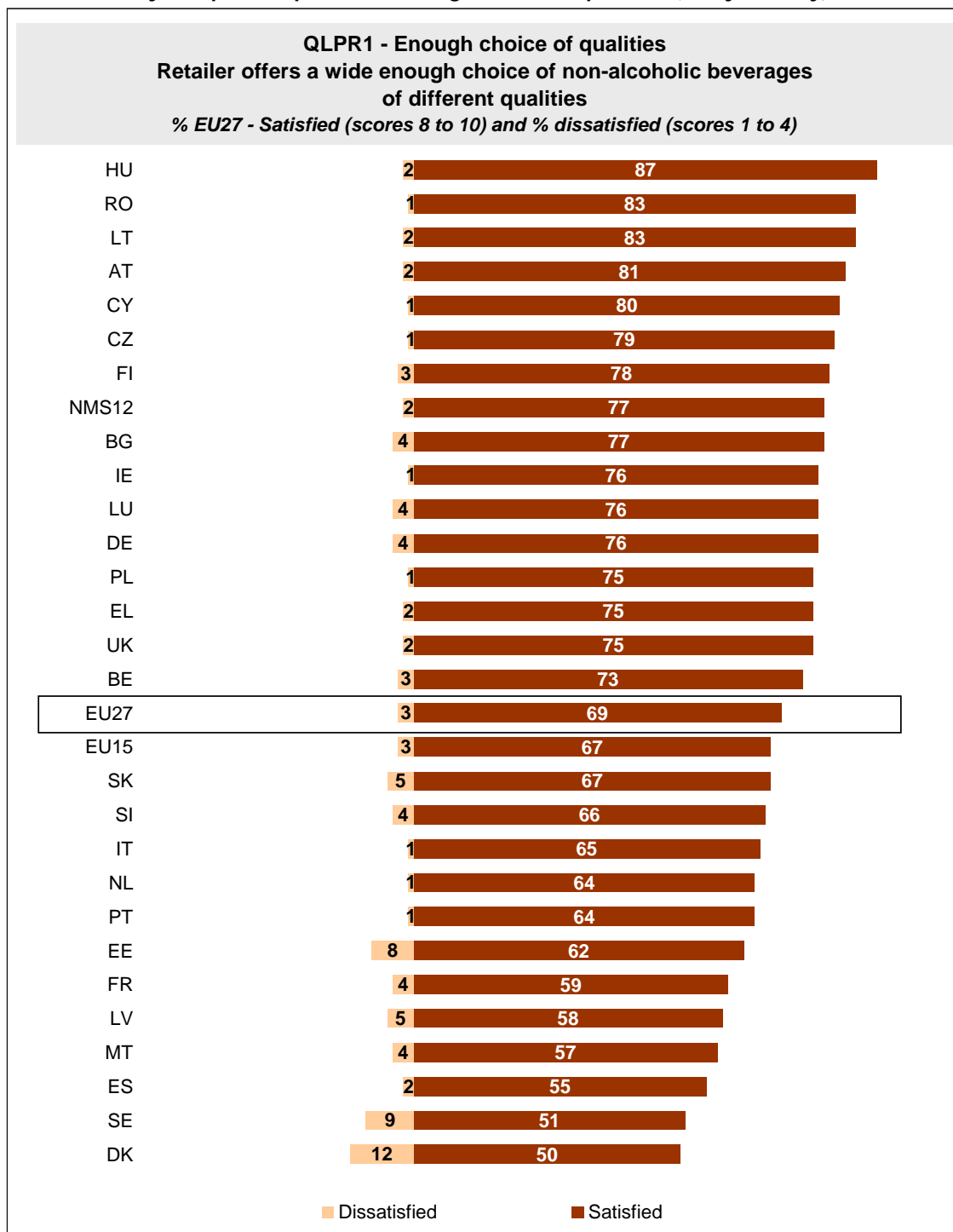
Figure 20– Quality and price of products: price comparability (% by country)



In all the EU Member States, a majority of consumers are satisfied when it comes to the price comparability. The most satisfied consumers are found in Hungary (9 consumers in 10), Austria, Romania, Greece and Germany (more than 8 consumers in 10). The least satisfied are the Spaniards (53%), the Swedes (55%) and the Danes (56%). In Denmark and Sweden, 8% of consumers are dissatisfied (against an EU average of 2%). In Slovakia they are 7%.

H) ENOUGH CHOICE OF QUALITIES

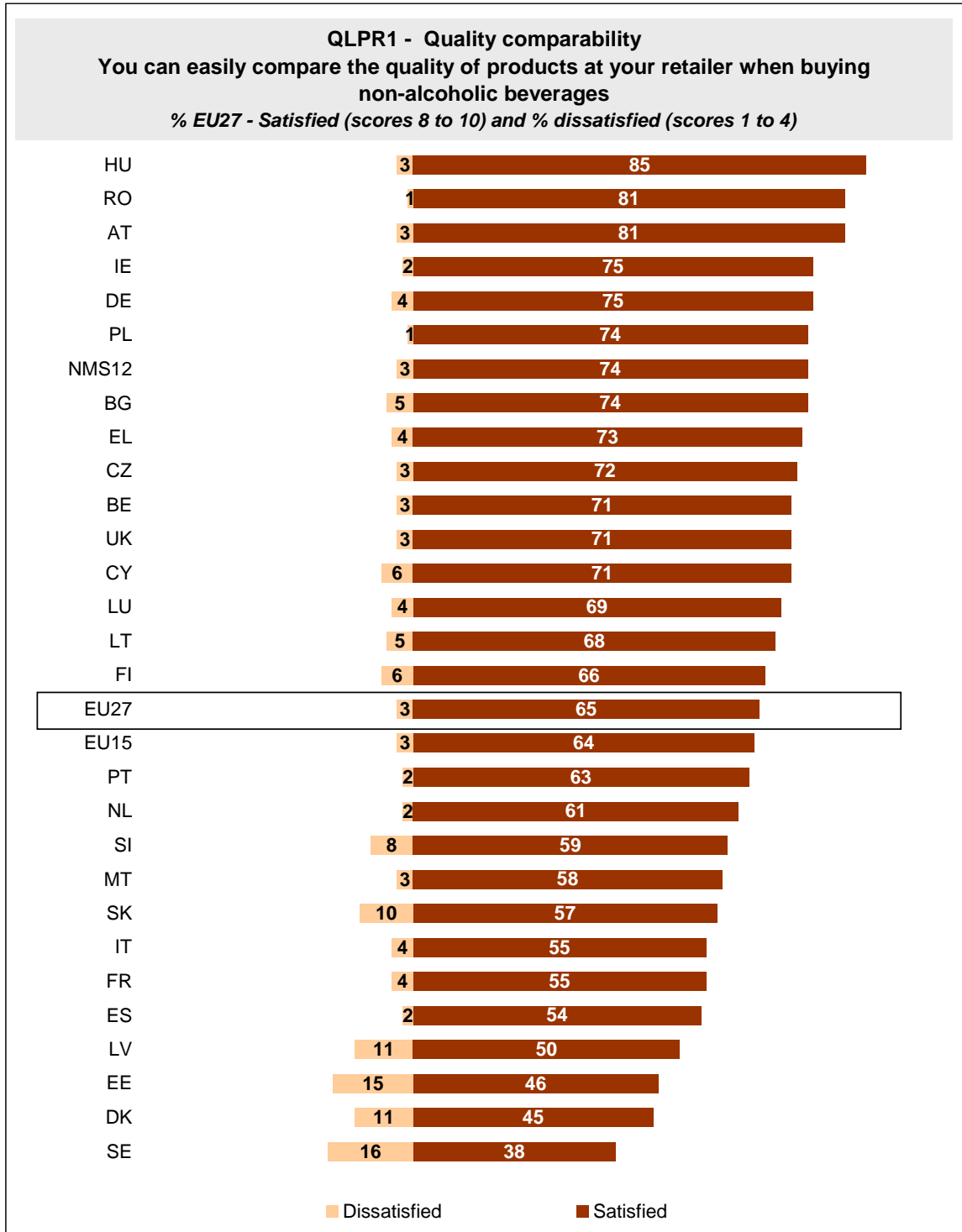
Figure 21– Quality and price of products: enough choice of qualities (% by country)



More than 8 consumers in 10 in Hungary, Romania, Lithuania, Austria and Cyprus (against an EU average of 69%) are satisfied with the choice of qualities offered by their retailer. In Denmark, only 50% are satisfied and even 12% are dissatisfied (against an EU average of 3%).

I) QUALITY COMPARABILITY

Figure 22– Quality and price of products: quality comparability (% by country)



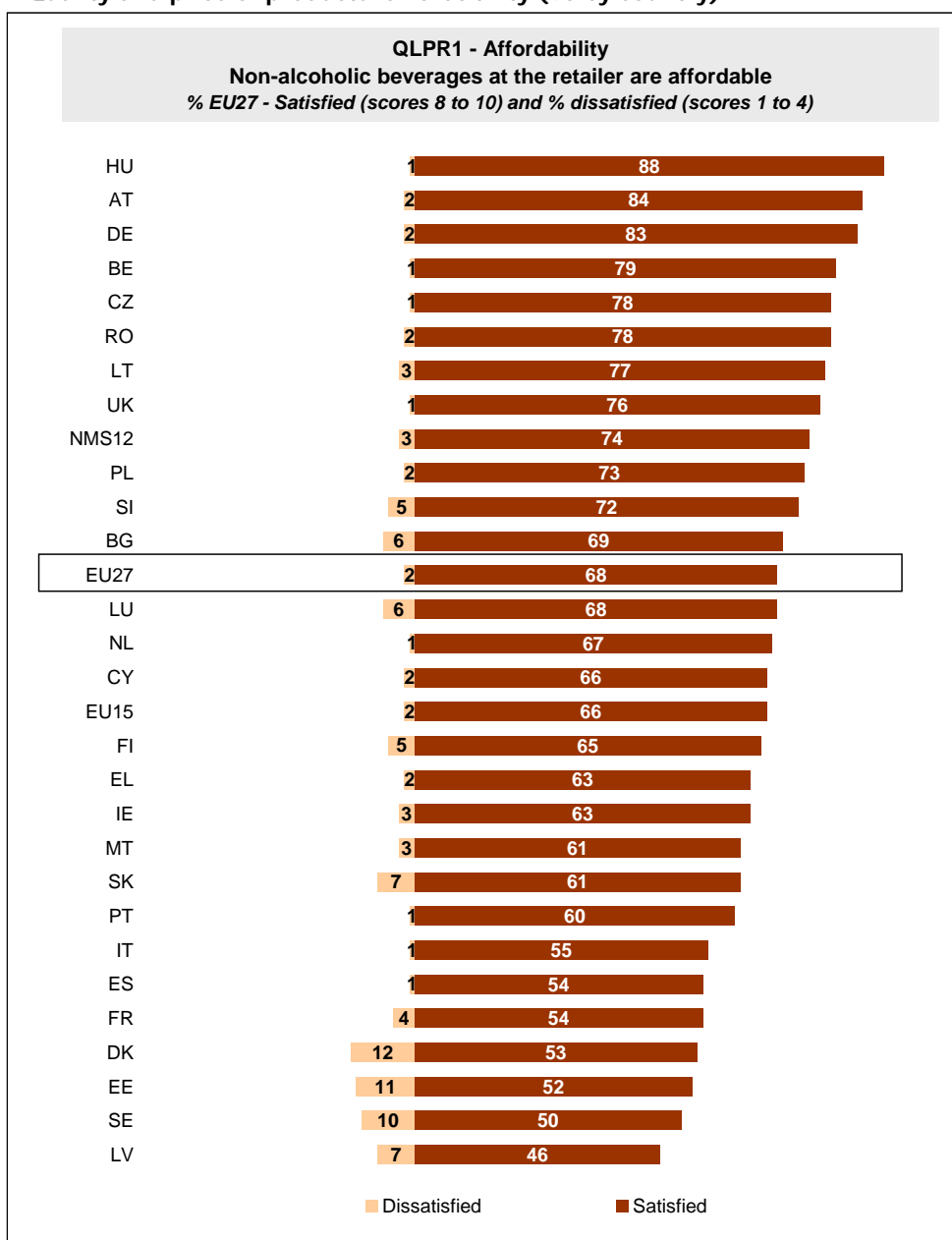
In all the EU Member States, a majority of consumers are satisfied when it comes to the quality comparability. The most satisfied consumers are found in Hungary, Romania and Austria (more than 8 consumers in 10). The least satisfied consumers are found in Sweden (38%), Denmark (45%), Estonia (46%) and Latvia (50%). In these countries, we can observe higher proportions of dissatisfied consumers than the EU average (3%).

J) SECURE PAYMENTS

In all the EU Member States, a majority of consumers are satisfied with modes of payments offered by the retailers. The most satisfied consumers are found in Hungary, Finland, Austria, Romania, Estonia, Lithuania, Germany, Belgium, Greece, Czech Republic, Luxembourg, UK, Bulgaria, Sweden, Latvia, Slovenia, Poland and France. The least satisfied are the Spaniards, although there are almost 60% of them.

