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ASPECTS CONCERNING THE IMPROVEMENT OF POSTAL SERVICES PROVIDED BY "COMPANIA NAȚIONALĂ POȘTA ROMÂNĂ"

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Abstract: *Despite the fact that the Romanian market of postal services has experienced a decrease of the main sectors of activity (letters, packages and express courier) over the last years, CNPR continues to be the main operator on the Romanian service market in the letter post segment, also considered as universal service provider.*

Over the last few years structural changes have been made inside CNPR which were based upon the extensive transformation of the postal worker behavior by increasing their skills and thus significantly improving the quality of the entire range of activities.

"The client comes first" is not a mere slogan, but a basic principle of the Romanian Post, that guides all the measured taken by the Post for their clients.

Key words: postal services; client; economicand financial indicators; economic crisis.

JEL classification: A 10

In general, and in Romania in particular, the postal services have been developed to facilitate permanent communication between people. As the need for such communication became constant, the demand appeared for specialized services able to meet those needs.

The Romanian Post is the national postal services operator which also issues, edits and sells stamps and postal articles and is also a provider of services with added value, such as: develops IT programs, currency exchange programs, consulting services and transport services. It is the entity responsible for fulfilling the obligations associated with Romania's joining the Universal Postal Union. From this position, the Romanian Post has to ensure the necessary conditions for integrating the national postal services into the international services and for adopting the state-of-the-art technology in this field.

CNPR is one of most democratic institutions able to maintain permanent commercial and spiritual ties between people. This noble mission has closely accompanied the advancement of human civilization and its origins go way back in time. The development of the interpersonal and social relations has resulted into a constant improvement of the sector-specific organization structures and technological processes and thus the post is now considered as one of the most important branches of the service industry.

The post is a highly important economy sector as it represents the system able to facilitate the transmission of information, goods and money at national level and to establish connections between all the branches of national economy, the private sector and the private beneficiaries. Actually, the post represents a vital function for any social organism.

To support the foregoing, see below the evolution of the main economic and financial indicators at CNPR in the period between 2004 and 2010.

Table 1: Evolution of the main economic and financial indicators at CNPR in the period between 2004 and 2010

Period / Indicators	2004	2005	2006	2007	2008	2009	2010
Indicators from Balance Sheet							
Fixed assets – Total	379,164,964	372,474,049	386,141,420	405,910,869	883,749,491	926,600,339	910,863,600
Current assets - Total	184,857,754	252,799,090	274,497,668	387,495,650	441,487,787	303,845,031	193,918,709
Shareholders' equity –	337,539,520	381,599,048	396,792,501	405,972,565	853,294,634	677,965,905	558,408,859

Total							
Indicators from the Profit and Loss Statement							
Net turnover	628,714,729	714,115,513	814,985,988	1,043,799,710	1,400,302,702	1,435,740,560	1,376,850,454
Gross result profit/loss	Profit 189,936	Profit 29,049,707	Profit 31,979,935	Profit 34,380,037	Profit 4,558,601	Loss 181,523,116	Loss 121,028,436
Indicators from Other information							
Average number of employees	33,888	34,256	34,617	35,122	35,576	35,520	34,731

Source: CNPR Balance Sheet (COMPANIA NAȚIONALĂ POȘTA ROMÂNĂ)

Analyzing the data in the table above, it results that after a long period of growth, CNPR has been experiencing constant decrease since 2009 from all points of view. This decline can mostly be attributed to the current economic crisis present both in Romania and worldwide.

Considering this general economic context affected by the effects of the current economic crisis and by the negative evolution of the internal indicators, C.N. Poşta Română S.A. decided to start in 2010 a reorganization and modernization process in all the company's main fields of activity.

For this purpose, the CNPR Reorganization and Modernization Strategy has been developed whose general goal was to turn the Company into a profitable and competitive Company in line with the quality standards observed by the other postal operators in the European Union, holding a strong position on the postal services market to be fully deregulated in the future.

The principles providing the basis for the reorganization and modernization process were:

- harmonization of the CNPR regulations and commercial offer with the clients' demands and the directives and practices adopted in the Member States of the European Union;
- increasingCNPR's flexibility to the demands of the markets it operates on;
- separating competences,specialization of each center and diversification of the activities in connected fields;
- full integration of an activity in a support and profit center;
- strict outlining of the interconnection points between the profitand support centers;
- measuring the performance of the retail network;
- determining the costs per product and every type of activity;
- personnel optimization,specialization and training;
- improvement of resource allocation.

