The Expansion of Functional Food-Dairies in the Internal Market of the Republic of Kosovo

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Abstract

The spread of functional food-dairies in the internal market of the Republic of Kosovo, is an indicator that reflects the customers’ need for consuming these products. This study shows the data of the period from 2013 until 2017 for supplies of these functional foods such as dairies including: kefir, probiotic yoghurts, and goat’s milk among many others. For the five years period, the data have been collected from the electronic cards of supplying and selling dairies, by selecting only the products that came from the three main distributors that cover the whole internal market, respectively those business operators that furnish the markets in Kosovo.

Keywords: Expansion of functional foods; supply-sale; Kosovo’s internal market.

1. Introduction

The technology of milk refinement has led towards new developments, by creating good opportunities for consumers in regulating their daily diets with functional foods\cite{1,2}. Apart from good qualities, the main purpose of functional food is to approximate the limit between food and medicines\cite{3,4,5,6}.

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The products that bring this effect into our health are known as probiotic yoghurts, kefir, goat’s milk, which are as main sources of the proteins, minerals, vitamins, fibers, cereals and other essential nutrients that operate as a cure towards lots of diseases[7,8,9,10]. Functional food such as diaries possess a small space in Kosovo’s market, as a result of a lot of factors that are closely related with one another, starting from not informing enough the customers about the functional food, which reflects directly the sale of these products. Various rapports prove that distributors and markets do not offer enough information to the customers, and for this reason these products have small areas for sale in Kosovo’s internal market.

2. The expansion of functional food-dairies and Kosovo’s internal market

Based on the essential and healing nutrients of the functional food, it is clearly shown that in Kosovo’s internal market functional foods get little attention and space when compared with other food presented in the market. There are a lot challenges towards a strong investment and expansion of functional food in the internal market. One of the main challenges is the customers should be informed properly by the suppliers or businesses, which has been neglected for a long time by the suppliers of functional food. Moreover, supermarkets do not offer enough space for functional food because the maintenance cost and quality risks the expiry date during one year. Based on the facts the goat’s milk has not been expanded a lot in the market and until now it has not shown a good result in sales. For instance, kefir has entered in the internal market but still faces some difficulties in sales because customers are not well informed about the qualities of this product. Probiotic yoghurts have always been in the market, but still do not have an expansion compared with the supplying rapports.

1.1 The supplying of internal market with functional food such as dairies

Functional food such as diaries come into Kosovo’s internal market as imported from different places of European Union, these places are obliged to fulfill some criteria regarding the quality in accordance with the law for safe food in Kosovo. The imported supplies of internal market, has written ruled that should be fulfilled by every distributor, supplier or business that wants to operate with foods. The supplying of functional food in the internal market is realized as follows: starting from the border lines- The delivery of the foods inside Kosovo’s territory, then in the distributors’ storehouses, the delivery in accordance with the businesses, the delivery for the businesses (supermarkets), the delivery into the businesses’ storehouses, and lastly positioning for the sales’ shelves.

Figure 1: The imported supplies in Kosovo’s internal market.
In the Figure 1, is shown the way of the imported supplying, where after the products enter in Kosovo’s territory, are obliged to be controlled by quality administrative, then after the quality confirmation is given they can be distributed in the market based on the businesses’ needs. After their distribution the products are again verified, then they are put on the sales shelves and at the same time their supply electronic card/account is open regarding the functional food.

2.2 The sale of functional food in the internal market

While analyzing the management of food policy in the internal market in Kosovo, results that the managers of certain businesses apply the internal rules of management. When one product does not justify the cost’s maintenance in the market, it should be removed from the sales, since this happens often with the functional food such as dairies. The sale is realized as follows: the businesses accept the products for sales which are put in storehouse, then they are put on the sales shelves among other dairies, by doing this the customers think that dairies are the same as other products, and that is the reason why they hesitate to buy them.