K) AFFORDABILITY

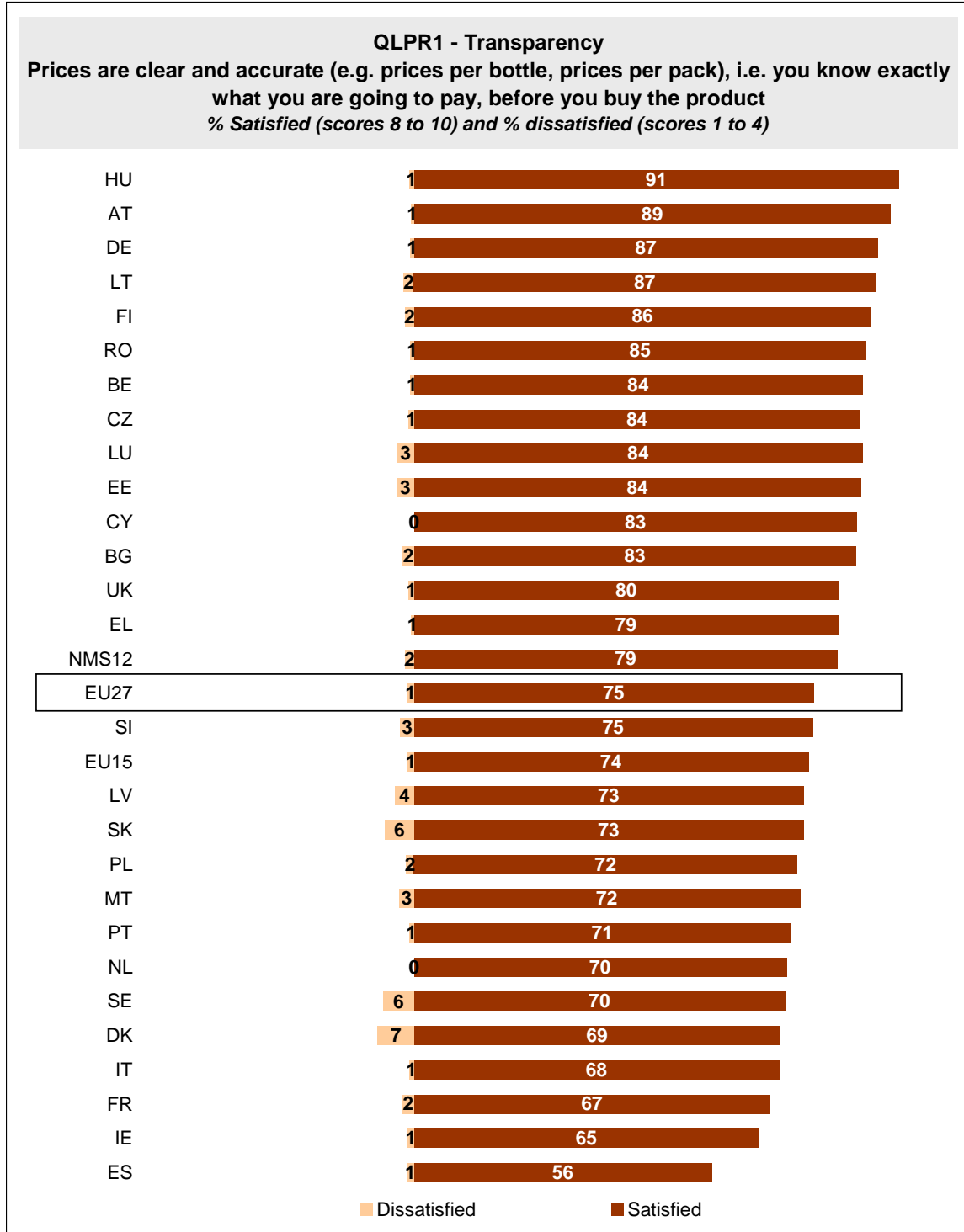
Figure 23– Quality and price of products: affordability (% by country)



Non-alcoholic beverages are affordable for more than 80% of consumers in Hungary, Austria and Germany. However, this is less the case for Latvians (46%). In addition, 12% of Danes, 11% of Estonians and 10% of Swedes do not think that their retailer's products are affordable (compared to an EU average of 2%).

L) TRANSPARENCY

Figure 24– Quality and price of products: transparency (% by country)

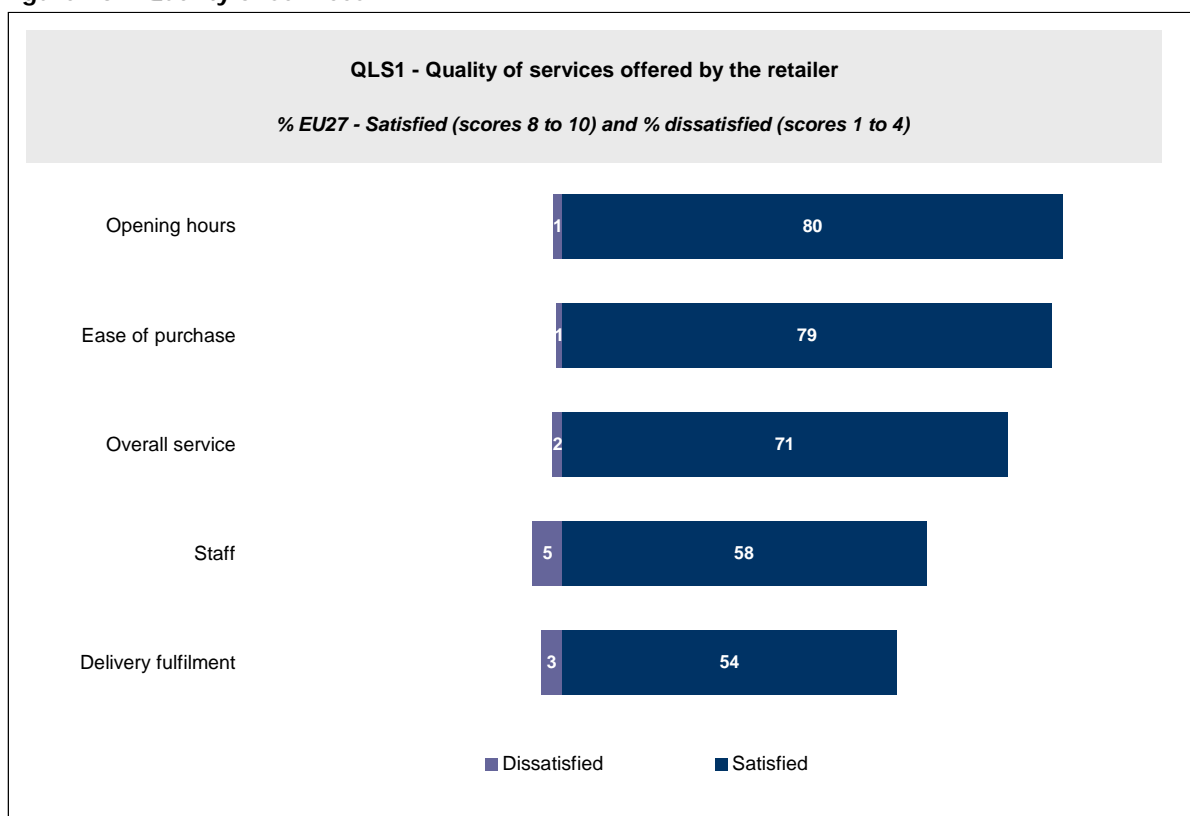


For more than 7 EU consumers in 10, prices are clear and accurate. This is particularly the case for more than 90% of consumers in Hungary. On the other side of the spectrum we find Spain with only 56% of satisfied consumers.

2. Quality of services

2.1. OVERALL RESULTS

Figure 25 – Quality of services



As mentioned before, almost 7 consumers in 10 are satisfied with the quality of services offered by their retailer. The elements with which consumers are the most satisfied are:

- Opening hours i.e. they can do their shopping when it is convenient for them (80% of satisfied);
- Ease of purchase i.e. it is quick and easy to find the product they want at their retailer (79% of satisfied).

2.2. DIFFERENCES BETWEEN DISTRIBUTION CHANNELS

Consumers tend to think that it is easier to shop on street markets/in farms shops (84%), on the Internet (85%) and through sales at home (90%) than elsewhere, especially when comparing to petrol stations (64%).

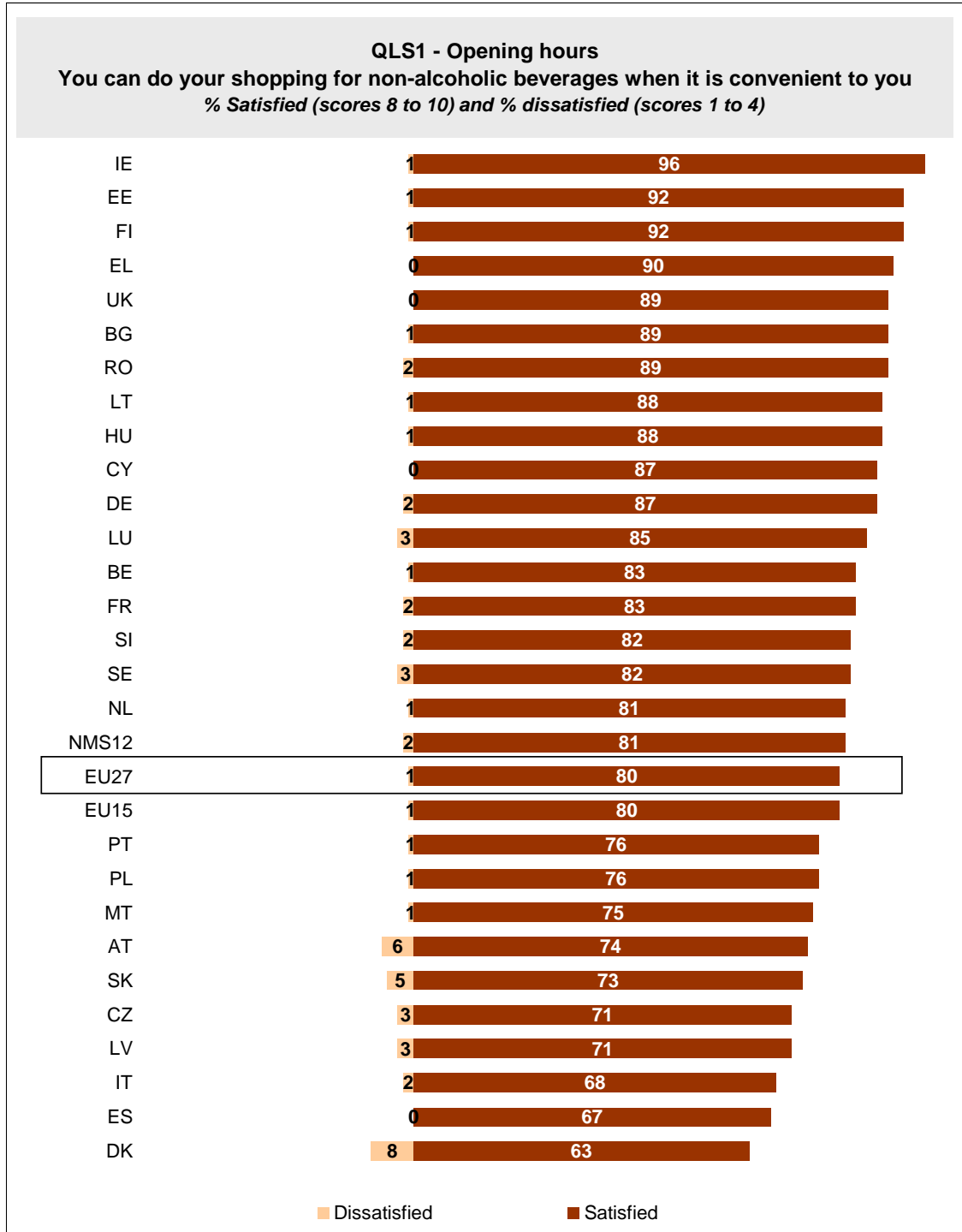
In addition, on street markets/in farm shops the staff is more helpful than in other places (83% against an EU average of 58%). To a lesser extent this is the case of grocery stores (73%) and convenience stores (65%). The least helpful staff is found in petrol stations (41%) and discount stores (53%).

However, consumers are the least satisfied with street markets/farm shops (72% against an EU average of 80%) when it comes to evaluate the opening hours.

