



**ALCP2 IMPACT ASSESMENT
MARCH 2024**

INTRODUCTION

In 2018, the ALCP facilitated the Business Institute of Georgia to create a quality assurance mark called the Georgian Milk Mark (GMM). The GMM guarantees that products bearing the label are produced from Georgian natural raw milk, free of milk powder and/or vegetable oil, and are produced in HACCP-certified dairy enterprises from predominantly grass-fed cattle. In the current phase, since 2022, the ALCP2 has supported GMM sustainability through expansion, improved organizational capacity, and enhanced service provision to its members.

A national consumer awareness marketing campaign has been underway since January 2019 through the Georgian Marketing Agency (GMA). GMM also participated in events and exhibitions, and the mark was promoted via TV and other media channels. In recent years, GMM products have become increasingly stocked in supermarkets, indicating positive trends in the mark's popularity.

To capture and assess the anticipated changes, the Business Institute of Georgia (BIG), which administers the GMM, surveyed supermarket representatives at the end of December 2023. The GMM dairies assisted the BIG in filling out the questionnaire. The survey aimed to understand the supermarkets' perspectives and their experiences regarding stocking GMM products, as well as whether bearing the GMM label benefits dairies at the sales level.

The exact methodology and key findings of the study will be discussed in the following sections.

METHODOLOGY

The assessment included a semi-structured survey conducted with representatives of key supermarket chains. The BIG carried out interviews with 32 supermarket outlet managers from 13 supermarket chains in urban areas: Tbilisi, Rustavi, Kutaisi, and Batumi. These 13 supermarket chains were purposefully selected, with the main criterion being that they stocked GMM products.

Supermarkets	Number of interviews in different shops
Nikora	7
Spar	4
Zgapari	5
Libre	2
Madagoni	4
Gurmania	1
Fresko	1
Goodwill	2
Daily	2
Nazilbe	1
Billion	1
Willmart	1
Megastar	1
Total	32

KEY FINDINGS

According to the survey, 77% of interviewed supermarket managers prefer GMM products for the following reasons: a guarantee of raw milk, compliant products, natural products,

better quality, consumers buying more GMM cheese, and better reliability, meaning consistency in quality and supply.

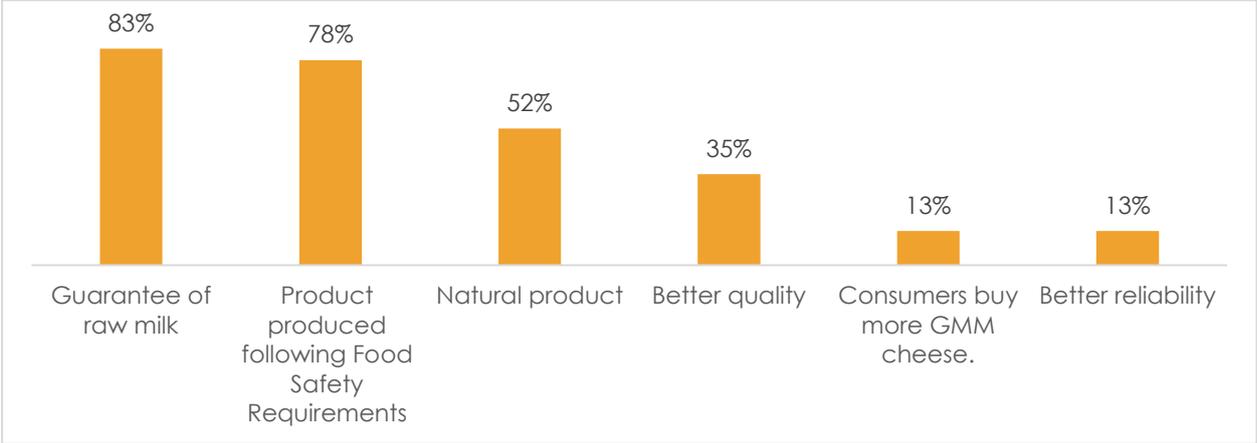


Figure 1: Why do you stock GMM products? (%)

The survey showed that 12% of interviewed supermarkets had initiated contact with GMM dairies to supply their shop. 8% of interviewed supermarkets offer GMM dairies better place in the refrigerators and 4% say when you have a mark it is easy to enter the supermarket chains.