As far as the quality certification system is concerned, CNPR must ensure the necessary conditions for integrating the national postal services into the system of the international services and to implement the latest technologies available in the field.

The certification of a Quality Management System proves any organization's commitment to quality, irrespective of size or field of activity.

CNPR's ISO9001 certification is a confirmation of the fact that the management system developed within the organization is in line with the international standard. The ISO9001 certification is a natural result of the competitive management applied within the organization, representing a confirmation of the management's capacity to manage the supply of services able to produce direct and indirect satisfaction to all interested parties.

The implementation of the Quality Management System within the Compania Naţionala Poşta Română S.A. According to SRENISO9001:2008 is likely to increase the clients' trust in the constant quality of the supplied services and thus it became an important factor in the growth of the company's competitiveness and credibility.

Apart from the reputation and image brought by the certification of the quality management system implemented inside CNPR, the quality certificate has other concrete utilization as well. It allows the Romanian Post to participate in tenders for the supply of postal services as the ISO certification is often a mandatory requirement.

Relevant quality goals achieved since 2010:

- On February 1, 2010, the Compania Naţională Poşta Română S.A. obtained the quality certificate according to the requirements of theSRENISO 900:2008 standard – Quality Management Systems for the following fields of activity: "Postal activities performed under the obligatory character of the universal service. Other postal and courier activities".

- In September 2010, Compania Naţională "Poşta Română" S.A. started the project called"Implementation and certification of the Information Security Management System in the Compania Naţionala Poşta Română S.A.". The entire documentation of the Information Security Management System according to the Standard SR ISO/CEI 27001:2006 has been prepared as part of this project and the certification shall be obtained during 2011.
- CNPR startedto develop theInternal Managerial Control System according to the provisions of Order no. 946/04.07.2005for the approval of the Internal Control Code; it includes the standards concerning the management/internal control of public institutions and the development of the managerial control systems, with subsequent changes and completions under the coordination and guidance of the M.C.S.I. representatives. All system and operational procedures throughout the entire postal network shall be developed according to the requirements of order no. 1389/22.08.2006 concerning the amendment and completion of MFPOrder no.946/2005.
- On November 30, 2010, the CNPR Department for Postal Services implemented and certified the Information Security Management System according to the requirements of theSRISO/CEI 27001:2006 standard for the following fields of activity: "Postal activities performed under the obligatory character of the universal service. Other postal and courier activities".
- During 2010, simultaneously with the yearly monitoring audits, the Departments for Integrated Services and Courier made the transition to SRENISO9001:2008,while maintaining the certification of the Quality ManagementSystem.
- In the same context, the Department Stamp Factory maintained the certifications obtained both for the Quality ManagementSystem according to the requirements of the SRENISO 9001:2008 standard and for the Environment ManagementSystem according to the requirements of the SRENISO14001:2005 standards.
- During 2010,the Department for Financial Servicesimplemented and prepared the entire documentation for the implementation of the Quality Management System according to the requirements of the SRENISO9001:2008 standard and for obtaining the certification.

In the period from January to December2010,C.N.PoştaRomânăS.A.obtained the following results:

- Out of the total number of internal mail items sent using the fastest category of standard services, approximately 52% was delivered in d+1and80%was delivered in d+2(d is the day the mail item entered the postal network).Compared to 2008, there was an improvement by approximately 30% for the itemsdistributed ind+1.
- Out of the total number of international mail items sent from Europe to Romania using the fastest category of standard services,79.9%were deliveredd+3and94.9%were distributed in d+5, while 68.3%of the total number of international mail items sent from Romanian to Europe using the fastest category of standard serviceswere distributed ind+3and87.7%were distributed ind+5.

In the same context, the Department Stamp Factory maintained the certifications obtained both for the Quality ManagementSystem according to the requirements of the SRENISO 9001:2008 standard and for the Environment ManagementSystem according to the requirements of the SRENISO14001:2005 standards.

C.N. Poşta RomânăS.A. prepares the statistical records regarding the mail items sent from the fastest standard category according to the requirements of the SREN13850:2007 standard –Postal Services. The quality of internal and international European services is certified by an independent certification body. The results of the measurements necessary for the assessment of the quality objectives are audited by independent specialists.