2.3. DIFFERENCES BETWEEN EU MEMBER STATES

A) OPENING HOURS

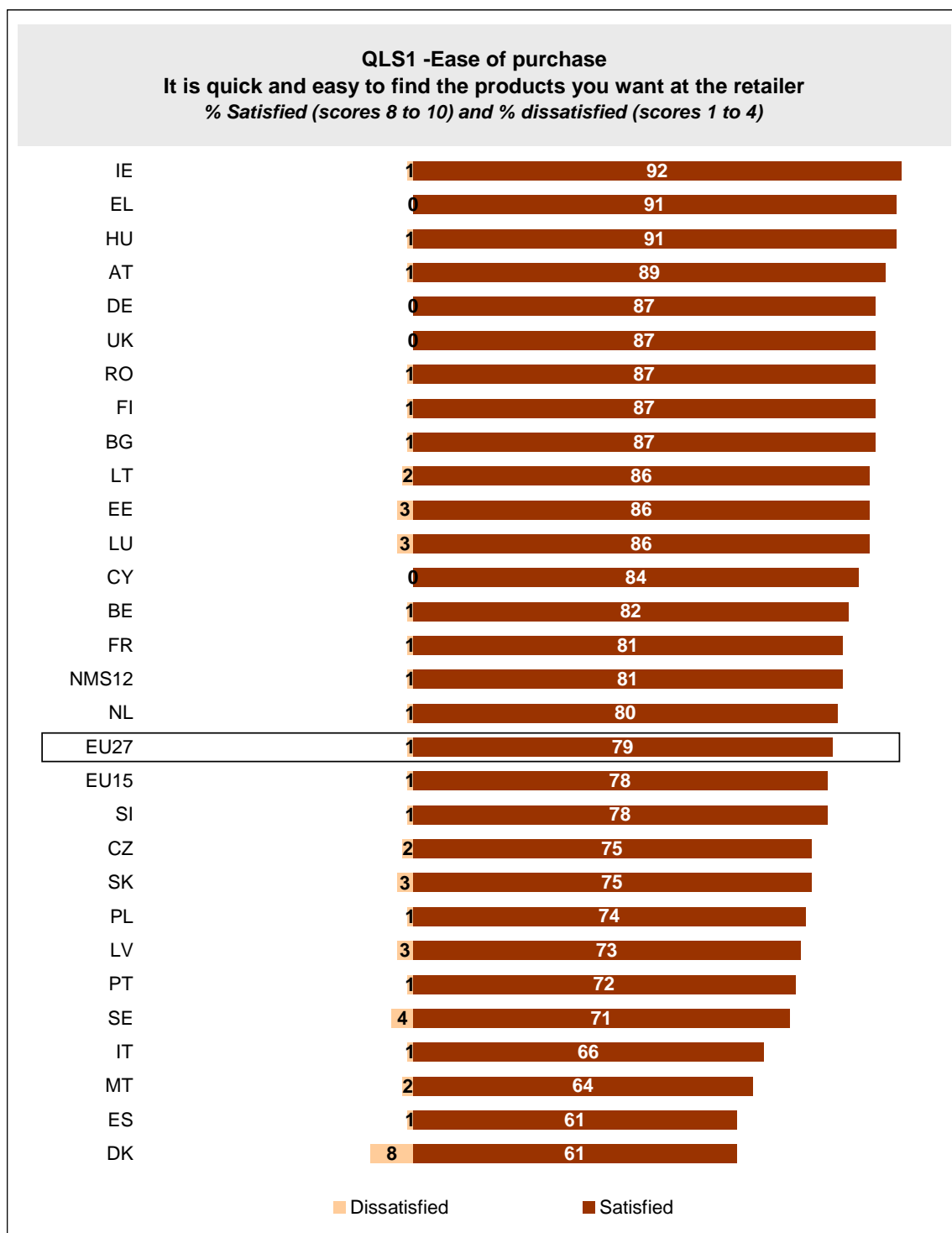
Figure 26 – Quality of services: opening hours (% by country)



On average 80% of people are satisfied with the opening hours of their retailer. In Ireland, Estonia and Finland they are more than 90%. On the other hand, in Denmark there are only 63% of satisfied consumers and even 8% of dissatisfied (against an EU average of 1%).

B) EASE OF PURCHASE

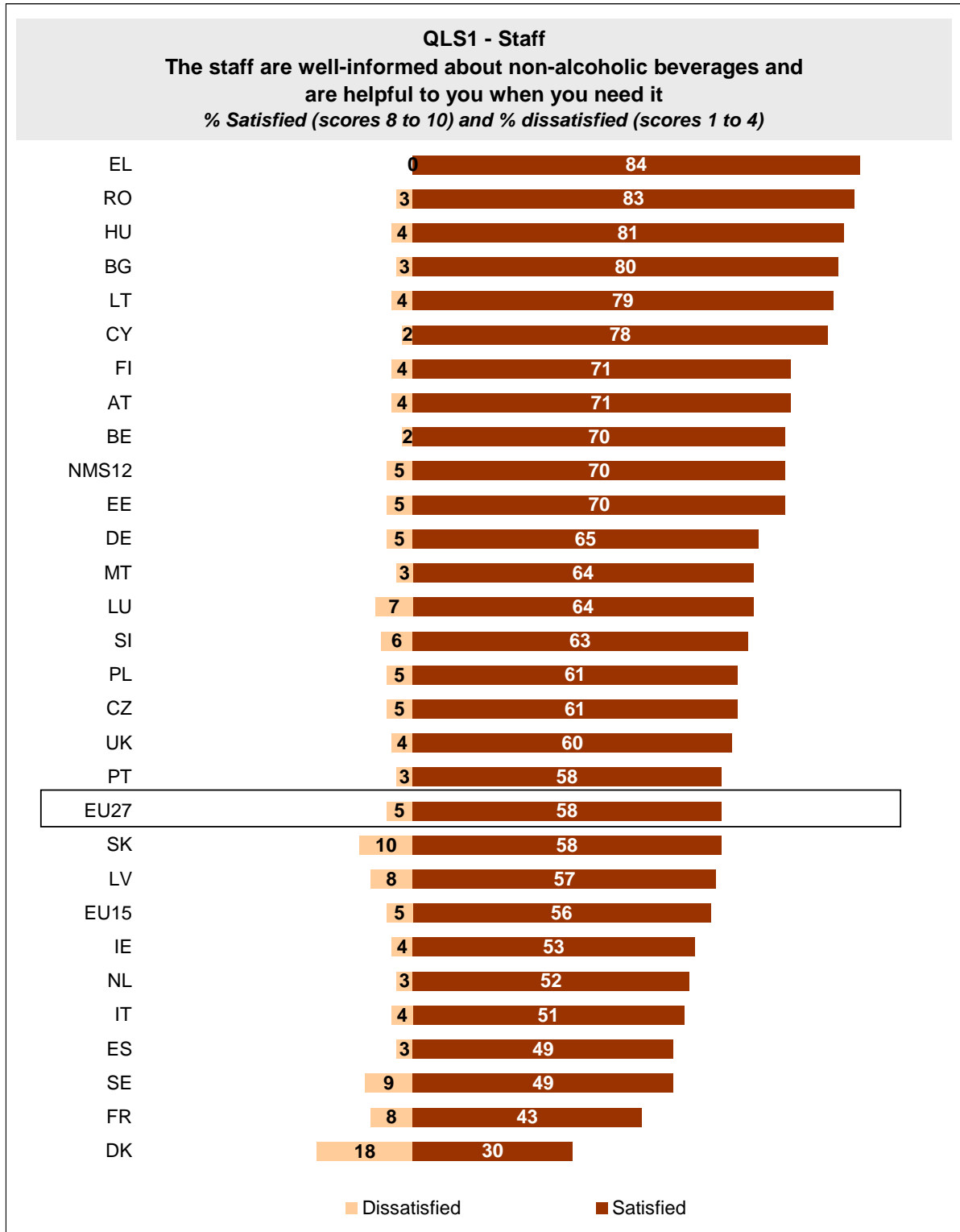
Figure 27 – Quality of services: ease of purchase (% by country)



At least 6 consumers in 10 think that it is quick and easy to find the product they want at their retailer. In Ireland, Greece and Hungary they are more than 90% to think so.

C) STAFF

Figure 28 – Quality of services: staff (% by country)



Denmark, France, Sweden and Spain are the only countries where less than 50% of people are satisfied with their retailer's staff. 18% of Danes are even dissatisfied (against an EU average of 5%).

D) DELIVERY FULFILMENT

Delivery fulfilment is not a key issue in this market for consumers. More than one fifth of respondents could not say whether they agree or disagree with the fact that products are delivered according to the purchase order. This is especially the case in Luxembourg (53%), Latvia (44%), Estonia (43%), Malta (38%), Sweden (36%), Slovenia (35%), Portugal (34%), UK (33%), Denmark (32%), Hungary (32%) and France (31%).

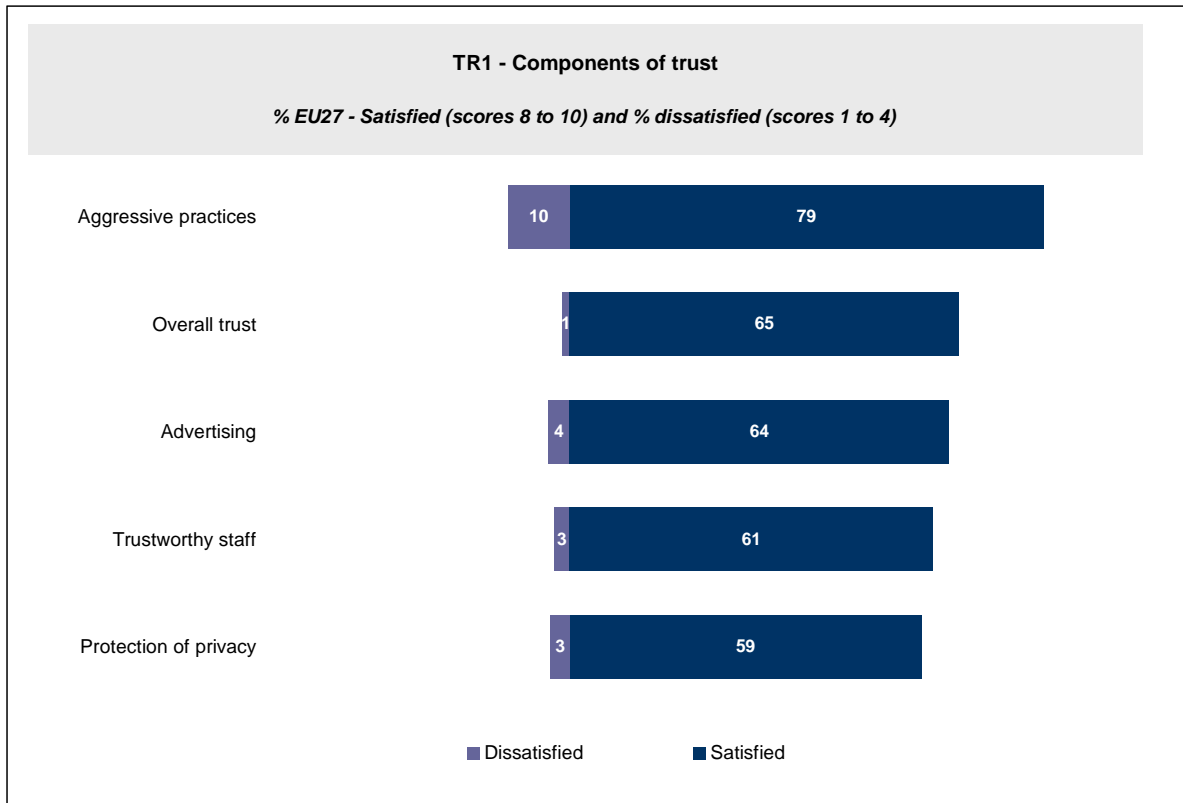
Whilst delivery of non-alcoholic beverages do exist it is probably fair to say that this is not a major influence on satisfaction as it is rarely used.¹

¹ The lack of delivery services could in itself drive some dissatisfaction, but this survey's aim has primarily been to get consumers experiences with the actual markets rather than hypothetical evaluations of services of products not available to them.

3. Trust

3.1. OVERALL RESULTS

Figure 29 - Trust



Overall, more than 6 consumers in 10 trust their retailer when buying non-alcoholic beverages. The most satisfying element that contributes to this trust is the fact that retailers do not resort to aggressive selling practices. Indeed, most consumers (8 in 10) have not felt unduly coerced or pressurized buy their retailer to buy non-alcoholic beverages. However, it is interesting to note the relatively high proportion of consumers who have (10%).

To a lesser extent, people also think that:

- Advertising does not deceive, mislead or omit relevant information;
- Their retailer's staff is trustworthy;
- Their privacy is protected.

