

Wood Products



USAID CCA Annual Consumer Opinion Survey

June 2006

RESEARCH METHODOLOGY

- ❑ **Survey method:** Face-to-face or personal interviews
- ❑ **Household selection:** Random route technique
- ❑ **Respondent selection:** Last birthday technique (the last person in the household who had a birthday) for those older than 15
- ❑ **Period of survey:** June 2006
- ❑ **Sample:** Random stratified where N (number) = 1521 respondents. The sample is representative on the national level, on the entity level and for the three ethnic majority areas of citizens older than 15
- ❑ **Note:** As the number of respondents in the Brčko District is relatively small, the data collected from these respondents are not considered separately as are the data collected from the respondents in the FB&H and RS.



DEMOGRAPHIC CHARACTERISTICS OF THE SAMPLE

		N	%
ENTITY	FB&H	886	58,3
	RS	603	39,6
	Distrikt Brcko	32	2,1
	<i>Total</i>	<i>1521</i>	<i>100</i>
SEX	Male	745	49
	Female	776	51
	<i>Total</i>	<i>1521</i>	<i>100</i>
SETTLEMENT TYPE	Urban	652	42,9
	Rural	869	57,1
	<i>Total</i>	<i>1521</i>	<i>100</i>
AGE	15-24	242	15,9
	25-34	299	19,6
	35-44	250	16,4
	45-54	266	17,5
	55-64	182	12,0
	65+	283	18,6
	<i>Total</i>	<i>1521</i>	<i>100</i>

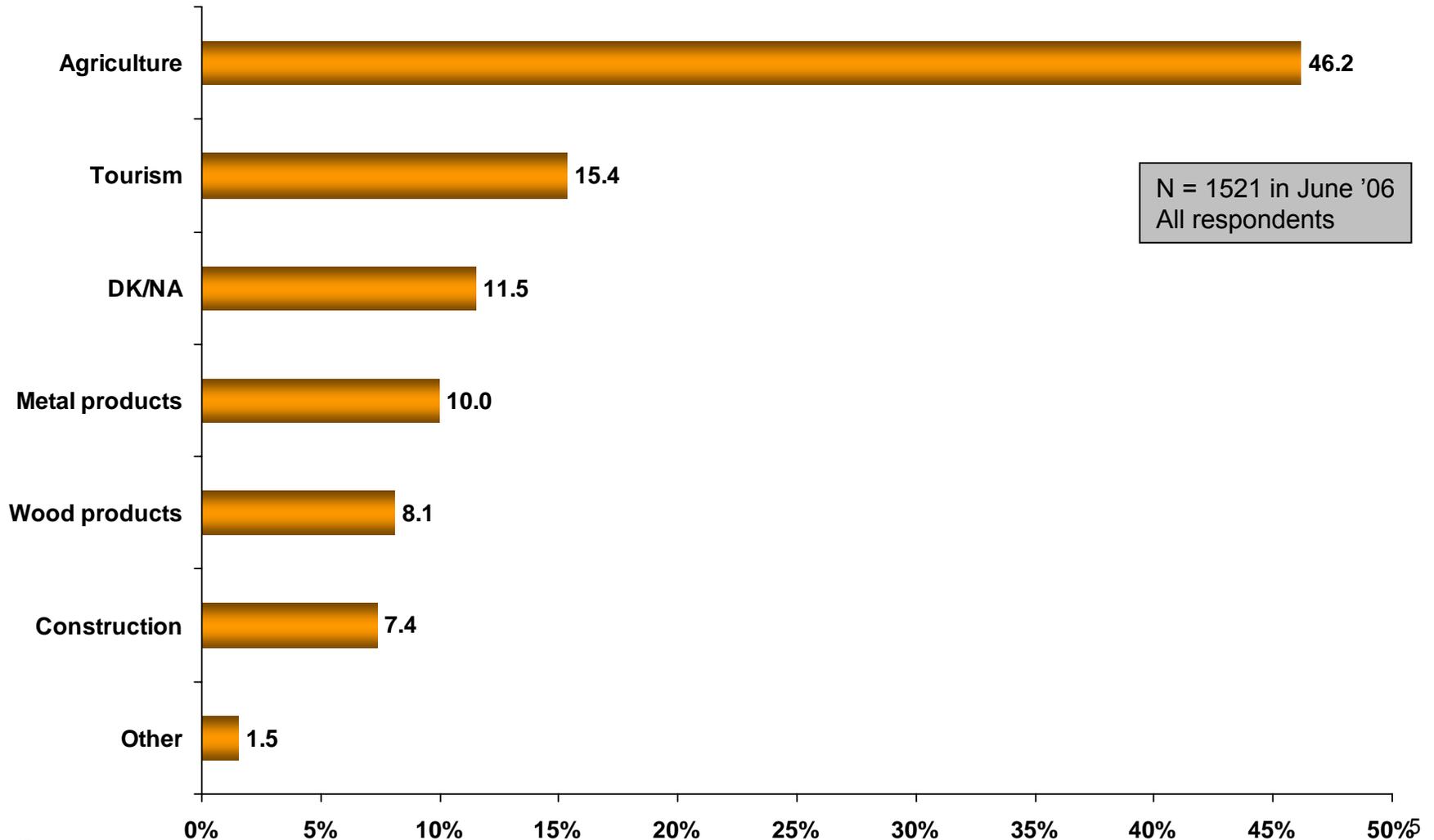
EDUCATION	No formal education	172	11,5
	Primary school	352	23,4
	Highschool	782	52,0
	Two years of University	115	7,7
	University	66	4,4
	Post graduate/PhD	16	1,1
	<i>Total</i>	<i>1521</i>	<i>100</i>
AREA	Bosniak majority area	690	45,4
	Croat majority area	196	12,9
	Serb majority area	603	39,6
	Distrikt Brcko	32	2,1
	<i>Total</i>	<i>1521</i>	<i>100</i>



