

BOTTLED WATER MARKET



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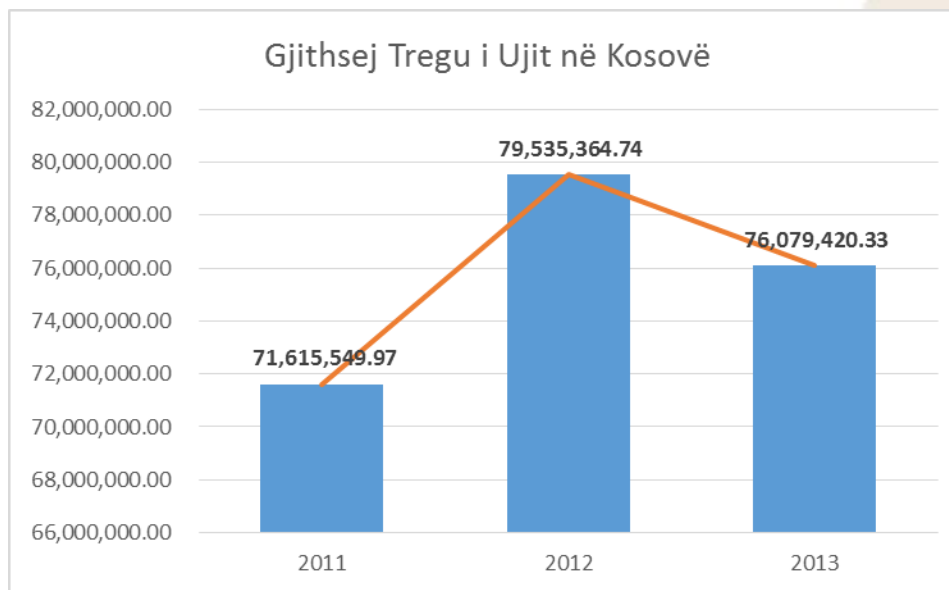
■ **Total Market**

- Based on relevant historical data, the size of the market of bottled water in Kosovo in 2011 was about 71.6 million liters, followed by an 11.06% increase in 2012 amounting to about 79.5 million liters. However, the bottled water market has experienced a decrease in 2013 by 4.35% amounting to approximately 76.0 million liters.
- Our evaluation is that this decline has resulted as a consequence of unfavorable weather conditions during the summer of 2013, where as a result of the low temperatures and rainy days, water consumption has decreased in general.
- However, despite these conditions, certain companies in Kosovo have also increased sales in 2013.



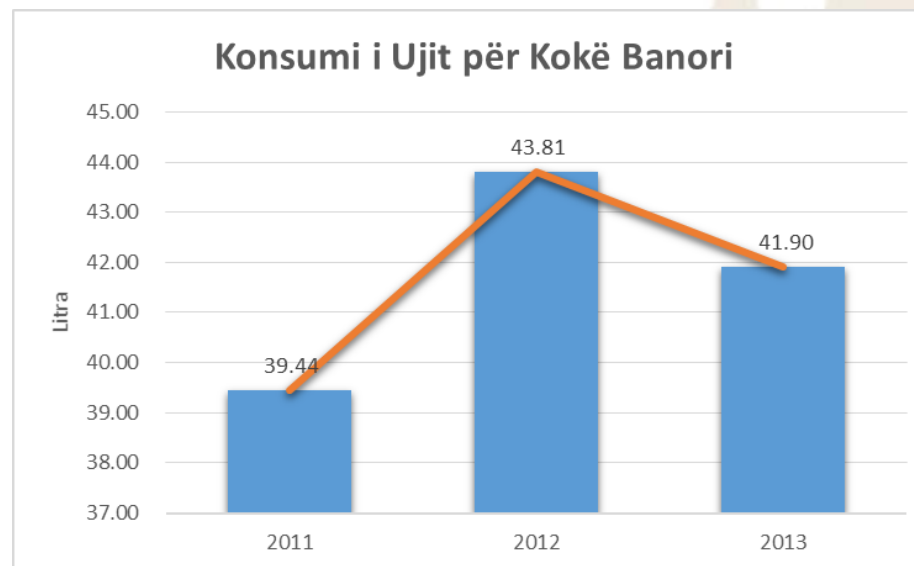
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- The size and movements of market from 2011 until 2013 are displayed in the graph below. The decrease in 2013 is less than the growth in 2012, and the market has maintained the growth trend for the three year period which indicates positive trends in the market in the coming years.