Starting from its slogan „The client comes first" which guides all the measures promoted by CNPR for its clients, the Romanian Post started a series of campaigns from which we would like to mention as follows:

- **Project COURIEL**

The project COURIEL(Courier Routing through Innovative Emulation Learning Program) was finalized in 2010. The Romanian Post participated in the project carried out under the aegis of the European Commission as partner together with the Greek Post and the Hungarian Post.

The goal of this project was to improve and develop the skills of the operators working as couriers using an innovative training framework based upon an interactive simulation environment. The program was aimed at training the personnel in charge with the distribution and delivery of postal items.

- **Project "Social Partners Preparing For Change"**

On March 12, 2010, the management ofC.N.PoştaRomânăS.A signed an agreement by which the Company joined the project "Socialpartnerspreparingforchange". This project was developed by the Social Dialogue Committee for the Postal Sector within PostEurope. The purpose of the project "Socialpartnerspreparingforchange"is to provide the social partners at national and European level with the necessary instruments to anticipate and manage the changes likely to occur in the postal sector.

- **Campaign "A Book Opens up A New World"**

On June 1,2010, the Romanian Post launched the campaign "A Book Opens up A New World", a social responsibility project. The postal public operator proposed all those interested in the campaign to donate books in especially designed areas inside the urban post offices in order to be further donated to school libraries in the rural areas.

At the beginning of the school year 2010-2011, the representatives of the Romanian Post donated the 52,000collected books during the events organized in dozens of schools from the rural area all over the country.

- **Campaign "Stop the Floods With the Power of Our Hearts"**

In July 2010, CNPR launched the campaign "Stop the Floods with the Power of Our Hearts", whose aim was to raise funds and goods for those severely affected by the floods in Moldova. With this campaign, the Company wished to join in in the effort made by the entire society to help those affected by the floods. Both postal works and clients of the Romanian Post participated in this campaign.

The postal offices raised 114 tons of goods during this campaign which were then transported and placed at the disposal of the responsible persons in each affected area.

- **Campaign "Every Child Deserves a Christmas Present"**

At the end of 2010, the Romanian Post started a nationwide campaign called "Every Child Deserves a Christmas Present"; this campaign was aimed at collecting toys for orphans and children of poor families. Just before Christmas, the representatives of the Romanian Post donated more than 32,500 toys and 400 educational games to orphanages and special schools all over the country.

Conclusions

As far as the improvement of the quality of postal services is concerned, Compania Nationala „Posta Romana" has identified a series of strategic goals for the upcoming period whose achievement is crucial for the Company's position on the postal service market and for satisfying the ever changing demands of the clients in a highly competitive environment.

Strategic objectives:

1. Improvement of the postal network in order to make the activity more efficient;
2. Reducing operational costs;
3. Development of new services to damp the effects of electronic replacement (distribution of insurance products, financial and banking products,e-commerce,hybrid post etc.);
4. Optimization and fluidization of the decision-making process at central and territorial level;
5. Surveillance and improvement of the qualitymanagementsystem.
6. Development of courier service(door-to-door):
    - Strengthening the operations;
    - Client orientation (KAM,customized services);
    - Comprehensive portfolio of services with added value;
    - Development of a new structure to be in the top position on this market.

Prospects of "Compania Nationala Poşta Română"

In light of the complete deregulation of the market planned to start on January 1, 2013, the Romanian Post shall develop and implement a coherent strategy with the purpose to provide services for clients of all categories and economic and social backgrounds.

The main strategic objective is to turn the Company into a profitable organization in line with the quality standards observed by the other postal operators in the European Union, holding a strong position on the postal services market to be fully deregulated in the future.

The specific objectives pursued by the CNPR in its development over the following years are:

- Financial recovery ofCNPR, so that the Company may yield a gross profit of minimum 50million lei at the end of 2014;
- Increase of profit share in the financial services segment at minimum 25%of the total income ofCNPR by the end of 2014;
- Increase of the volume of items sent by hybrid mail services at minimum22% of the total volume of sent items processed by CNPR by the end of2014;
- Keeping the market share at minimum 75%in the segment of sent mail in 2014;
- Increasing the market share to minimum20%in theexpressdomestic segment in 2014.