Figure 2: Do the producers with the GMM have any advantages in your supermarket chains? (%)

According to the survey, 56% of interviewed supermarkets stated that customers now request GMM cheese. It seems that consumers are aware of GMM.

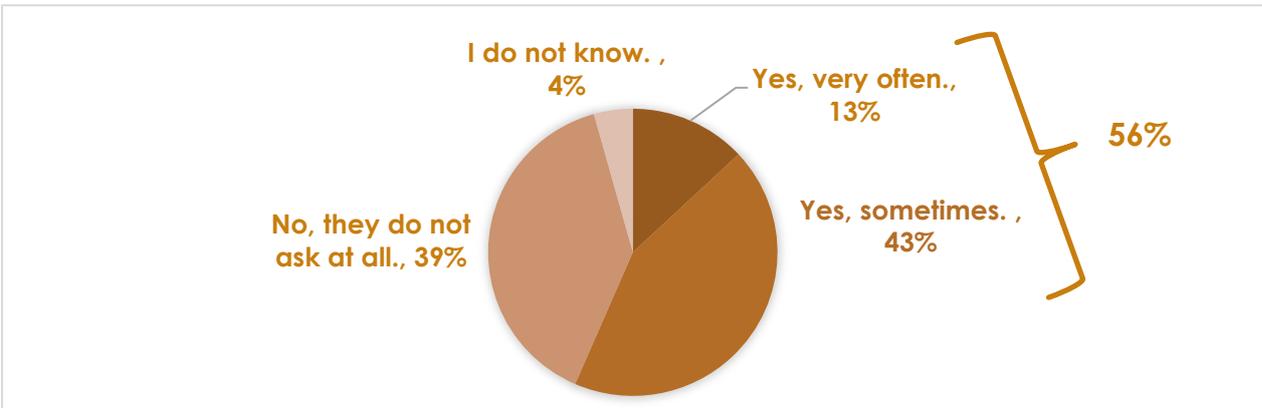


Figure 3: Based on your experience, do consumers request GMM cheese? (%)

78% of interviewed supermarkets suggested that better consumer-targeted marketing would strengthen the Mark.

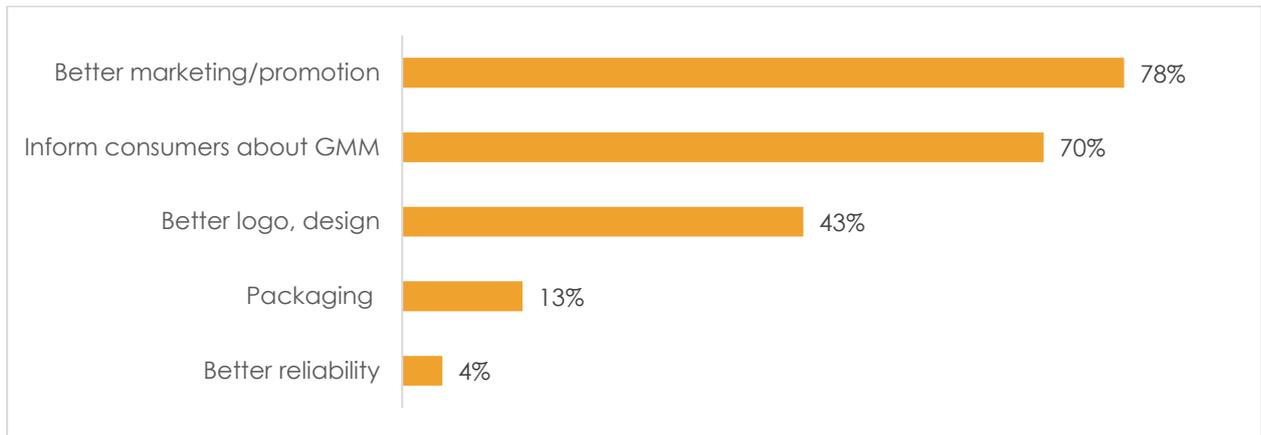


Figure 4: Supermarkets recommendations to GMM for improvement? (%)

CONCLUSION

The survey results indicate a positive shift in supermarket behavior towards GMM dairy products, which is expected to boost GMM sales. Overall, supermarkets have a positive attitude towards GMM and recognize its potential. They believe that targeted marketing and promotional activities will further increase consumer awareness and demand.

The results highlight the growing success of the intervention and indicate the direction for future activities, emphasizing the need for continuous promotion and increased availability of GMM products throughout Georgia to sustain and enhance this success.