MAIN FINDINGS



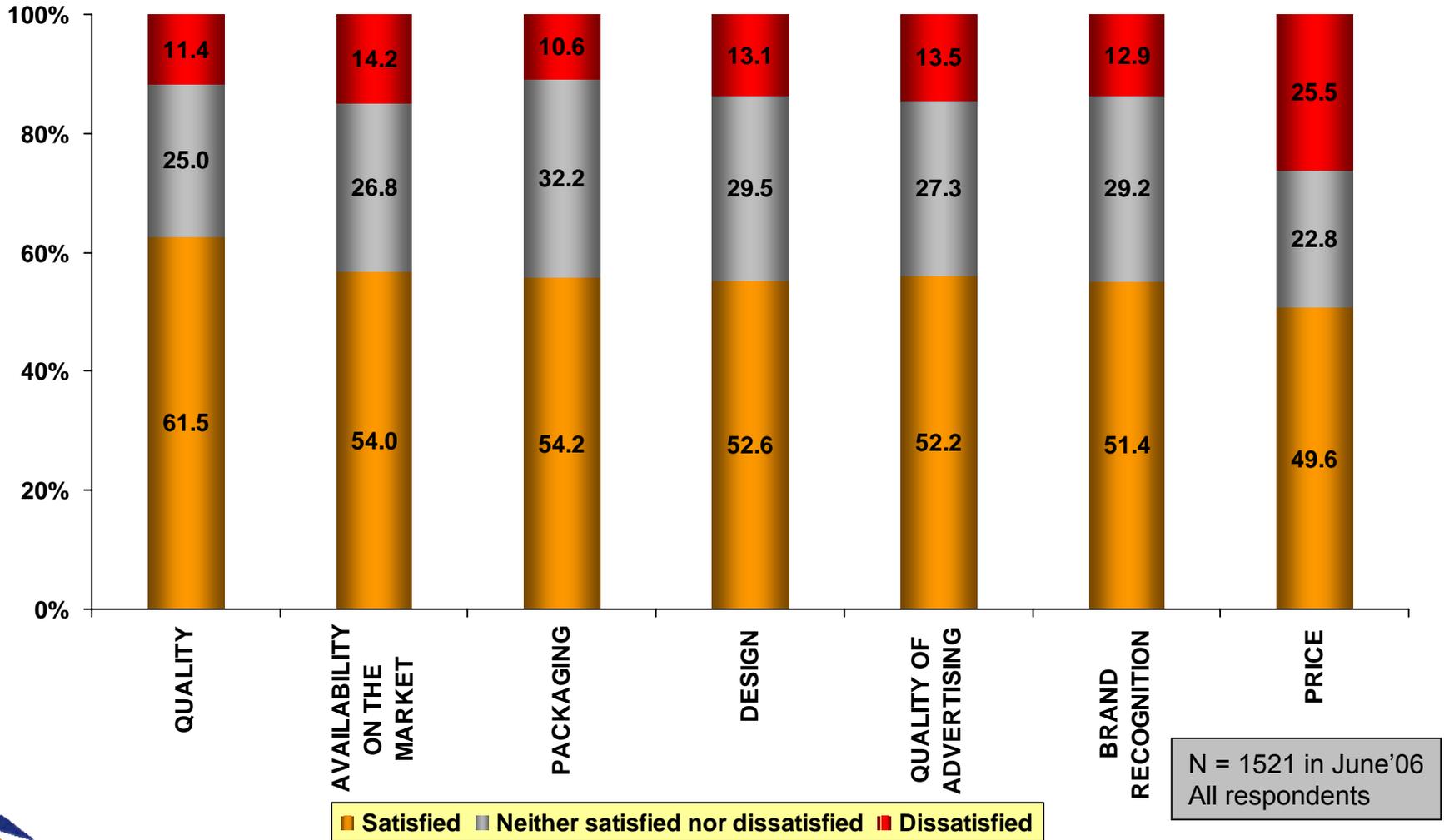
WHICH OF THE FOLLOWING INDUSTRIES DO YOU THINK HAS THE GREATEST POTENTIAL FOR DEVELOPMENT IN B&H OVER THE NEXT 10 TO 20 YEARS?



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- ❑ Public awareness of the economic potential for the wood industry is quite low at 8%
 - ❑ Almost 50% of respondents think of B&H primarily as an agrarian economy, while the second greatest percentage (15%) consider tourism as the sector with the greatest potential

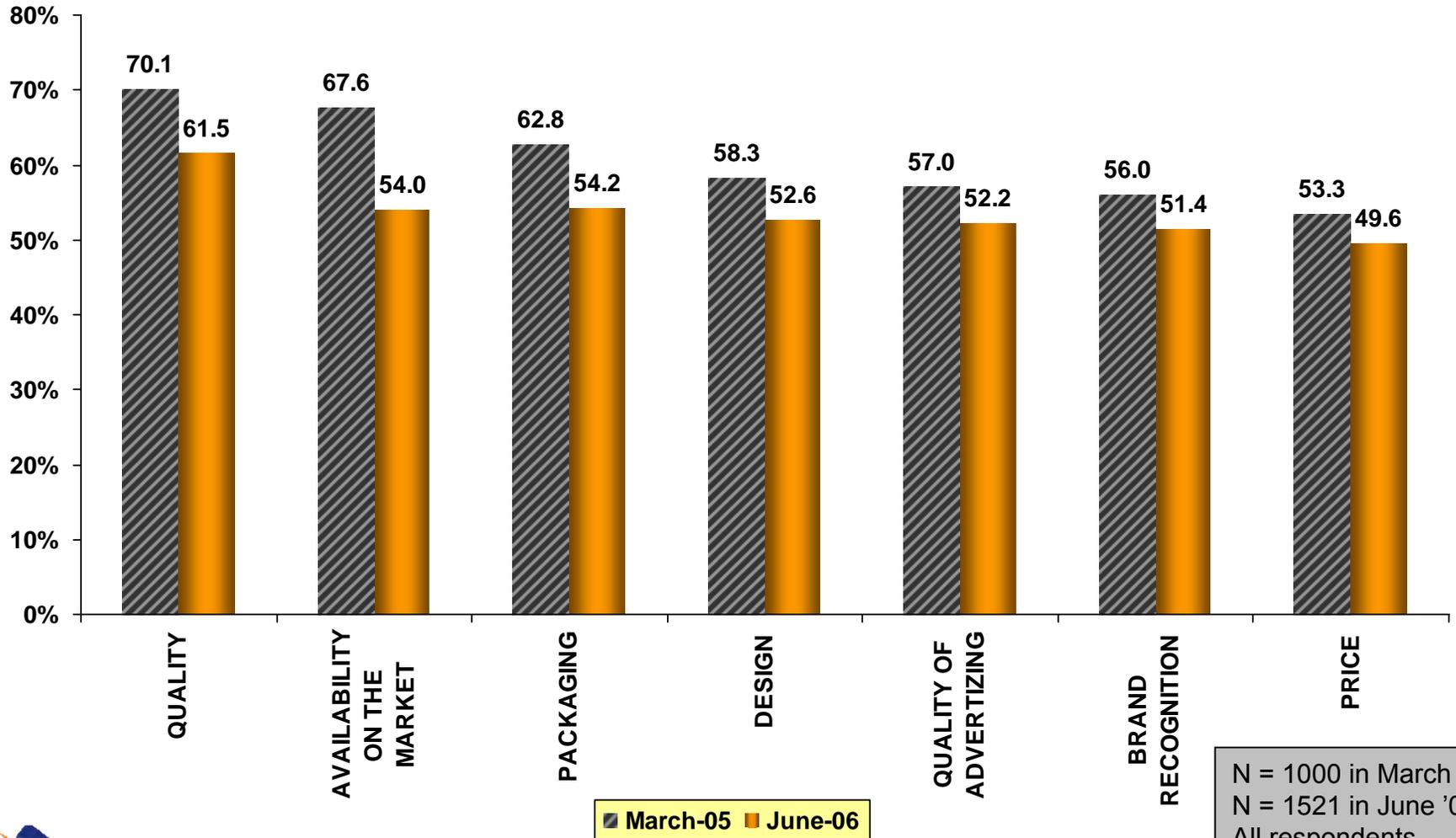


TO WHAT EXTENT ARE YOU SATISFIED WITH THE FOLLOWING CHARACTERISTICS OF PRODUCTS PRODUCED IN B&H?