3.2. DIFFERENCES BY DISTRIBUTION CHANNEL

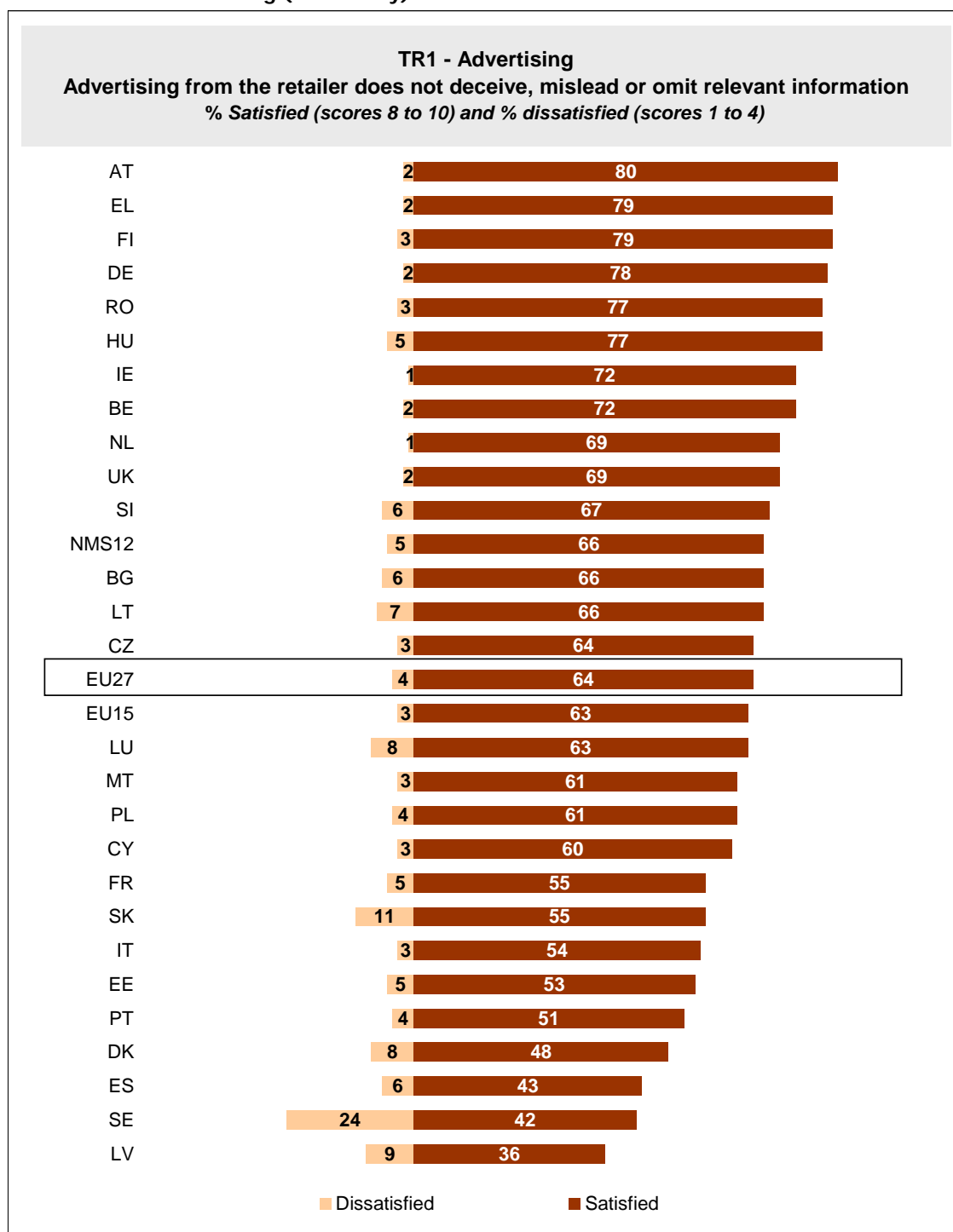
Consumers who purchase non-alcoholic beverages through sales at home, in discount stores and on street markets/in farm shops are more likely than others to think that advertising does not deceive, mislead or omit relevant information (77%, 68% and 67% respectively against an EU average of 64%). On the other hand, those who purchase these products on the Internet are less than 50% to think so and even 23% (against an EU average of 4%) have a negative opinion about it.

Whereas a great majority of consumers think that their retailer does not resort to aggressive selling practices, 14% of those who buy these products in grocery stores and 15% of those who buy them on street markets/in farm shops have a different opinion (against an EU average of 10%).

3.3. DIFFERENCES BETWEEN EU MEMBER STATES

A) ADVERTISING

Figure 30 – Trust: Advertising (% country)



In general, EU consumers tend to think that advertising from their retailer does not deceive, mislead or omit relevant information. This is particularly the case of 8 consumers in 10 in Austria and more than 7 consumers in 10 in Greece, Finland, Germany, Romania, Hungary, Ireland and Belgium. However, they are less than 50% to think so in Latvia, Sweden, Spain and Denmark. In addition, in Sweden they are almost a quarter to be dissatisfied with the advertising from their retailer (against an EU average of 4%). They are 11% in Slovakia.

It is also interesting to note the high proportion of “Don’t know” (compared to the EU average of 5%) especially in Estonia (20%), Denmark (16%), Cyprus (15%), Latvia (15%), Malta (14%), Romania (11%) and Sweden (10%).

B) PROTECTION OF PRIVACY

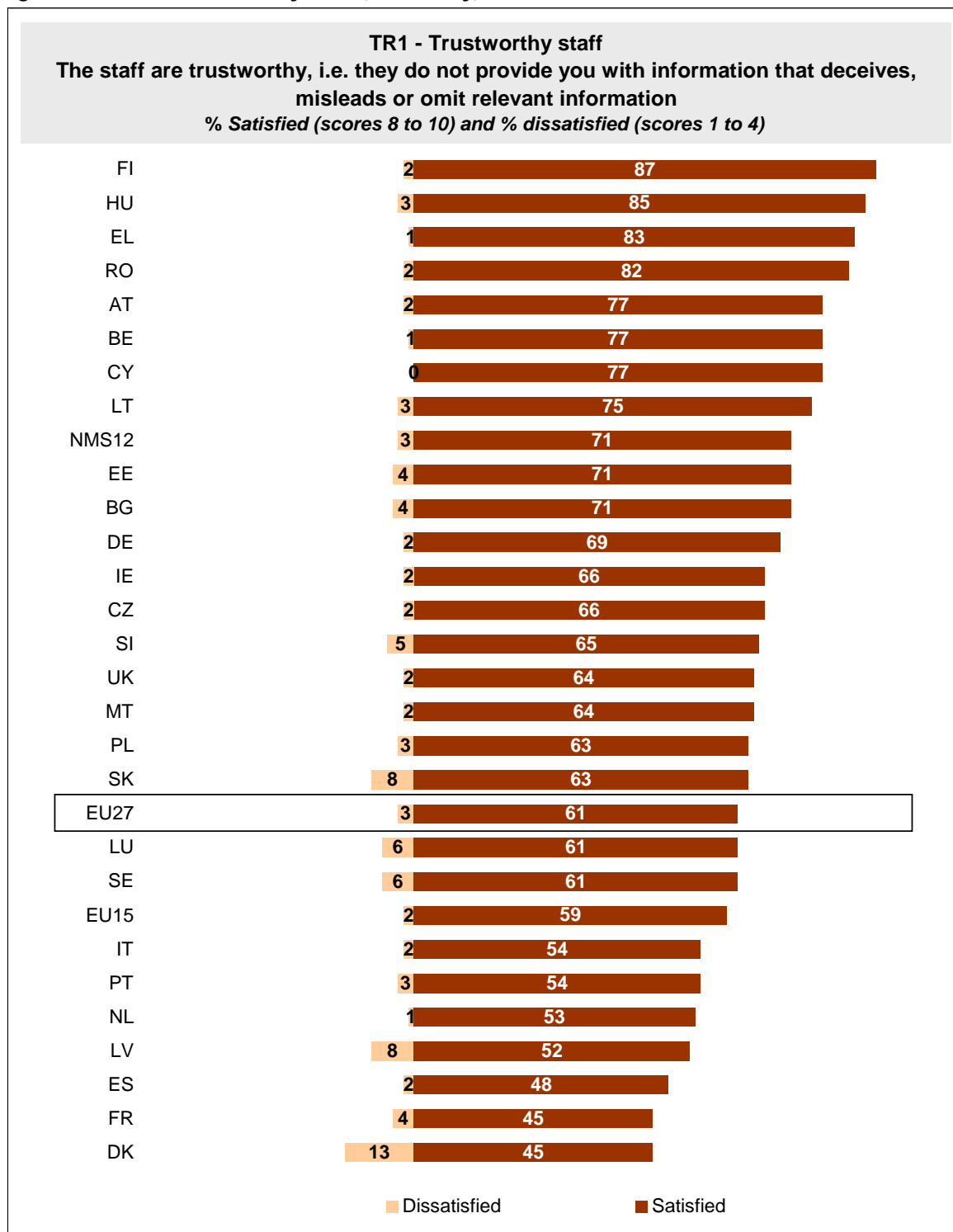
Overall, consumers’ privacy is protected on the market for non-alcoholic beverages, in almost all the countries. The only exception is Spain where less than 50% of consumers are satisfied with the way their retailer use their personal information. Here again, we observe relatively high proportion of “Don’t know”: 14% at EU level, with a peak in Denmark (28%).

C) AGGRESSIVE PRACTICES

Although selling practices do not seem to be a problem for a great majority of consumers in the EU, it is interesting to note the relatively high proportion of dissatisfied consumers (compared to the EU average of 10%) in Poland (23%), Italy (22%), Czech Republic (18%), Romania (17%), Spain (16%), Belgium (16%) and Slovakia (14%).

D) TRUSTWORTHY STAFF

Figure 31 – Trust: trustworthy staff (% country)

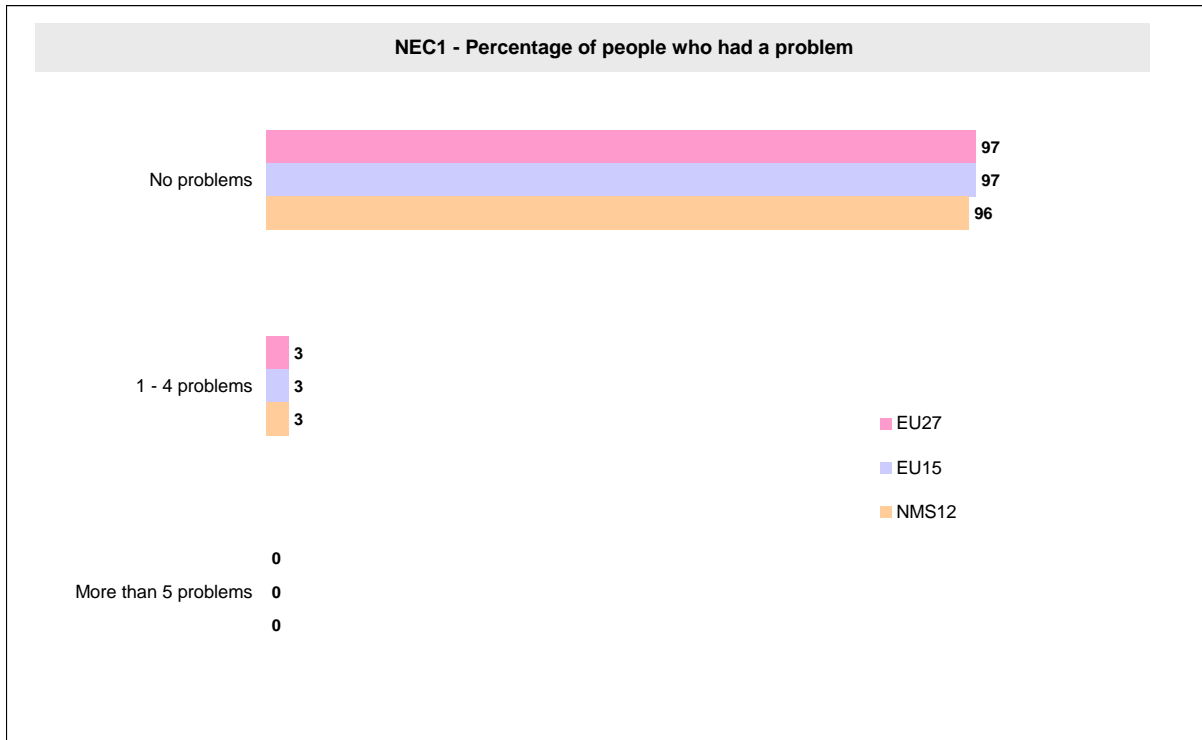


Overall, 6 consumers in 10 trust their retailer's staff. In Denmark, France and Spain this is only the case of less than 5 consumers in 10. In Denmark 13% do not trust their retailer's staff (against an EU average of 3%).

4. Negative experiences

4.1. NUMBER OF PROBLEMS

Figure 32 – Number of problems with the product



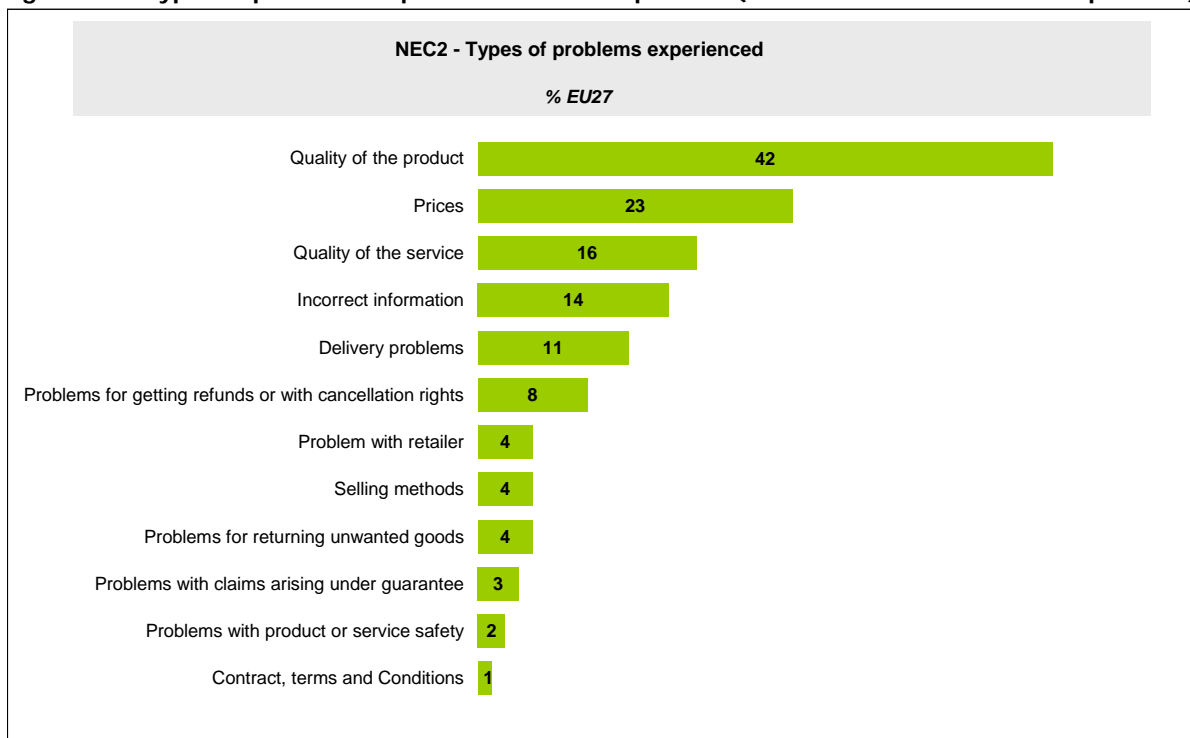
Only 3% consumers in the EU27 have experienced problems when purchasing non-alcoholic beverages in the last 12 months.