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POLISH E-COMMERCE MARKET – THE PRESENT STATE AND DEVELOPMENT PERSPECTIVES

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Abstract: *At the moment, the Internet is the fastest growing distribution channel for polish e-commerce market. Compared with the year 2010, the value of e-commerce market increased by 16%. In the year 2011. On the polish e-commerce market currently operates approximately 10 thousand e-shops, in addition to several strong leaders (Merlin, Allegro or Empik) this market is very fragmented. The presented article characterizes the polish e-commerce market and its development perspectives. Based on the survey conducted, the polish on-line shops will be presented -branches of their business, net sales, number of employees or number of customers.*

Key words: e-commerce, Internet, market, on-line shops, stores

JEL classification: L 81, L 86, G 32

1. Introduction

The Internet appearance and development, has led to creation of new ways of its use in many areas of business and life. The one of these new Internet's form, is electronic commerce (e-commerce, e-trade, online-shops), which is becoming very popular, today, in Poland. For the businessmen e-commerce is a "vein of gold", and for the clients, e-commerce means comfort in dealing with different issues without leaving the house or even without leaving its desks (Korper, Ellis, 2011).

According to Central Statistical Office, e-commerce is a trade which includes transactions carried out by the network, IP based and other computer networks. Goods and services are ordered by the network, but the payment and ordered goods' delivery may be made in or outside the system. Transactions can be made between the enterprises, with individuals, government institutions and other private or public organizations. Orders received by the telephone, telefax or e-mail messages are not the part of e-commerce (GUS, 2011). According to the WTO (World Trade Organisation) e-commerce is a production, sales, advertising and distribution of products and services through the ICT networks (Reynolds, 2004). The OCCP (The Office of Competition and Consumer Protection) includes the activities in the field of e-commerce into traditional business, as it is being understood by the Business Act from the 28th December 1988 (as amended), because e-commerce involves the use of electronic media (Bajaj, 2005). However, the most popular e-commerce definition states that it is any transaction realized by the ICT media (Chaffey, 2007). In this term, "electronic commerce" should rather be translated as "electronic market", because the translation of "electronic trade" is far reaching concept in the original. Such a wide understanding of e-commerce causes that e-commerce is not something new, but this activity has occurred in the 60's of the last century, together with the first electronic payment systems or phone services. However, since that time, e-commerce has been developing through the following services: telephone banking, credit card services, fax orders and EDI (Electronic Data Interchange) and finally the Internet.

Despite the comfort offered by the e-commerce, it also brings the following benefits:
(1) less paper and paperwork,
(2) bigger efficiency due to shopping and ordering systems,
(3) less typical administrative actions,
(4) better access to the information,
(5) cost reduction/bigger profits in comparison to traditional sales modes,
(6) immediate and international sale offer,
(7) services avalaible 24h and for 365 days,
(8) using e-mail instead of phone or fax,
(9) „online rush" may cause a stream of potential clients, (Pankaj, 2005)

And the gains from e-commerce include as follows:

(1) Better information flow and transparency an all transactions stages,
(2) Price transparency,
(3) Increased Reach-alternative as an additional Communications medium,
(4) Reduced time-to-market,
(5) Faciliates Re-intermedation, (Botha, 2007)

However, in addition to these benefits, e-commerce has contributed to the issues raised regulations, legal liability and security. One of the most important issues is payment mechanism issue: how clients should pay for their shopping and how to make these payments safe.

Very often, e-commerce is understood in refer to buying and selling over the Internet only, having e-commerce in mind, people think about Merlin or Empik (polish bookstores). But e-commerce does not include only the electronic relations between the buyer and the client, it refers to any activity, including non-financial, which is conducted via the Internet, ie. The query about the price or product information.

E-commerce has a range of different perspectives:

(1) a communication perspective – providing the information in regards to product, payment Or delivery options,

(2) a business process perspective – technology's application towards the automation of business workflows and transactions,

(3) a service perspective – that reduces the cost with the improvement on the products delivery - speed and quality,

(4) an online perspective – buying and selling products via the Internet and information's flow.

E-commerce activity is supported by digital technologies, which allow electronic communication. These technologies include communication, conducted not only by the e-mail or website, but also use the wireless and mobile technology, cable or satellite television.