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Comparison between March 05 and June 06



N = 1000 in March '05
N = 1521 in June '06
All respondents

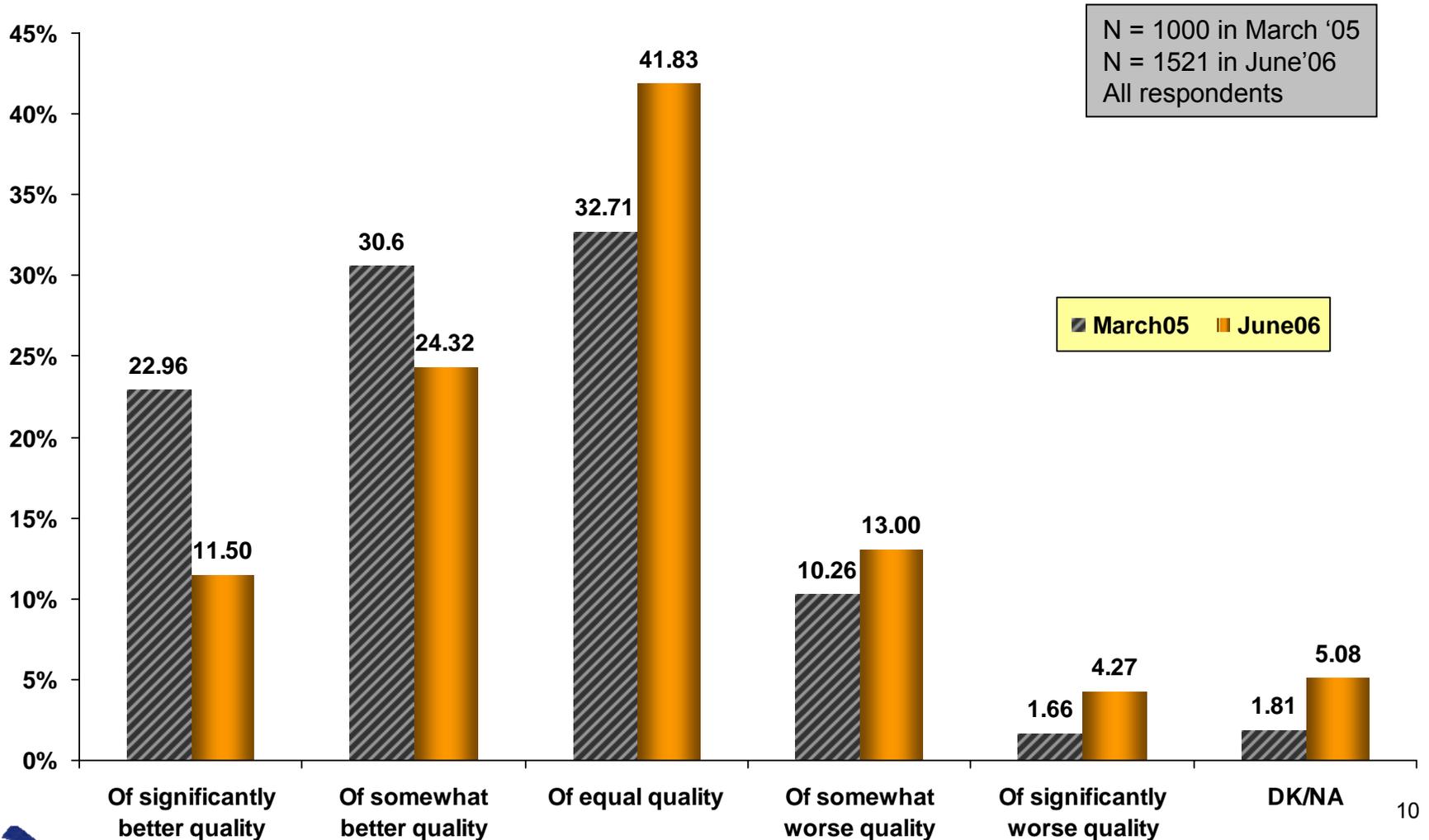


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- For each of several surveyed characteristics concerning domestic products, respondents are somewhat less satisfied with B&H products in 2006 than they were 2005
 - Almost two thirds of the respondents are satisfied with product quality, while only a half are satisfied with price



QUALITY APPRAISAL: COMPARED TO IMPORTED PRODUCTS, PRODUCTS PRODUCED IN B&H ARE...

Comparison between March 05 and June 06



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- A significantly smaller percentage of respondents - 36% in 2006 compared to over 50% in 2005 believes that domestic products are at least of somewhat better quality than imported products
 - However, only 12% had a negative view of domestic products in 2005 and only 17% in the 2006 survey



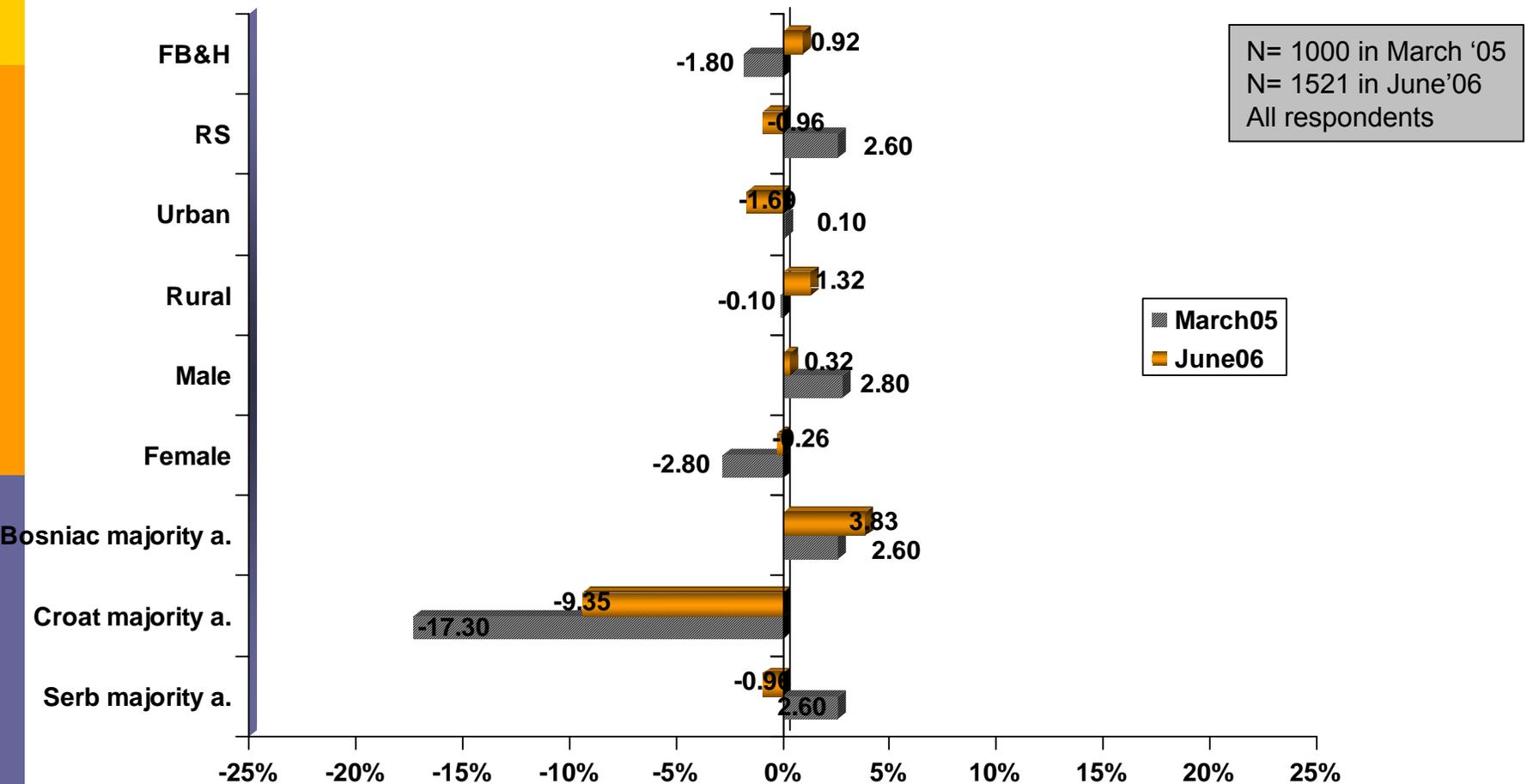
DEMOGRAPHIC PROFILE OF RESPONDENTS WHO CONSIDER DOMESTIC PRODUCTS TO BE OF BETTER QUALITY THAN IMPORTED PRODUCTS