There are no significant differences between distribution channels.

4.2. TYPES OF PROBLEMS

A) OVERALL RESULTS

Figure 33 – Types of problems experienced with the product (% EU27 of those who had a problem)



The type of problems consumers experienced most often concerns the quality of products. Price of products (e.g. too high, not indicated, wrong advertised price, etc.) comes second (23% of people who had problems).

Sample sizes are too small to allow an analysis by distribution channel.

B) DIFFERENCES BETWEEN EU MEMBER STATES

Sample sizes are too small to allow an analysis by country.

4.3. COMPLAINTS HANDLING

A) OVERALL RESULTS

In general, consumers tend to communicate their problem or discuss it with a representative of their retailer, especially in the EU15 (66% against 58% in the NMS12).

However, very few take further actions (6% of consumer in the EU27).

For more than 6 EU consumers in 10, the problem was solved and the solution brought by the retailer was satisfactory. This is especially the case for consumers in the EU15 (65%). In the NMS12, it only concerns 57% of consumers.

B) DIFFERENCES BETWEEN EU MEMBER STATES

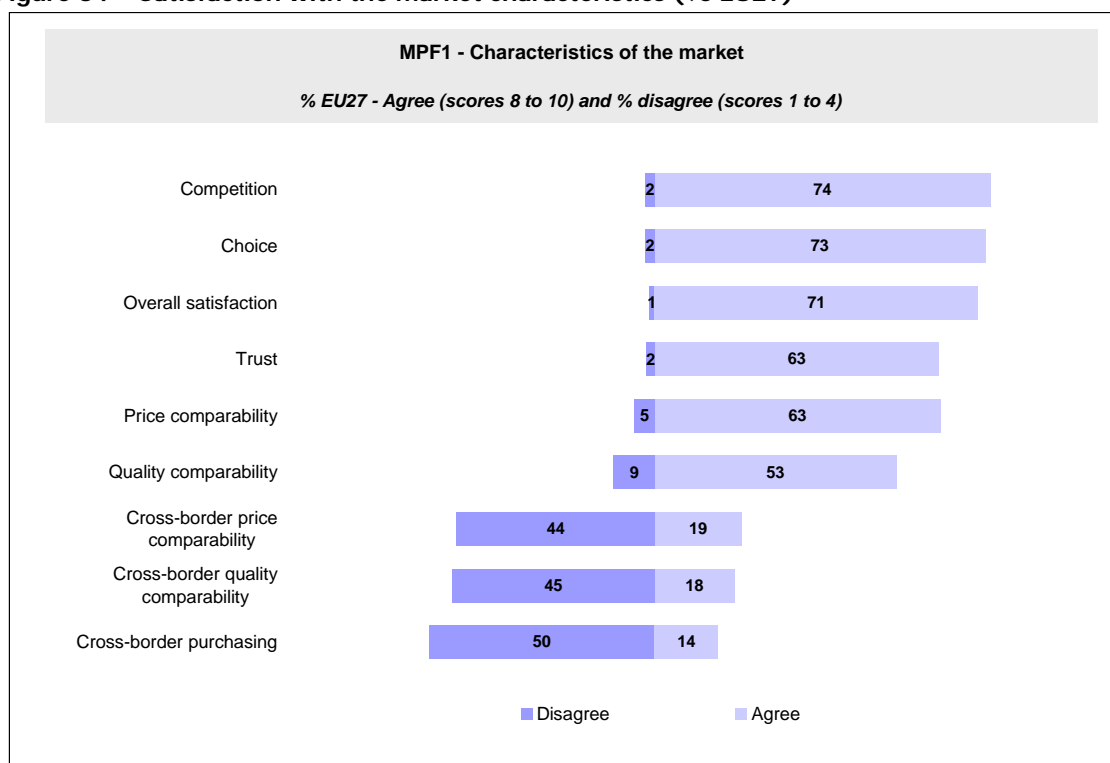
The small sample sizes do not allow a country-by-country analysis of complaints.

5. Market factors and commitment

5.1. SATISFACTION WITH THE MARKET

A) OVERALL RESULTS

Figure 34 – Satisfaction with the market characteristics (% EU27)



Overall, consumers are satisfied with the market for non-alcoholic beverages. They are mostly satisfied with:

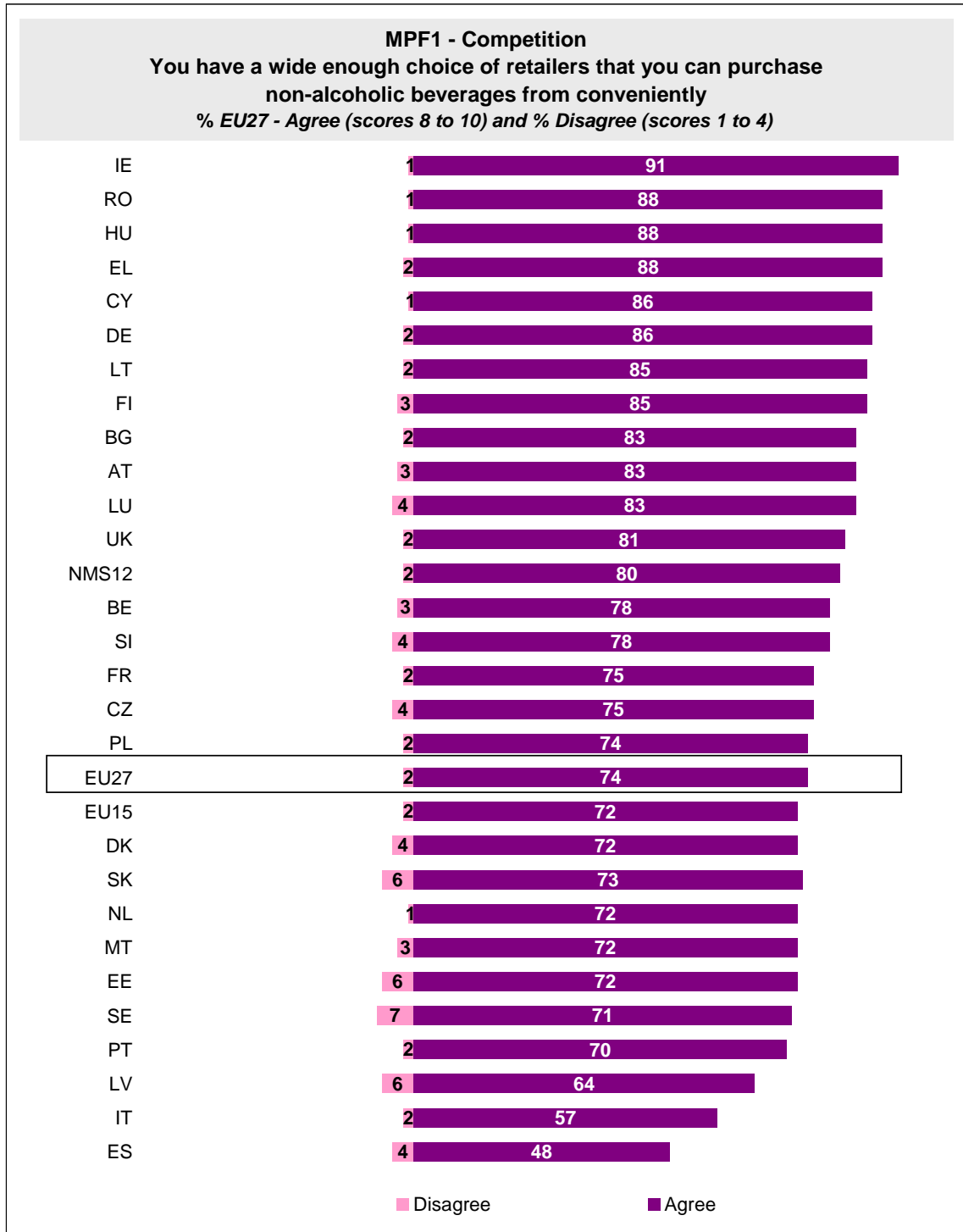
- The competition on the market, i.e. there is a wide enough choice of retailers that they can purchase non-alcoholic beverages from conveniently;
- The choice of non-alcoholic beverages, i.e. the products they want are available.

However, 50% think cross-border purchasing is not worthwhile. A little less than 50% think also that cross-boarder price and quality comparability is not easy.

B) DIFFERENCES BETWEEN EU MEMBER STATES

1. Competition

Figure 35 - Satisfaction with the market characteristics: competition (% by country)



More than 7 EU consumers in 10 are satisfied with the choice of retailers available on the market of non-alcoholic beverages. The most satisfied are the Irish consumers (91%). On the other side of the spectrum we find the Spaniards (48%) and the Italians (57%).

2. Price comparability

Figure 36 - Satisfaction with the market characteristics: price comparability (% by country)

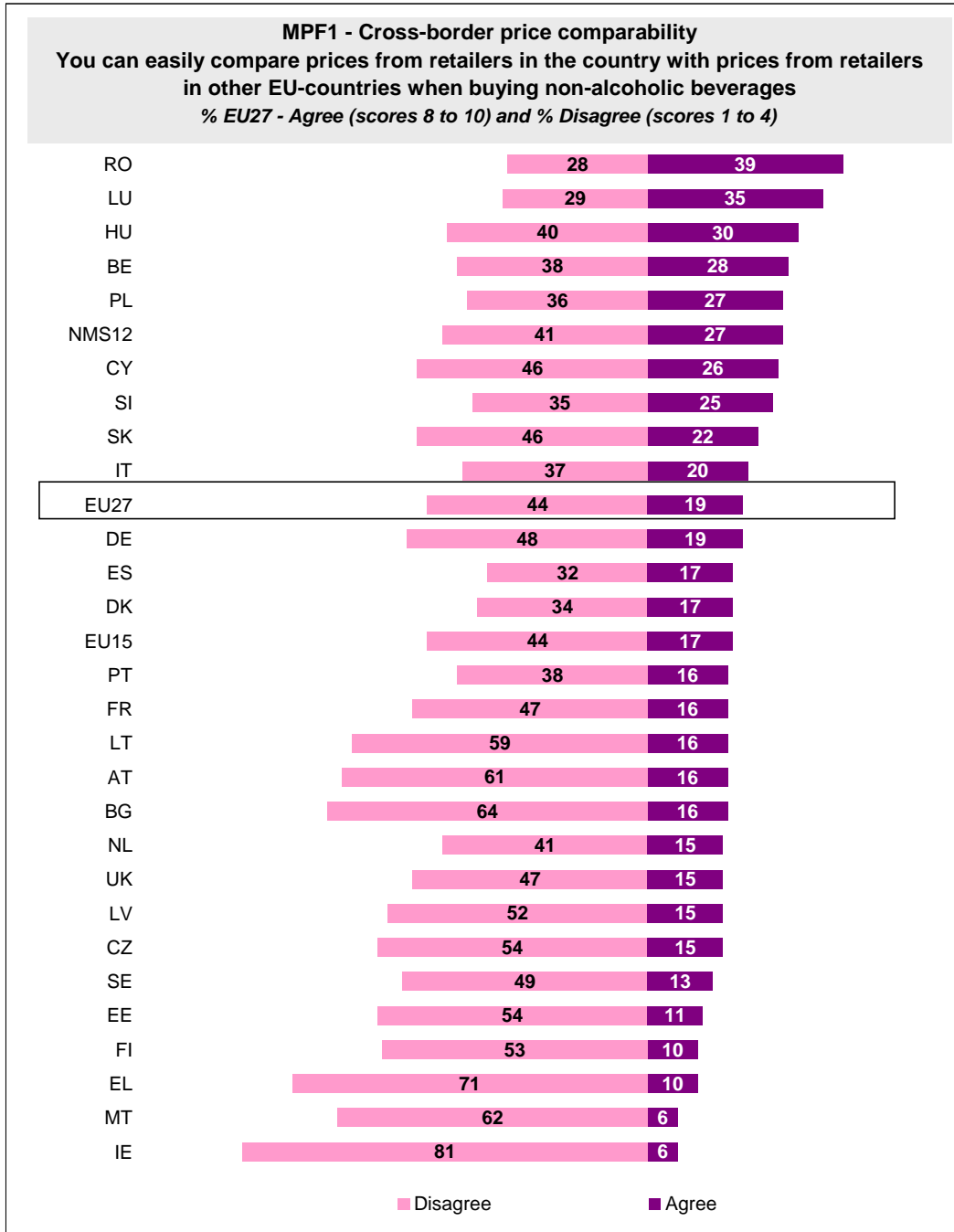


A majority of consumers are satisfied with the possibility offered by the market to compare prices from different retailers, especially in Greece (84%) and Romania (81%). The least satisfied are the Spaniards (40%), the Italians (44%), the Latvians (45%) and the Danes (49%). In addition, we can observe high proportions of dissatisfied consumers (compared to an EU average of 5%) particularly in the three Baltic countries: Estonia (18%), Lithuania and Latvia (16%). To a lesser extent, dissatisfied consumers are also found in Denmark (13%) and Sweden (12%).

Denmark is also the country where we find the highest proportion of people who could not give an answer to the question (13% of "Don't know" against an EU average of 2%).