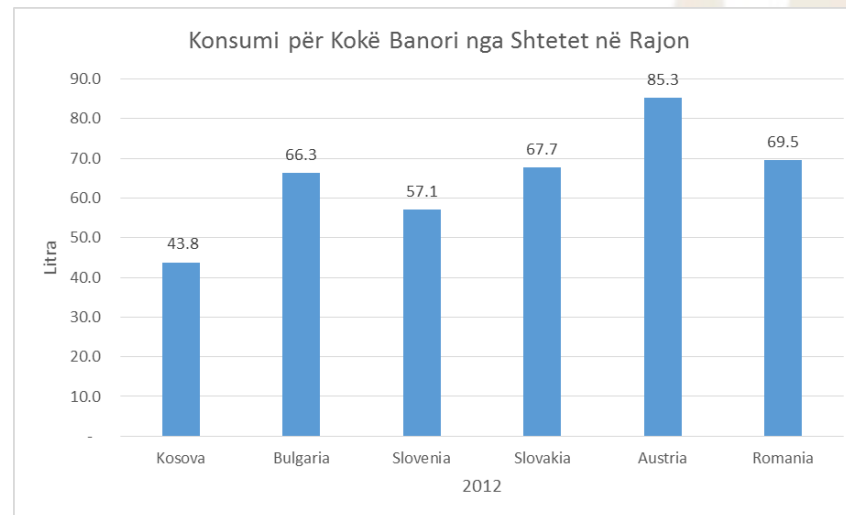


■ Water consumption per capita

- According to the Kosovo Agency of Statistics, Kosovo's population in 2012 was estimated to be 1,815,606. Using the data on total bottled water market (in liters) and data on the population in Kosovo, the annual consumption of bottled water per capita was 39.44 liters in 2011 followed by an increase in 2012 that reached 43.81, and has declined in 2013 reaching 41.90 liters. Below is the annual consumption of bottled water per capita in Kosovo:



- To assess the market position of bottled water, the annual consumption of bottled water per capita was compared with other countries in the region for 2012. It can be noticed that Kosovo still has the lowest consumption in comparison with countries in the region presented in the graph below. In comparison with the average consumption per capita of the countries in the region which is 69.18 liters per year, Kosovo stands at a considerable distance with only 43.81 liters which is an indicator of positive market movement towards the region's average consumption per capita.



- **Domestic vs Imported**

- To achieve a more detailed analysis, the size of the total market of bottled water is divided in the amount of water consumption of locally produced to the amount of imported water. Results of the analysis show that the consumption of bottled water produced locally in 2011 has been 60.2 million liters, followed by an increase of 12.56% in 2012 reaching 67.8 million liters. However, in 2013 the consumption of local brands of water decreased by 8.19%, amounting to around 62.3 million liters. Nevertheless, regarding the imports, in 2011 over 11.3 million liters of bottled water were imported while in 2012 the 11.6 million liters, showing a growth in import of about 3.08%. In 2013, there was a rapid increase in imports by 18% reaching 13.7 million liters of imported water, which shows the dominance of imported brands over domestic ones.

- **Main Market Players**

- The main market players include the most popular local brands as Dea, Rugova, Miros, Klllokoti, Kika, as well as major importers such as Rosa, Heba, Prolom, Jana, Zagori and Radenska. Despite the fact that the market consists of about 20 main competitors, only four of them account for about 69% of the total market, which indicates a high market concentration.



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