Comparison between March 05 percentage of 54% and June 06 percentage of 36%

negative deviation

average

positive deviation

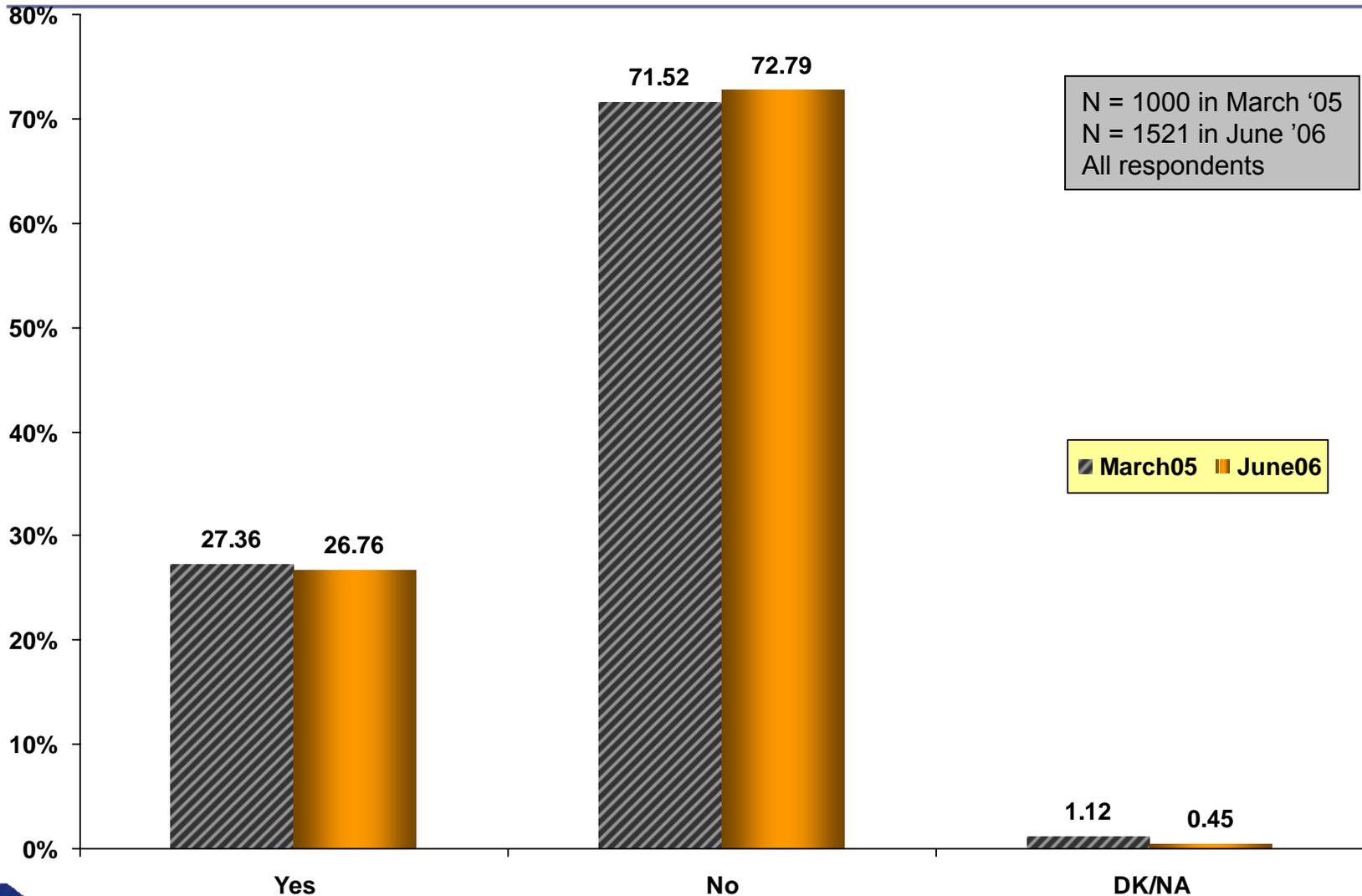


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- In 2006, the greatest percentage of respondents (42%) consider B&H products to be of equal quality to imported products; in 2005, only a third of respondents thought B&H products of equal quality to imported products
 - The greatest decline in opinion of domestic products is seen in respondents from Croatian ethnic majority areas