3. Cross-border price comparability

Figure 37 - Satisfaction with the market characteristics: cross-border price comparability (% by country)



From the survey results it appears that cross-border price comparability is difficult to evaluate for a relatively high proportion of people. Whereas the average proportion of “Don’t know” in the EU is 14%, it goes up to 33% in Denmark, 25% in Malta and Portugal, 23% in Sweden and 22% in the Netherlands. In addition, most of those who gave an answer think that cross-border price comparability is not easy (44% against 19% of consumers who think it is easy). This is especially the case in Ireland (81%) and Greece (71%). In Romania they are only 28% to think so while 39% think it is easy.

4. Cross-border quality comparability

Cross-border quality comparability is not easy either for a majority of consumers. In addition, we can observe high proportions of “Don’t know” (14% on average). Overall, we can observe similar national answer patterns as observed for cross-border price comparability.

5. Quality comparability

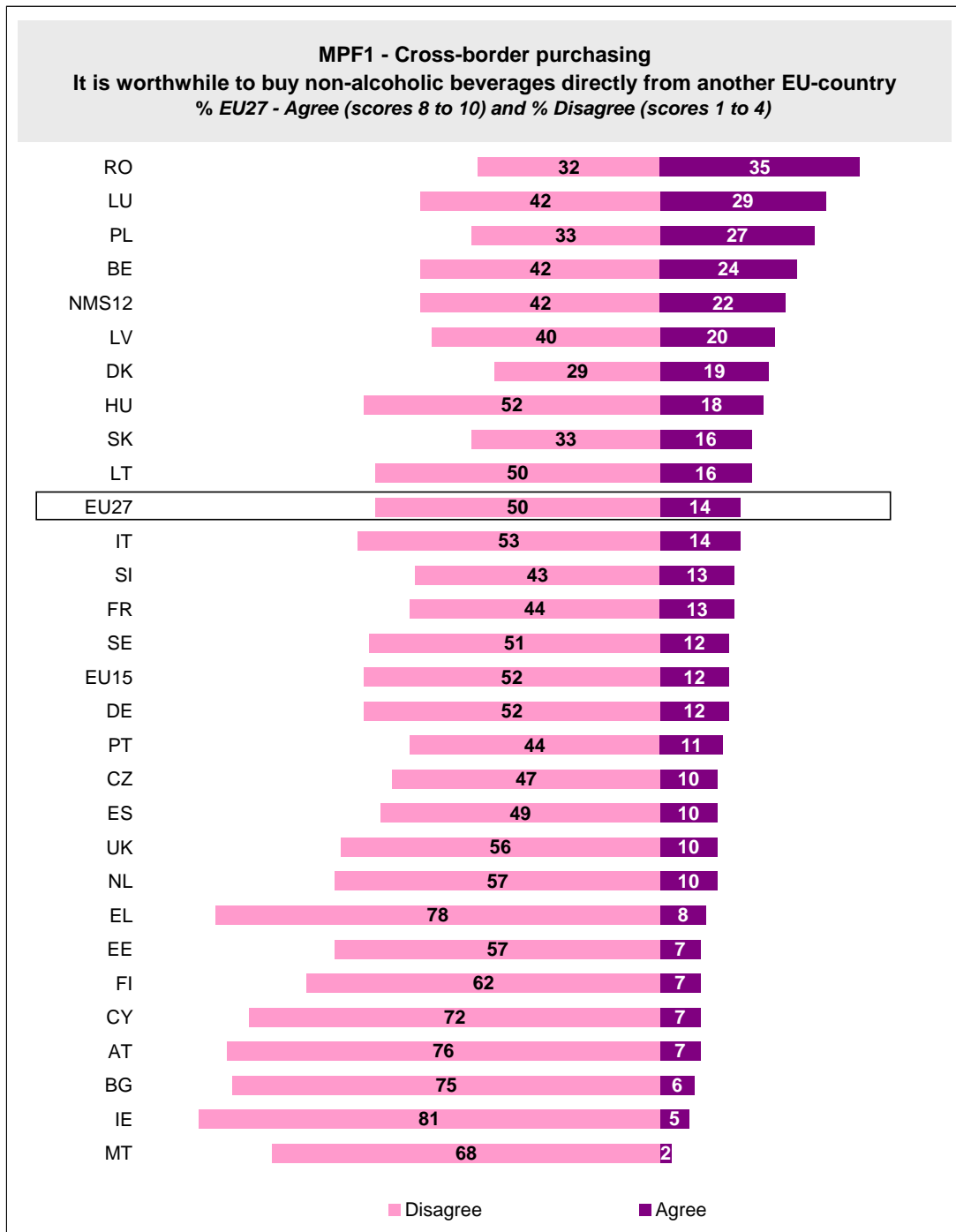
Figure 38 - Satisfaction with the market characteristics: Quality comparability (% by country)



Although more than 50% of EU consumers are satisfied with quality comparability in the market of non-alcoholic beverages, this is less the case for consumers in Spain, Sweden, Latvia, Estonia, Denmark, Lithuania, Malta, Italy, Portugal, Slovenia and France (less than 50% of satisfied consumers in each of them). In the Baltic countries and in Sweden there are at least a quarter of dissatisfied consumers. In Lithuania they are almost 30 (against an EU average of 9%).

6. Cross-border purchasing

Figure 39 - Satisfaction with the market characteristics: Cross-border purchasing (% by country)



A great majority of EU consumers think it is not worthwhile to buy non-alcoholic beverages from another EU country. However, more than a third of Romanians have a different opinion.

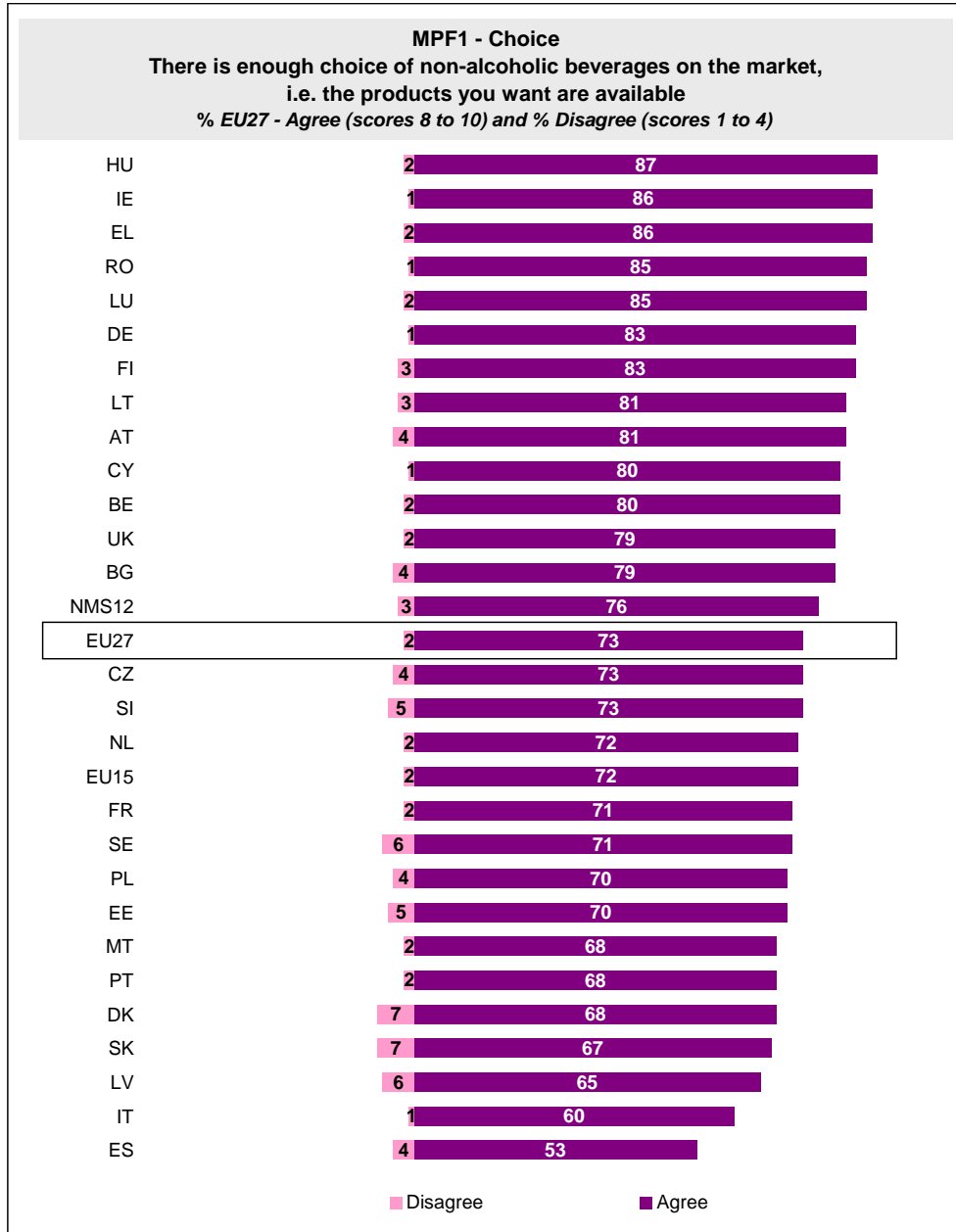
It is also interesting to note that the propensity to purchase non-alcoholic beverages in another EU country in the future is not only dependent on the fact that people think it is worthwhile to do it (correlation coefficient: 0.41)².

In addition, this question seems difficult to answer for 17% of EU consumers, especially for Danes (37%), Slovaks (34%), Portuguese (28%), Estonians (28%), Maltese (27%), Swedes and Czechs (26% each).

² The value of such correlations can be between 1 and 0. The higher the value, the stronger the correlation. Generally you would expect a correlation above 0.8 if there is a strong direct correlation between two variables – meaning that one explains the other to a large extent.

7. Choice

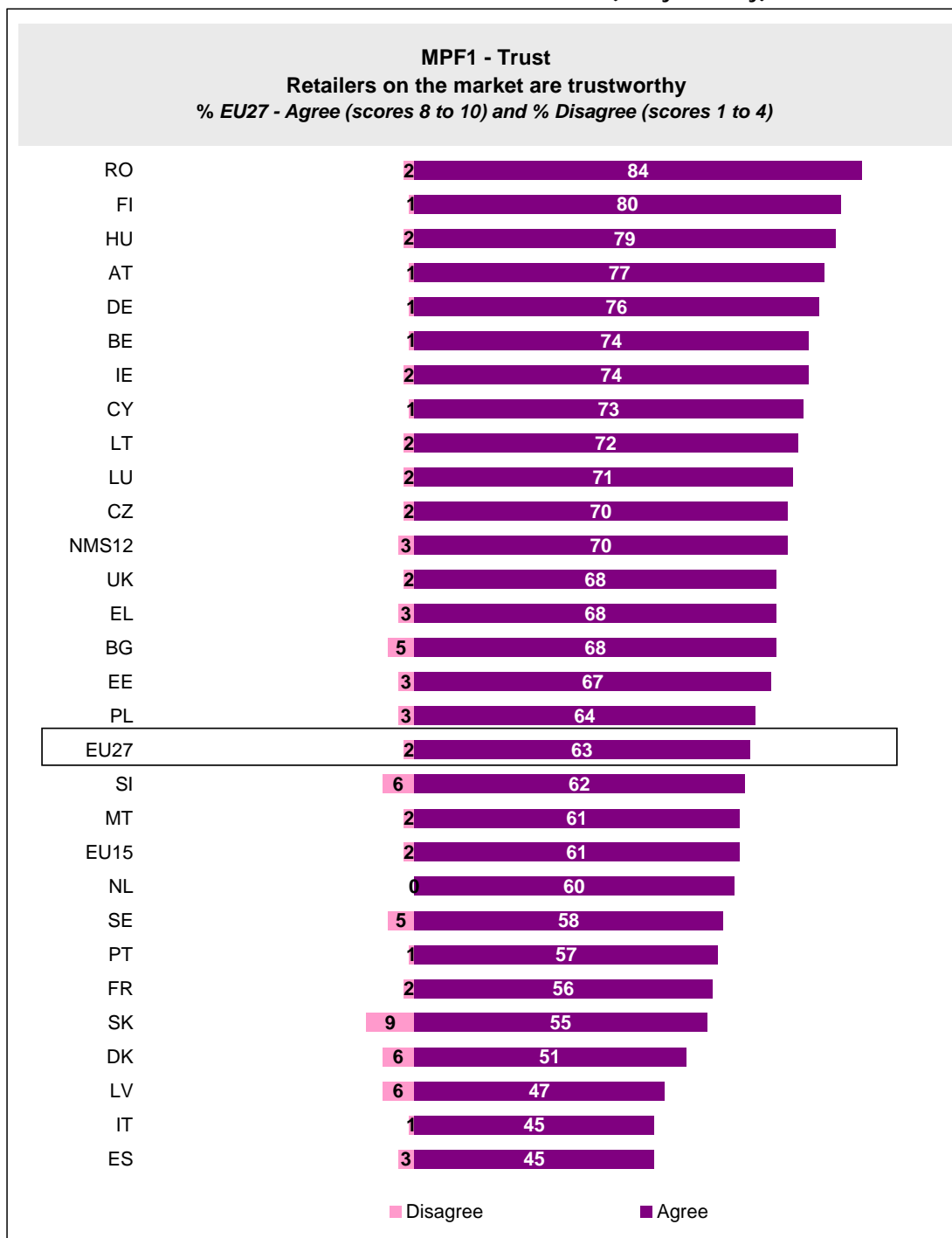
Figure 40 - Satisfaction with the market characteristics: choice (% by country)



There is enough choice of non-alcoholic beverages on the market, according to more than 7 Europeans in 10. The most satisfied with the choice of products are consumers in Hungary, Ireland, Greece, Romania, Luxembourg, Germany, Finland, Lithuania and Austria (more than 80%). On the other side of the spectrum we find Spain with only 53% of satisfied consumers.