Due to e-commerce, the new form of business has arisen, without it, it is impossible to imagine "doing business" today. In the year 1999, The Secretary of Commerce, Wiliam M. Daley said that „*E-commerce is much more than a service tool. It is becoming a basic element for most manufacturing operation from design, to development, to product and to distribution"* (Pankaj, 2005).

E-commerce potential is so high, that it can change the way in which enterprises operating at the market, and influenced the businessmen and clients behavior.

2. The methodology

The research conducted had the form of survey, consisting 43 questions, sent to online stores, operating in Silesia region. We have received over the 60 survey filled by the stores. Questions included in the survey, have dealt with:

(1) categories,
(2) operations period,
(3) number of employees,
(4) number of foods offered
(5) number of suppliers,
(6) sales channel used,
(7) international trade,
(8) marketing form used,
(9) Communications with the clients,
(10) hosting services,
(11) users profile,
(12) number of goods sold,
(13) security,
(14) payments,
(15) distribution,
(16) net assets,

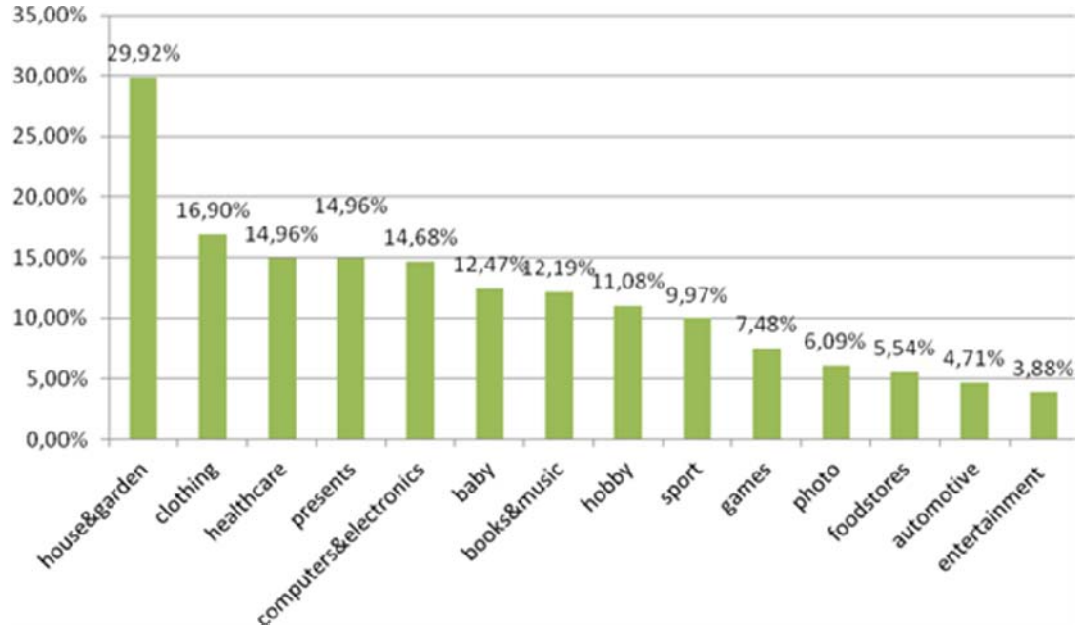
However, due to pages limitation, this article presents the most important aspects of the polish e-commerce market.

3. The polish e-commerce market

The year 2011 was a watershed year for polish e-commerce market, now at this market, operates almost 10 thousand on-line stores and, probably, in the year 2012, this number will even increase. This rapid growth, in terms under the number of on-line shops and sales value, is caused by the polish clients, who are more convinced to buy on-line, like never before. They see a wide range of tools offered by the Internet and they use it. In comparison to the performance in the previous years, in the year 2011, a dynamic growth of people declaring making shopping on-line, was observed. In the year 2010, the percentage of on-line buyers was 67%, but in the next year the percentage was 74%. (Szymanski, 2011)

Despite the difficult time for polish market, 33% on-line shops have increased its profits and more that 40% of them have noticed better sale (Szymanski, 2011). The most popular trends on the market, were as follows: recommendations, groups purchasing, comparison sites and sites with clients opinions. The delivery offers has also expanded. The best-selling categories for on-online stores are multimedia, clothing, jewelry, RTV and home appliances and house and garden equipment.