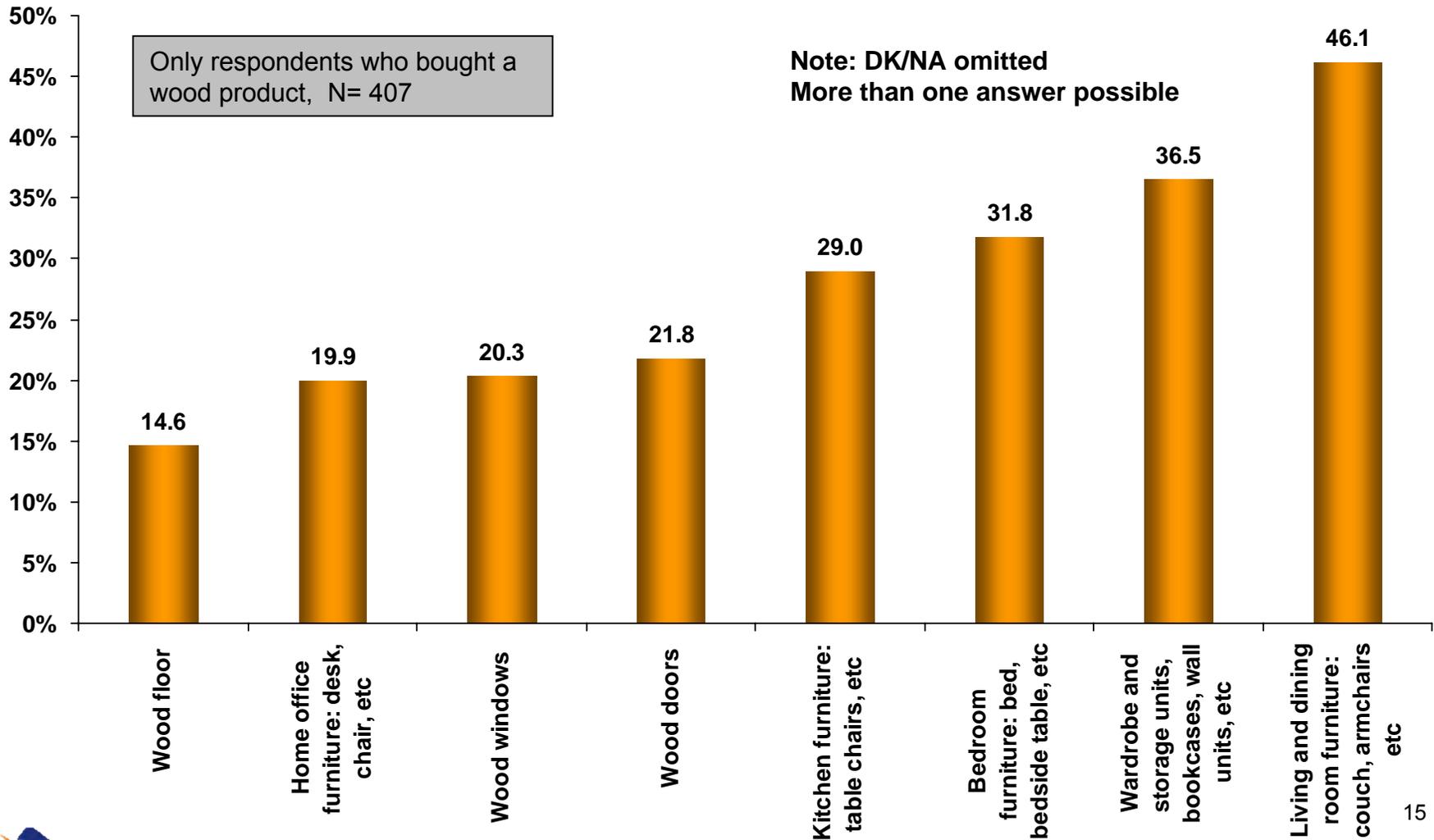


DID YOU OR ANYONE FROM YOUR HOUSEHOLD BUY FURNITURE OR ANY OTHER WOOD PRODUCT IN THE PAST TWO YEARS?

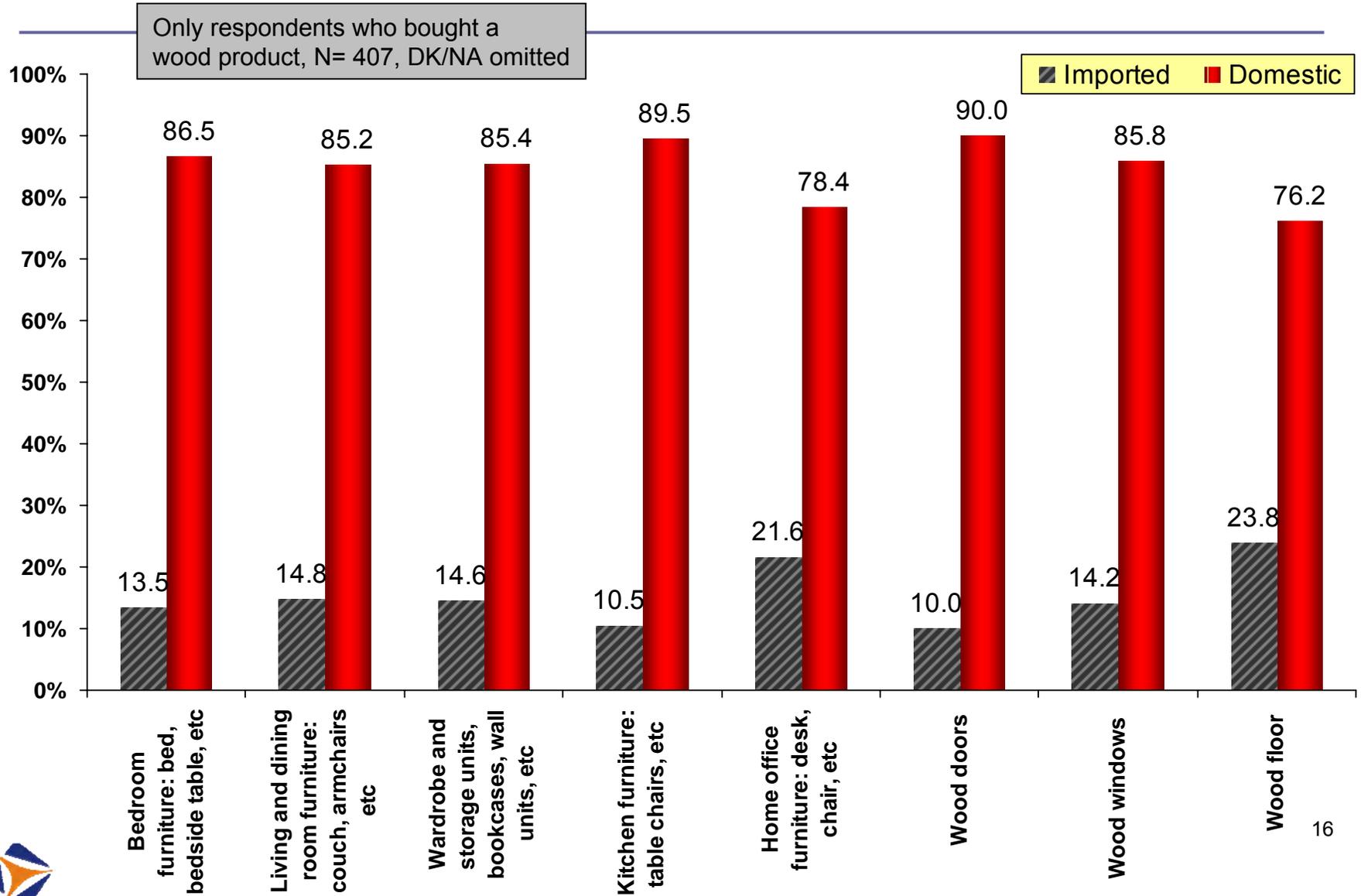
Comparison between March 05 and June 06



IF SO, WHICH WOOD PRODUCT DID YOU PURCHASE?