8. Trust

Figure 41 - Satisfaction with the market characteristics: trust (% by country)



Retailers on the market of non-alcoholic beverages are trustworthy, according to more than 6 Europeans in 10. The most satisfied consumers are Romanians (84%) and Finns (80%) whereas the least satisfied are Spaniards (45%), Italians (45%), and Latvians (47%).

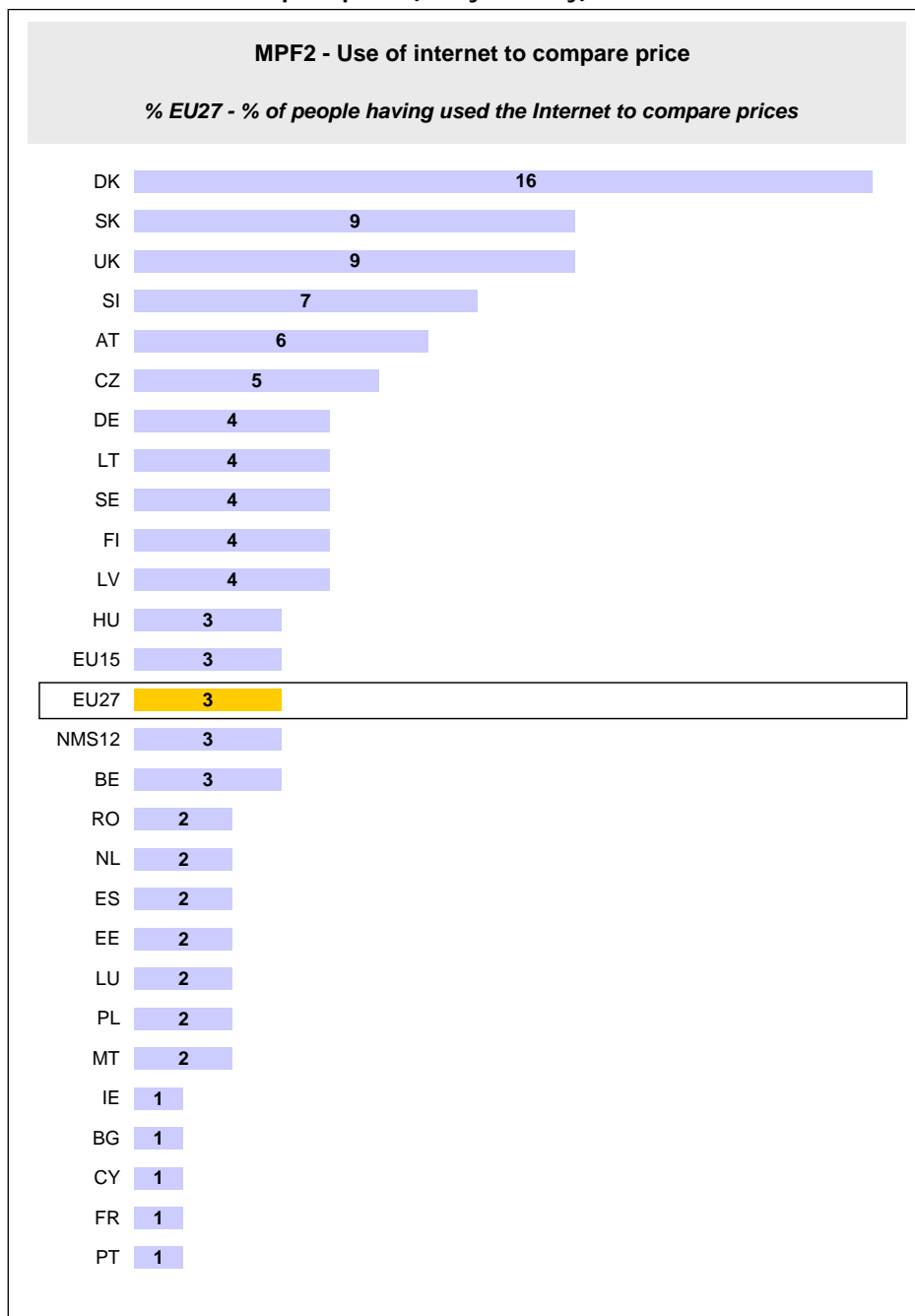
5.2. PRICE COMPARISON ON THE INTERNET

A) OVERALL RESULTS

Only 3% of EU consumers have used the Internet to compare prices of non-alcoholic beverages. 60% of those who buy these products on the Internet have compared prices via this channel.

B) DIFFERENCES BETWEEN EU MEMBER STATES

Figure 42 – Use of Internet to compare price (% by country)



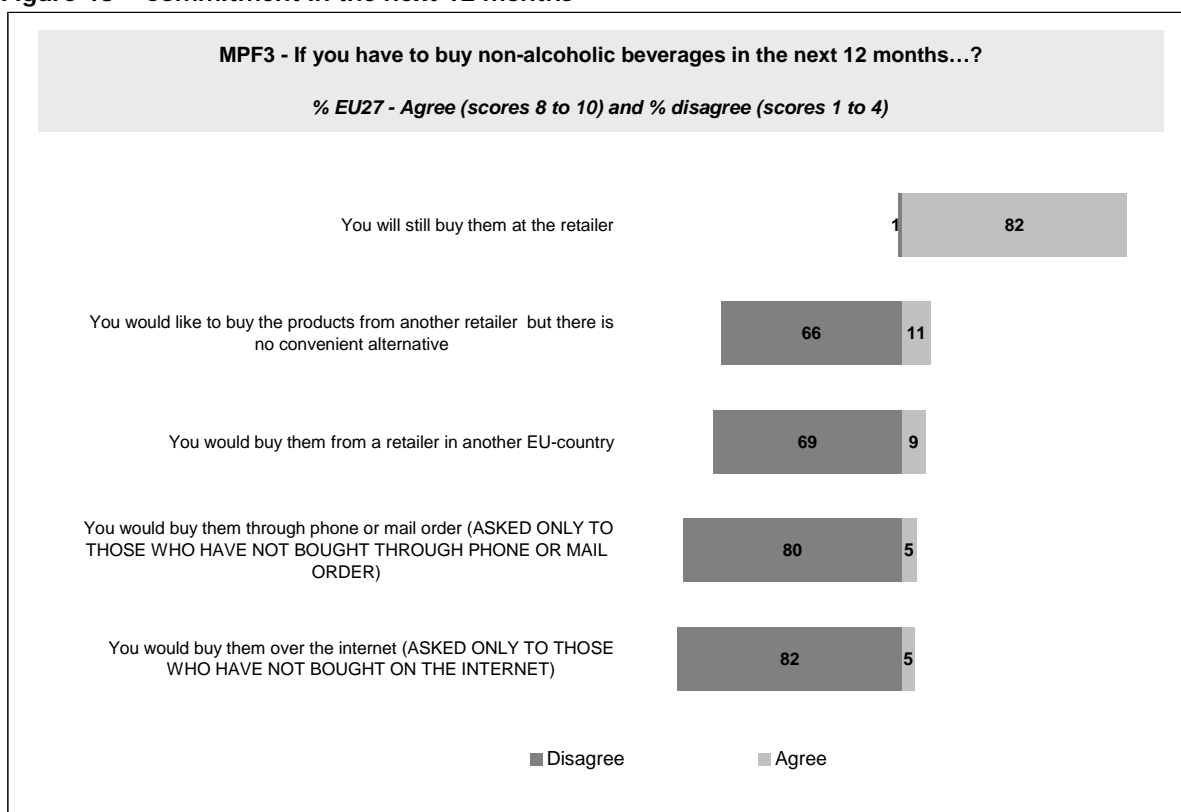
Although very few consumers have used the Internet to compare prices of non-alcoholic beverages (3% of EU27 consumers), they are 16% in Denmark.

5.3. COMMITMENT

A) OVERALL RESULTS

In addition to the evaluation of consumers' past experience, the survey also explored their possible future purchase behaviour when it comes to non-alcoholic beverages. To do so, respondents were asked to indicate, on a scale from 1 to 10, the extent to which they agree with each of the 5 following statements listed on the chart below:

Figure 43 – Commitment in the next 12 months



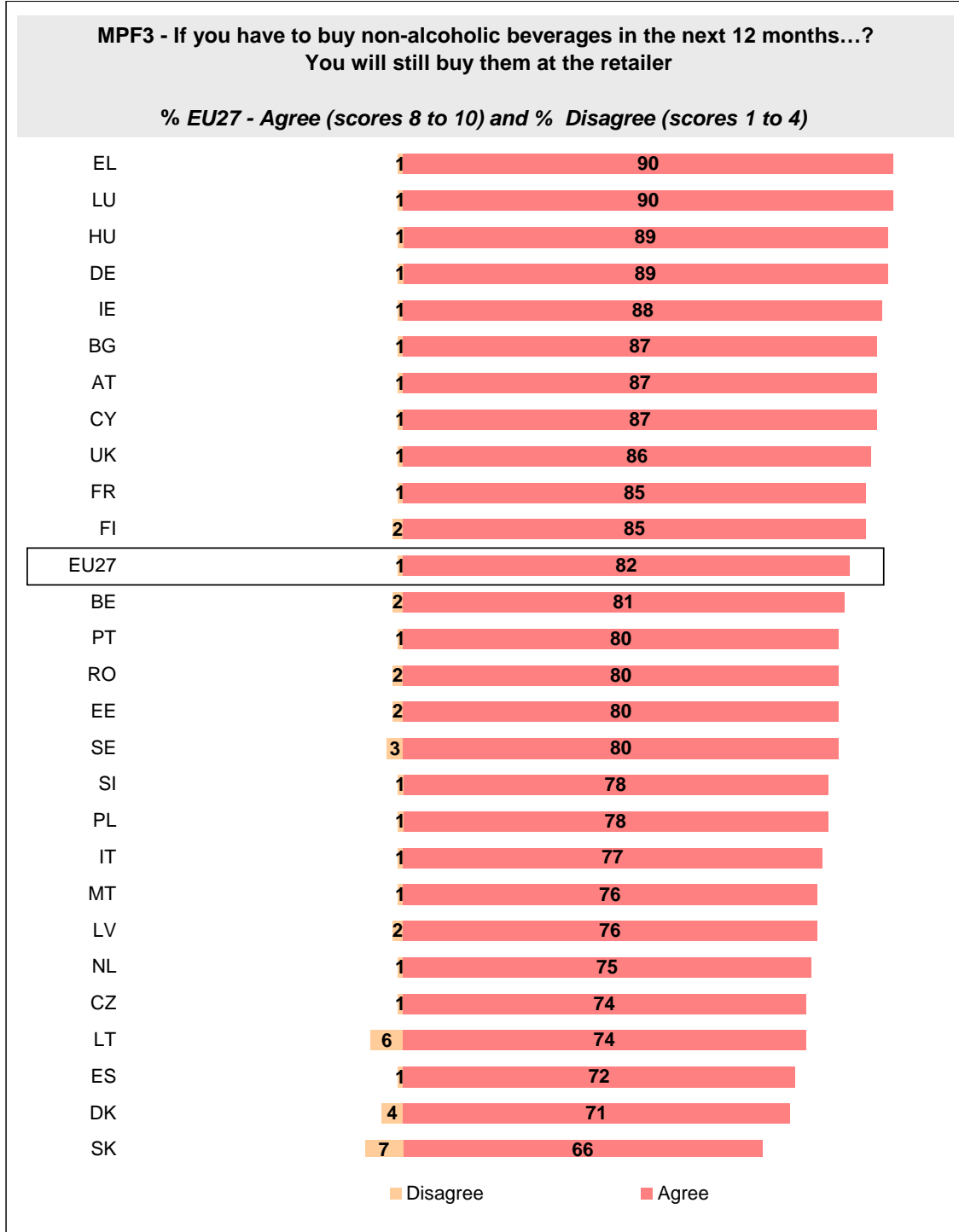
More than 8 European consumers in 10 do not intend to change retailer when it comes to buying non-alcoholic beverages.

In addition, only 5% of those who have not yet non-alcoholic beverages on the Internet (more than 99% of consumers) will do so in a near future. A similar observation can be done when looking at purchase through mail/phone order.

Almost 10% of consumers would consider purchasing these products in another EU country either.