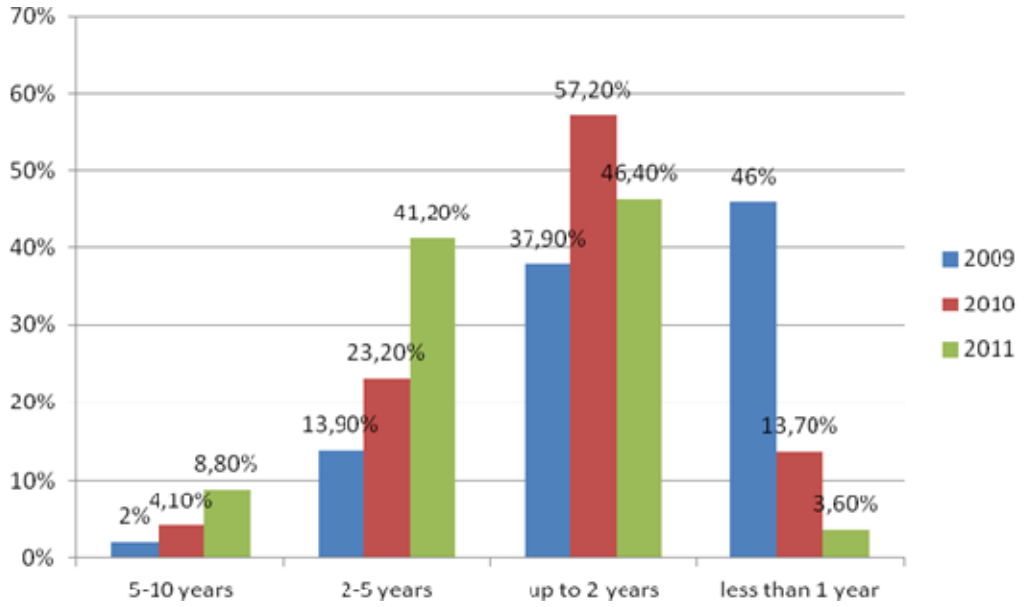
Figure 1: E-shops categories



Source: The Author's own work

Products in the segment of Home and Garden offer had a third of the store. Due to the large size of this category, it is difficult to discern its characteristics. 17% of the total are shops selling clothing, also offering categories such as "gifts" or "child". On the third place were the e-pharmacies, which offer substitutes to drugs, dental and ophthalmic products. The lowest percentage was recorded categories of "deli", "Automotive" and "entertainment", but the category of "deli" has recorded a steady growth and it can be assumed that over the years will be put forward at the beginning, one of the reasons for this increase is launching online sales by supermarkets such as Carrefour, Auchan and M1.

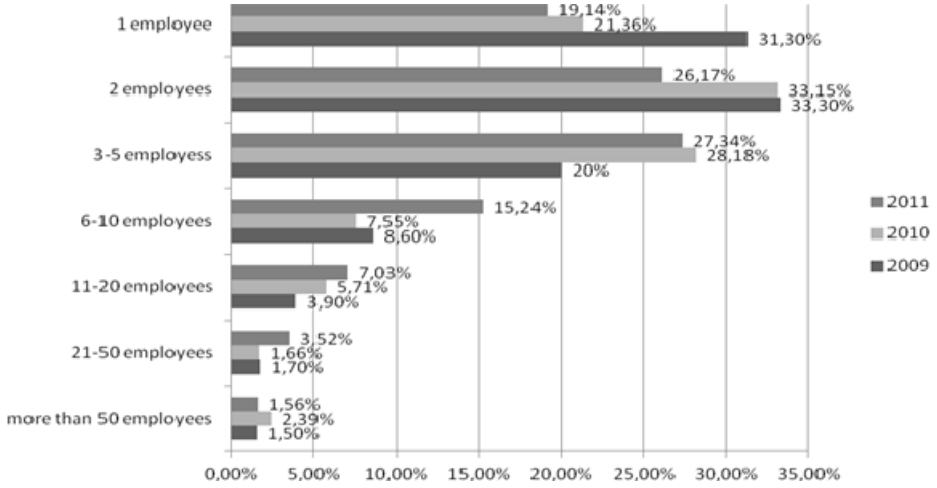
Figure 2: E-shops' operation period



Source: The Author's own work

Most of the polish on-line shops have been active from 2 to 5 years, there is also a significant increase with stores have been active from 5 to 10 years. It might be also noticed a significant increase of shops operating at least 10 years at the market (its number was doubled for the last 2 years). However, the highest growth has been noted in the shops which operate for a very short time. It means that polish e-commerce market is still growing and the new shops are being opened constantly.