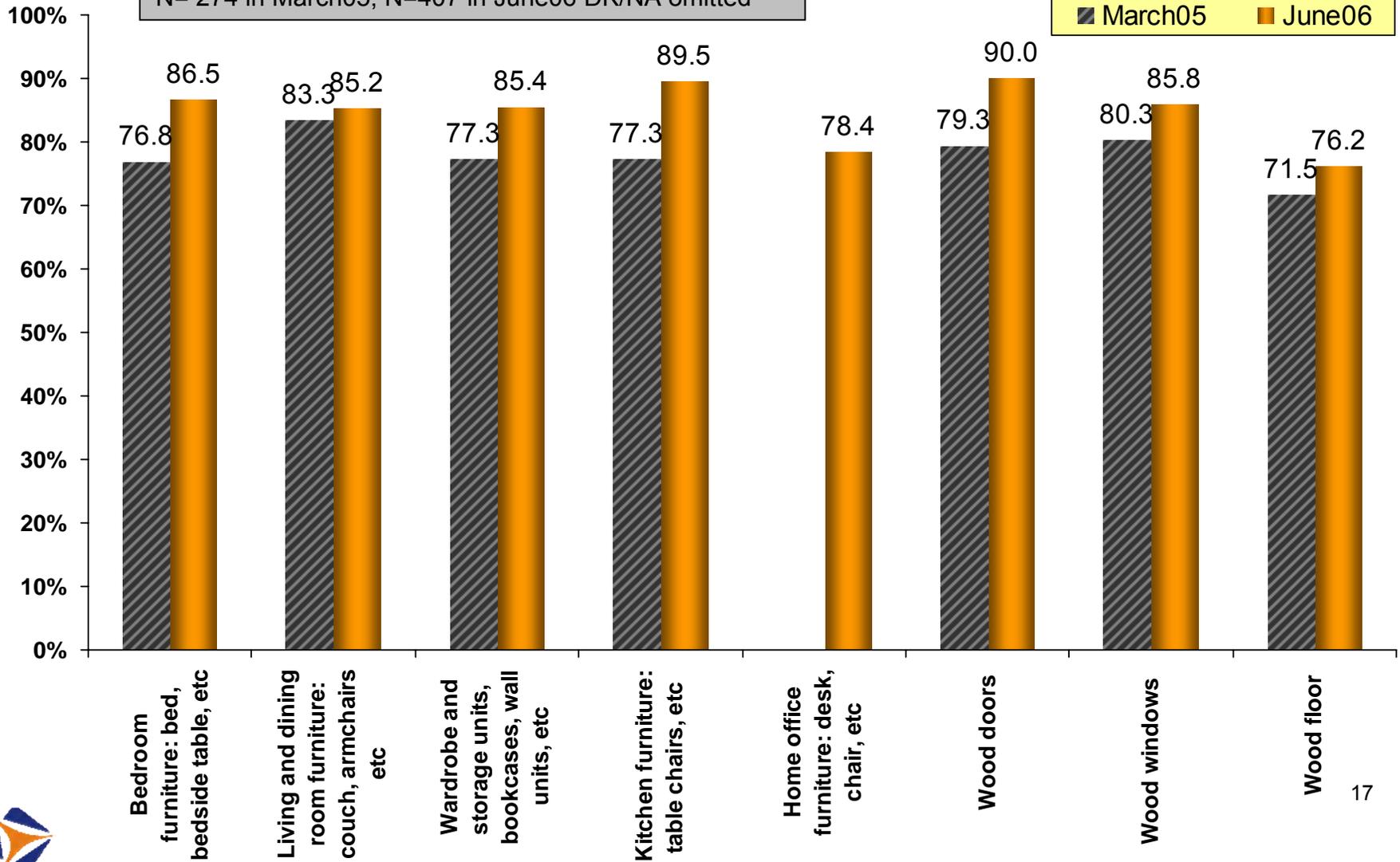
DID YOU PURCHASE AN IMPORTED OR DOMESTIC WOOD PRODUCT ?



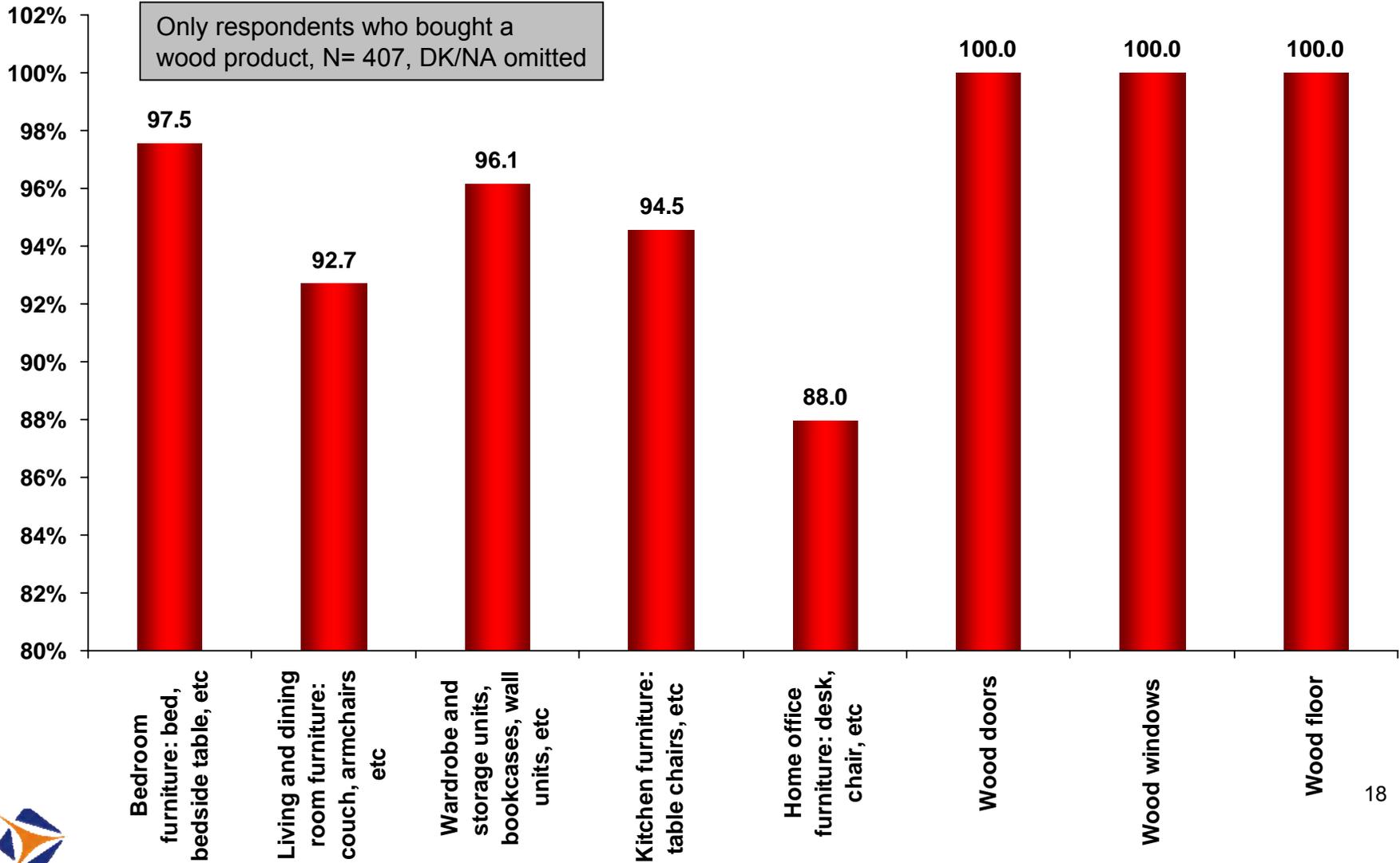
DID YOU PURCHASE A DOMESTIC WOOD PRODUCT ?