![Figure 2: The sales of functional food in businesses.](image)

In the Figure 2, it is presented the way of the dairies expansion in the internal market. The sales are conducted based on the businesses’ operators needs, which firstly check the expiry date then verify the storage conditions, before being put in the storehouse and later to be distributed for sales. One of the main reasons for being removed from the sales is the decrease on demand or the expired date of certain products, reasons that leads to the removal of these products, which are returned back in the storehouse and then destroyed or thrown as non valuable goods. Accordingly, the goods should not be returned back to the distributors. A proof of that is the sale of goat’s milk, which based on the distributors sales’ cards, indicates that the sale has been realized only in 2017, while in 2016 the goat’s milk has been removed or destroyed as a result of the expiry date and the high price. Based on the three distributors’ sales cards, it has been noticed that supermarkets have been supplied gradually or occasionally in small amounts, but in certain cases these products have been destroyed because of their expiry dates. Enterprises or businesses such as supermarkets have been supplied in larger amounts and have conducted fewer sales during the period 2013-2017 regarding the functional foods such as dairies.
3. The research of functional food- dairies’ supply-sale in Kosovo’s internal market

Firstly, there have been selected three business operators that conduct higher sales. Then, the functional foods’ list has been identified with the dairies such as kefir, probiotic yoghurts and goat’s milk, and then the electronic cards of supply and sale have been identified during the period 2013-2017 regarding the aforementioned functional food.

3.1 The identification of the supply-sale cards of the functional food such as dairies.

The supply-sale cards have been verified from the distributors that furnish the internal market with the functional food, by generating the amount per unit in furnishing and sales for the period from 2013 until 2017. The supply-sale cards are the distributor’s electronic databases, by which all the products that enter in the Republic of Kosovo are precisely recorded, as well as the distribution and sale in the internal market (in different economic operators).

<table>
<thead>
<tr>
<th>Distributor</th>
<th>Product</th>
<th>Unite</th>
<th>Total supply</th>
<th>Total sale</th>
<th>Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Kefir</td>
<td>Piece</td>
<td>121398</td>
<td>120786</td>
<td>2013-2017</td>
</tr>
<tr>
<td>2</td>
<td>Probiotic</td>
<td>Piece</td>
<td>315000</td>
<td>16000</td>
<td>2013-2017</td>
</tr>
<tr>
<td></td>
<td>yoghurts</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Goat’s Milk</td>
<td>Piece</td>
<td>5400</td>
<td>5400</td>
<td>2013-2017</td>
</tr>
</tbody>
</table>

TOTAL Functional food’s Pieces 441798 286186 2013-2017

In the table 1, the functional foods’ supply-sale has been presented for the five years period from the authorized distributors (1,2,3) which expand these products in Kosovo’ territory. Based on the supply-sale cards, it can be noticed that the supply amount is not similar with the sales amount of probiotic yoghurts and kefir.

4. Results and discussion

Based on the three distributors’ supply-sale cards, from which the dairies are distributed in Kosovo’s internal market, it has been noted that there is a relatively good supply and sale.

Kefir, based on final results for supply and sales per piece of kefir product, shows that sales have a small difference with supply per piece in compare with other functional foods. Probiotic yoghurts, in proportion with other products such as kefir and goat’s milk, is expanded in a higher amount in the internal market and has a difference between sappy per piece and sale per piece, almost 50% are sale in total of supply. Goat’s milk,
generally has a small amount of supply and sale. Based on the distributors’ data, it can be noticed that the expansion of goat’s milk in the internal market is unstable and faces many difficulties with the sales.

In the displayed result of this research, it is noted that the expansion of some functional food-dairies in Kosovo’s internal market is incomplete, as a result of distributors’ misinforming or not informing at all customers and businesses about the quality and essential nutrients of the aforementioned functional foods.

5. Recommendation

1. Distributors of functional foods-dairies should increase the furnishing amount, with the purpose of being broadly expanded in Kosovo’s internal market.
2. The sale of functional foods should be stimulated more from the distributors and business operators, by using encouragement means of sales by customers.
3. Business operators should provide an internal marketing regarding the essential nutrients and the benefits of consuming functional foods-dairies.
4. The functional foods’ distributors should expand these products in small enterprises, in villages, and other rural places, with the purpose that customers can easier buy these products.
5. Business operators should create special locations only for the sales of functional food, where ate the same time the organoleptic evaluation of these products can be done.
6. The larger business operators, in accordance with the distributors should apply giving away for free functional foods for a certain period of time, with the intention of including more customers, and promoting the benefits of functional foods by messages, thereof increasing the market’s demand regarding the consuming of functional foods-dairies.

Literature