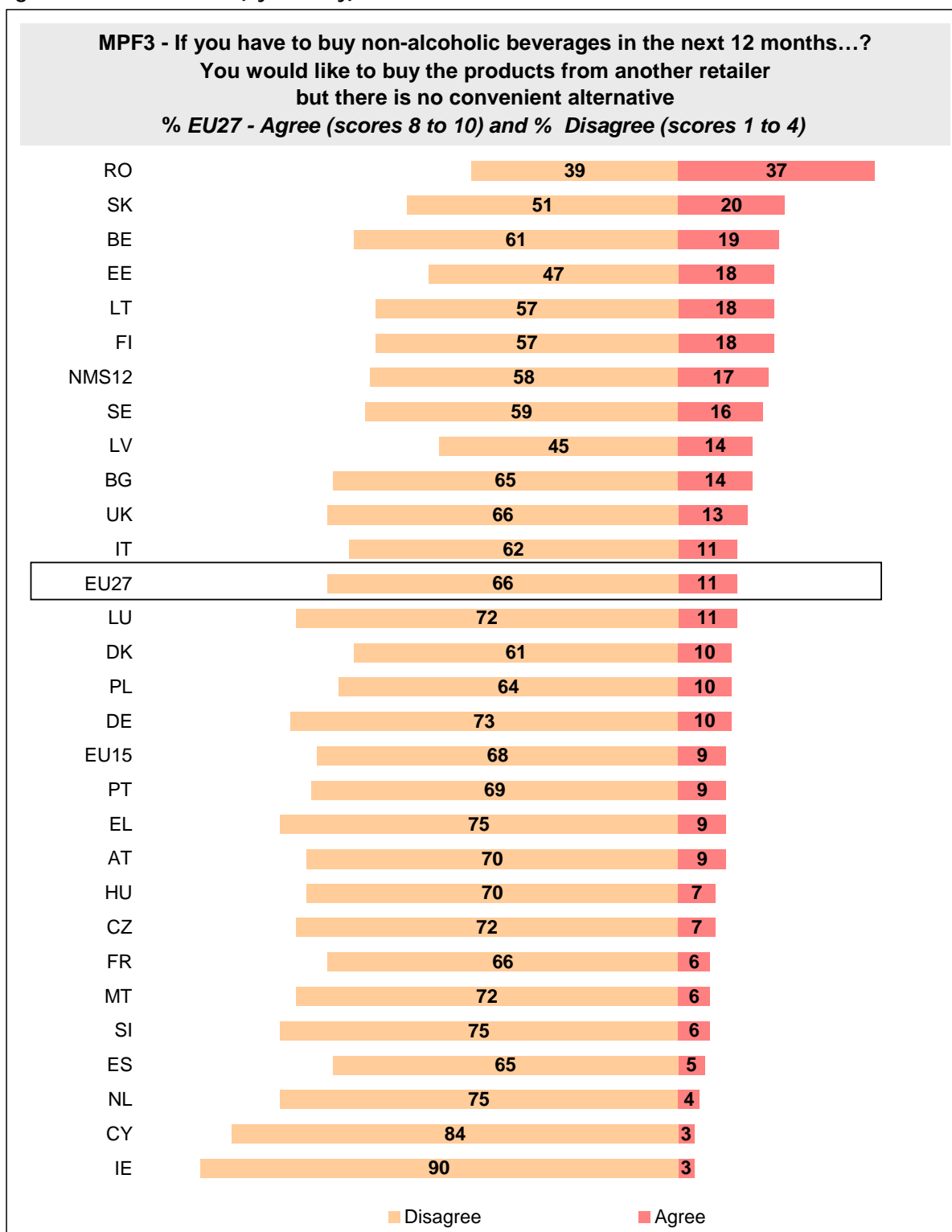
B) DIFFERENCES BETWEEN EU MEMBER STATES

Figure 44 – Commitment in the next 12 months to still buy at the retailer (by country)



In all EU countries consumers are very committed to their retailer when it comes to non-alcoholic beverages. The most committed consumers are those who have bought these products on the Internet (89%) and on street markets/in farm shops (86%).

Figure 45 – Alternatives (by country)



More than one third of Romanians (against an EU average of 11%) would like to buy non-alcoholic beverages from another retailer but they feel there is no convenient alternative.

Chapter 4 – Priority actions

1. What matters most to consumers?

1.1. SHORT NOTE ON THE MODEL

The **statistical model** which has been specifically built for DG SANCO offers a range of possible added-value analysis and allows to explain in particular the contribution of observed variables to overall satisfaction, i.e. the elements that matter most to consumers.

The satisfaction model uses two types of variables:

- Driving factors, i.e. variables explaining satisfaction: Price/Quality – Service – Trust - Market factors. The construct 'Price/Quality' represents all items that enable consumers to evaluate the value for money offered by the retailer. 'Service' includes all the items associated with the quality of service. 'Trust' includes all the items that influence the level of trust towards the retailer. 'Market factors' includes items that are relevant to competition in the market, comparability across retailers, choice, etc.
- Performance indicators: variables that are a consequence of satisfaction, i.e. commitment – complaints

The model indicates the level of contribution made by each variable to overall satisfaction. This contribution is calculated through a regression analysis, which determines the weight of each variable. These weights can take a value ranging from 0 to 1. The more a weight is close to 1, the more the variable is contributing to overall satisfaction, or, in other words, the more this variable matters to consumers.

For example, if the regression coefficients are the following: 0.4 (Price/Quality), 0.35 (Service) and 0.25 Trust). This means that price is the variable that contributes to satisfaction most, i.e. this is the most important element for consumers when evaluating a product market.

The construct 'Market factor' being highly correlated (coefficient varying between 0.6 and 0.8) with Price/Quality, Service and Trust, we will exclude it from the regression equation. This enables to isolate the individual effect of Price/Quality, Service and Trust on the overall satisfaction.

1.2. DRIVERS OF SATISFACTION

The calculated regression weights for the market of non-alcoholic beverages are the following:

PRICE/QUALITY	SERVICE	TRUST
0.20	0.32	0.29

This means that the **quality of service** (and its components) is the element that matters most to consumers. Then comes trust towards the retailer and price/quality (i.e. value for money).

1.3. PERFORMANCE INDICATORS

The correlation coefficients of Commitment and Complaints with Satisfaction are the following:

COMMITMENT	COMPLAINTS
0.52	- 0.11

Satisfaction has a relative positive impact on consumers' commitment to their retailer. The correlation coefficient shows that satisfaction explains commitment to a fair extent (52%). In other words, consumers who are satisfied are less likely to switch to another retailer.

On the other hand, there is not a strong statistical correlation between Satisfaction and Complaints. This means that low satisfaction does not result directly to more complaints.

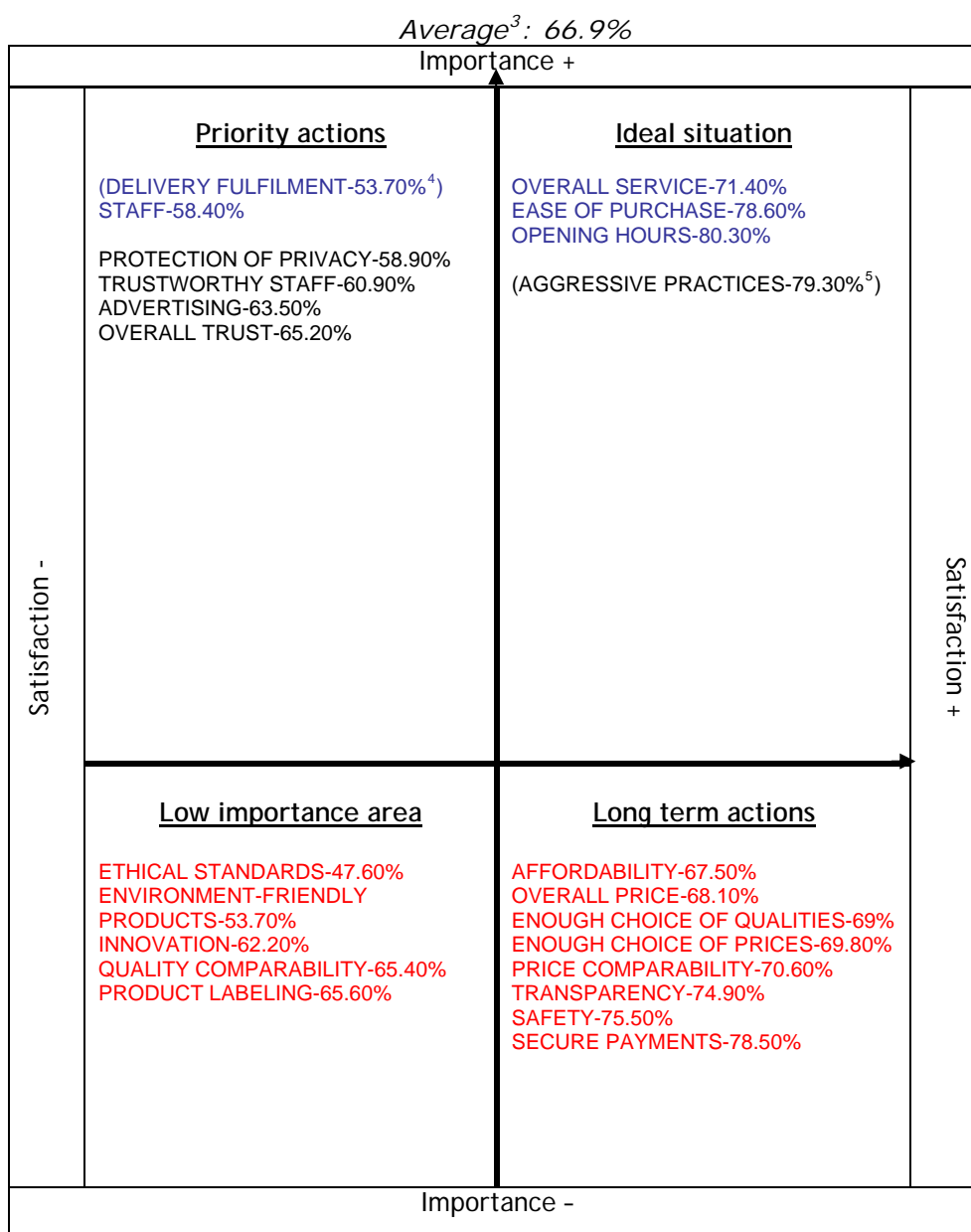
2. Two-dimensional analysis

The **two-dimensional analysis** is one of the most common approaches to be carried out on consumer satisfaction data and helps in the presentation of the final results. The aim of this analysis is to summarise the **opportunities for action** (i.e. areas where the market does not perform so well and where actions to change the situation are needed in order to improve consumer satisfaction) and **areas where no action is needed** (i.e. areas where the market performs well and where no action is required), on a simple mapping system that takes into account:

- **the proportion of satisfied consumers with each components of Price/Quality, Service and Trust;**
- **the regression weights of the 3 drivers of satisfaction** (Price/Quality, Service and Trust). As mentioned before, these coefficients express **the relative importance** (contribution) of each of these 3 drivers in the overall satisfaction. The regression weight can have a value ranging from 0 to 1.

This mapping system is particularly useful in providing a visual representation of **priority areas for improvement** for the European Commission and DG SANCO to take into account.

The diagram on the next page shows the areas where priority actions are needed to improve consumers' satisfaction with **the market of non-alcoholic beverages**.



³ Average proportion of satisfied consumers on all items relating to the 3 drivers of satisfaction i.e. Price, Service and Trust.

⁴ Consumers appear to be the least satisfied with "delivery fulfillment". This is why it appears in the upper left quadrant. However, the high proportions of "don't know" answers suggest that a large share of consumers have not been delivered non-alcoholic beverages. Therefore this element of service should not be considered as a priority action as such.

⁵ Although satisfaction with this element is far above the average (which justifies its position in the "ideal situation quadrant"), results show a significant proportion of dissatisfied consumers (10% on average). Improvement in this area is thus needed.

OVERALL OBSERVATIONS

On average, 66.9% of consumers are satisfied with all aspects relating to Price/Quality, Service and Trust. When looking at the three drivers separately we find that 65.6% on average are satisfied with all elements of Trust, which is just below the average. On the other hand, satisfaction with price/quality issues is in the average and satisfaction with services issues is above the average.

At the same time, Trust is the second most important driver of satisfaction (see previous section).

Therefore, efforts should be focused mainly on Trust issues in order to increase consumers' overall satisfaction with the market of non-alcoholic beverages.

SPECIFIC AREAS OF INTEREST

PRICE/QUALITY

Even if price/quality aspects are not seen as important contributors to overall satisfaction, they constitute a firm basis for the overall satisfaction with the market for non-alcoholic beverages. Consumers are particularly satisfied with secure payments, transparency and safety aspects of this dimension. Consequently, the high performance on these variables should be maintained in the long-term in order to keep up the performance of the market.

SERVICE

Overall, consumers are satisfied with the quality of services offered by their retailer, which is a positive element. Indeed, quality of service is the main driver of consumers' overall satisfaction with the market of non-alcoholic beverages.

In particular, for a majority of consumers it is quick and easy to find the products they want and they can do their shopping when it is convenient for them.

TRUST

As mentioned before, Trust is the second most important driver of consumers' satisfaction. Yet, consumers seem to be particularly concerned by the way their retailer protects their privacy, the staff and the advertising. These elements constitute the priority areas for action.

On the other hand, consumers are the most satisfied with their retailer's selling practices, i.e. they have not felt unduly coerced or pressurized buy their retailer to buy non-alcoholic beverages. Efforts should be made though to reduce the proportion of dissatisfied consumers (10% at EU27 level).

CONCLUSIONS

Considering these observations, the following are potential areas in which the market of non-alcoholic beverages could be improved:

- protection of privacy i.e. the way retailers treat consumers' personal information;
- Advertising that does not deceive, mislead or omit relevant information.

On the other hand, the positive elements of the market that must be maintained are: the overall quality of the services provided and in particular, the elements that make the purchase process easy: the possibility for consumers to find what they want and to do their shopping at convenient times;

An eye should be kept on aggressive practices. Indeed, although a great majority of consumers has not felt pressurized or coerced to buy non-alcoholic beverages, a significant share of consumers has.