Comparison between March 05 between June 06

Only respondents who bought a wood product,
N= 274 in March05, N=407 in June06 DK/NA omitted

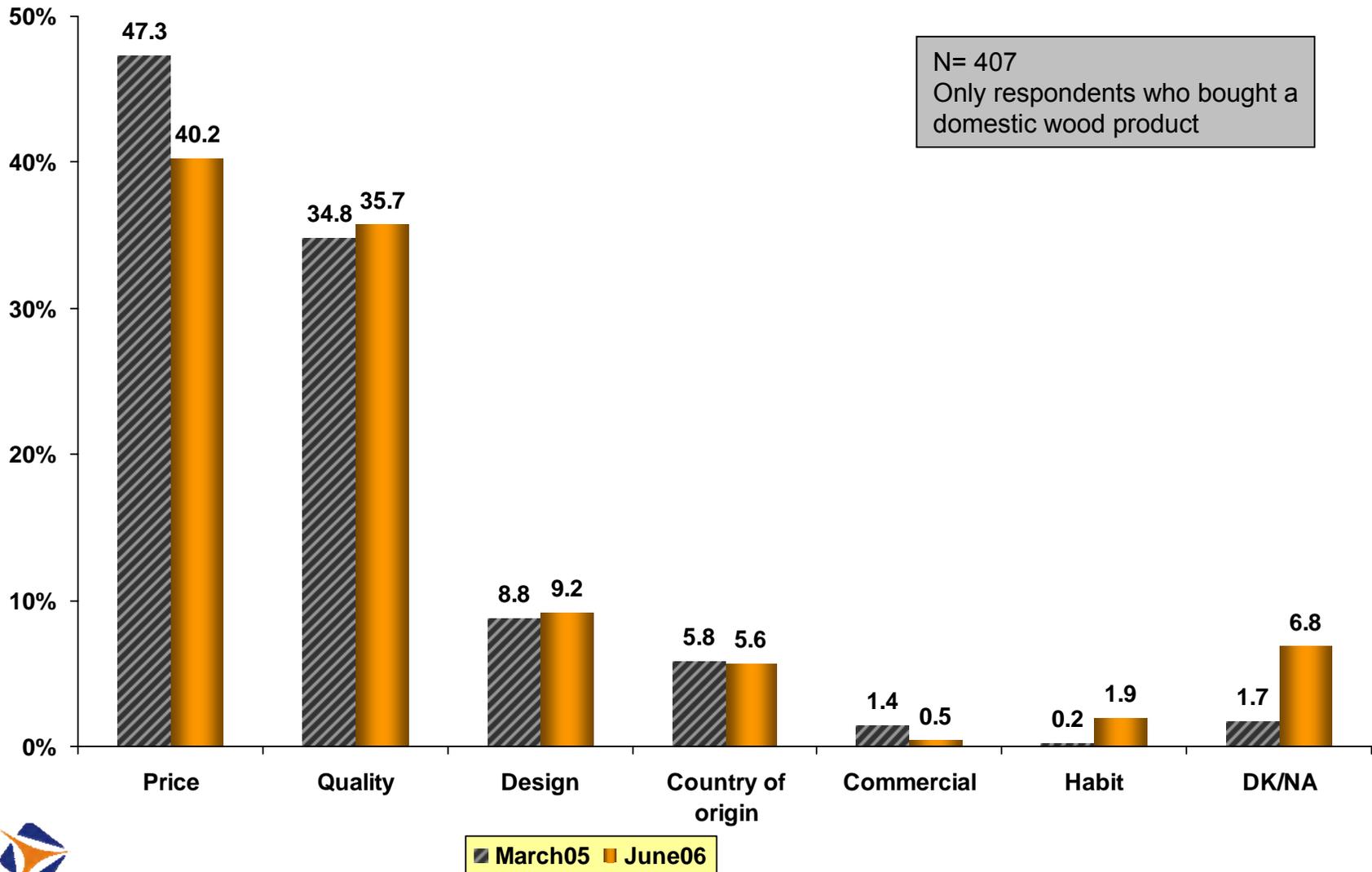


WOULD YOU RECOMMEND THIS PRODUCT TO YOUR FRIENDS?



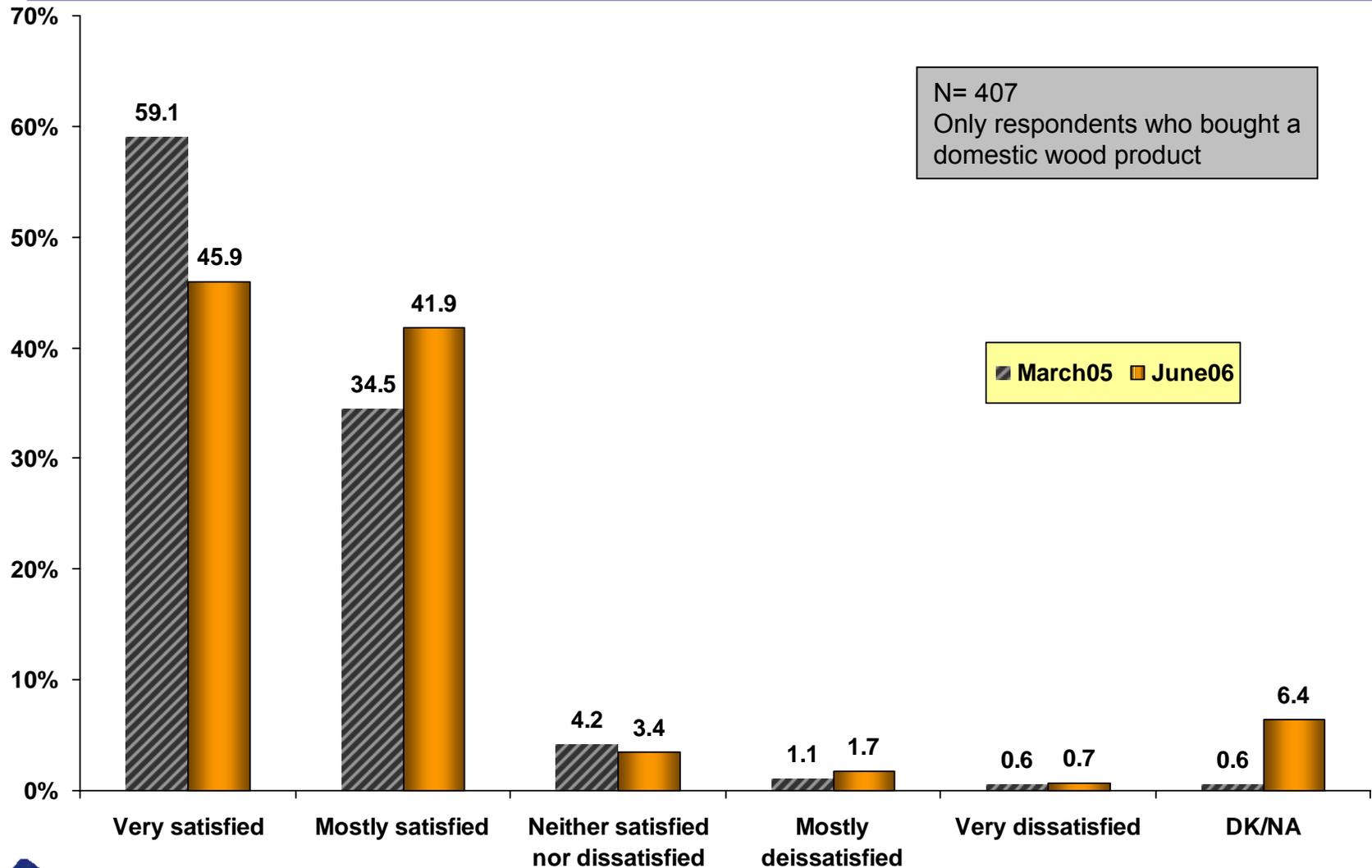
WHAT MOST INFLUENCED YOUR DECISION TO BUY A DOMESTIC PRODUCT RATHER THAN A SIMILAR IMPORTED PRODUCT?

Comparison between March 05 and June 06



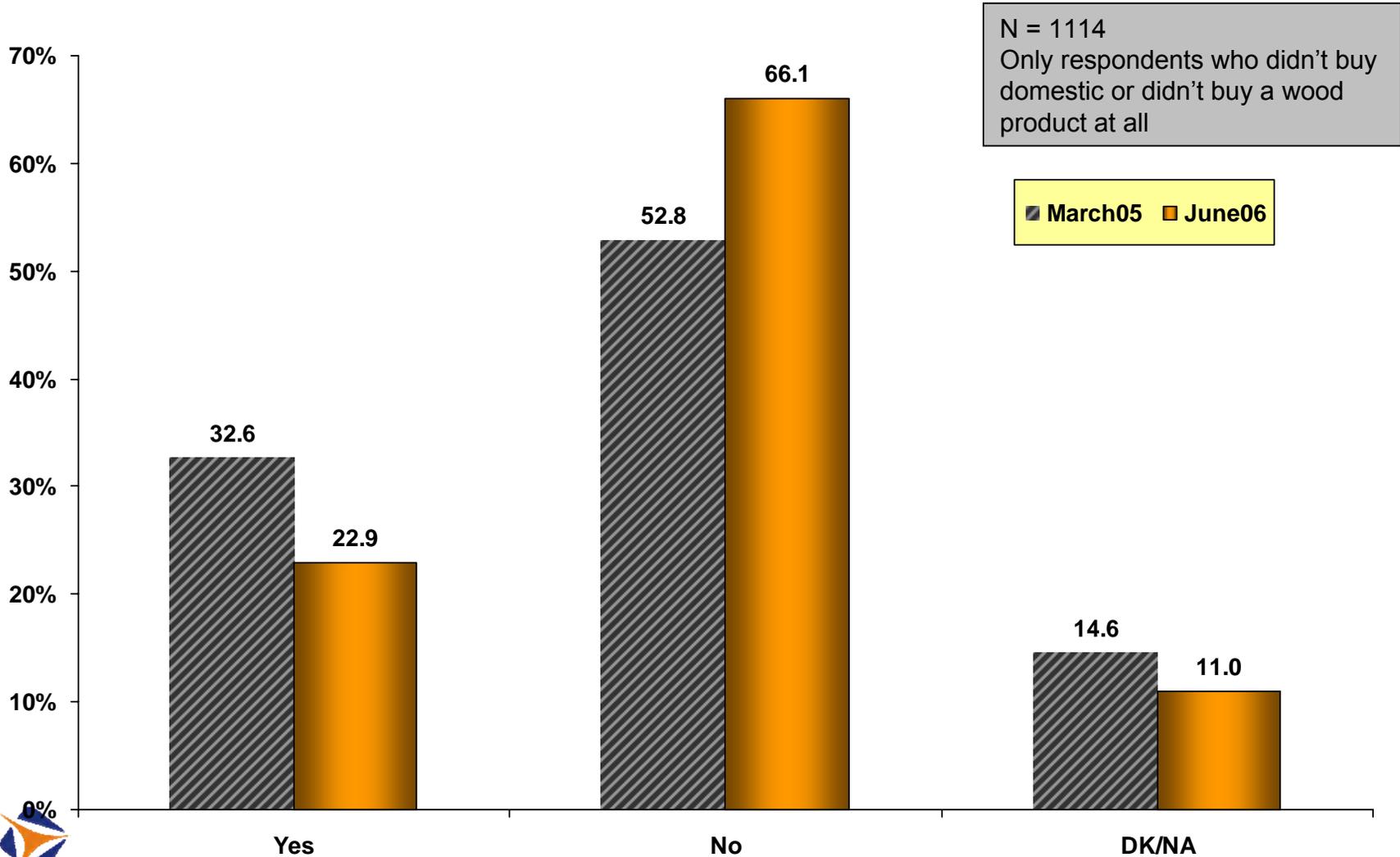
TO WHAT EXTENT ARE YOU SATISFIED WITH THE B&H PRODUCED WOOD PRODUCT YOU BOUGHT ?

Comparison between March 05 and June 06



IN THE NEAR FUTURE, DO YOU THINK YOU MIGHT PURCHASE A DOMESTIC WOOD PRODUCT?

Comparison between March 05 and June 06



Conclusions

- Public awareness of the wood industry is quite low
- While 27% of respondents reported wood purchases in both the 2005 and 2006 survey, fewer respondents in 2006 said they intend to purchase wood products in the coming year



Conclusions

- Only 23% of those who had not purchased wood products in the 2006 survey, compared with 33% in the 2005 survey claim that they plan to purchase a domestic wood product in the near future
- Therefore, successful, strategic marketing is critical to maintain and develop the industry



Recommendations

- Increase public awareness of the importance of the wood industry to B&H economic development
- Market wood industry products as high in quality, competitive in price, and outstanding in customer satisfaction
- Take advantage of the wood industry's strong customer base to increase the size of the market



Marketing Points

- ❑ Of the one quarter of the population that buy wood products, approximately 80% or more purchase domestic wood products
- ❑ Customers purchase domestic wood products because they are of high quality and are competitively priced
- ❑ The satisfaction rate with B&H wood products approaches 90% and approximately 90% or more would recommend their purchase to a friend