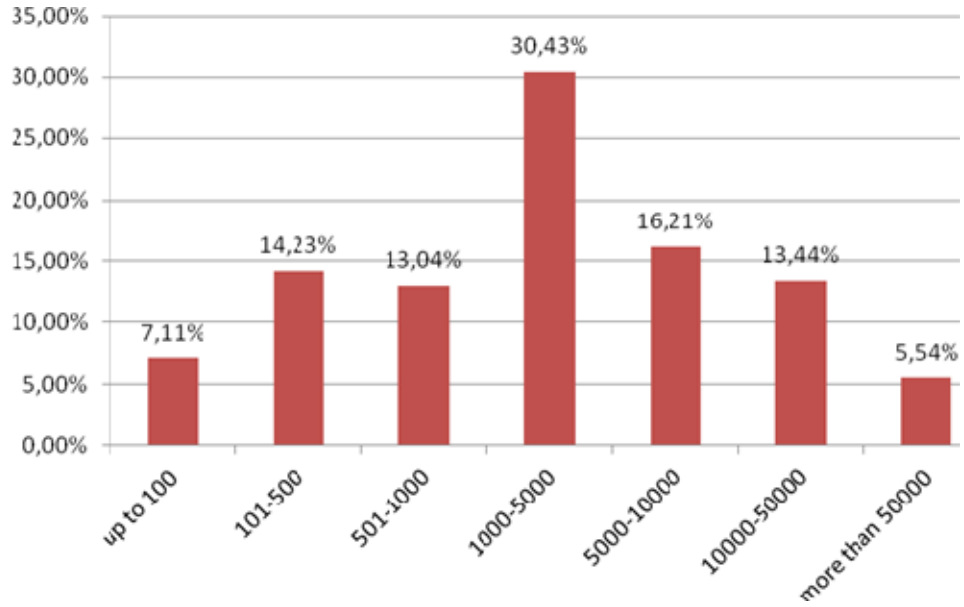
Figure 3: The number of employees



Source: The Author's own work

In comparison with the previous years, has decreased the number of shops with less that 3 employees, the most numerous group are the stores which have from 3 to 5 employees. The number of stores having 6 to 10 employees has doubled during the last year. The less growth was noticed in the stores which have 11 to 50 employees, usually are the "old" stores with a good position, there are fully completed and the employees' rotation is caused by the normal staff turnover.

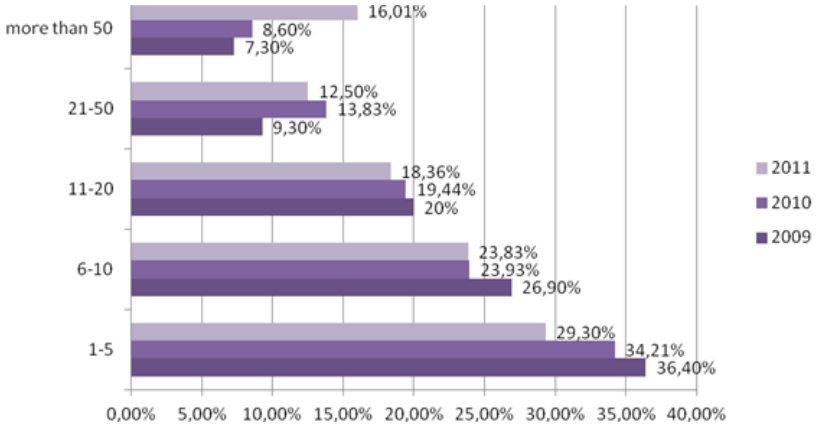
Figure 4: The number of types of goods offered



Source: The Author's own work

The average number of products offered by the on-line shops is between 1000 and 5000 products. However the number of stores, offering over 5000 products, is still growing. And the smallest group of shops are shops offering less than 100 products as well as offering more than 50 thousand products. The number of stores offering products from 5000 to 50 thousand and from 100 to 1000 is similar.

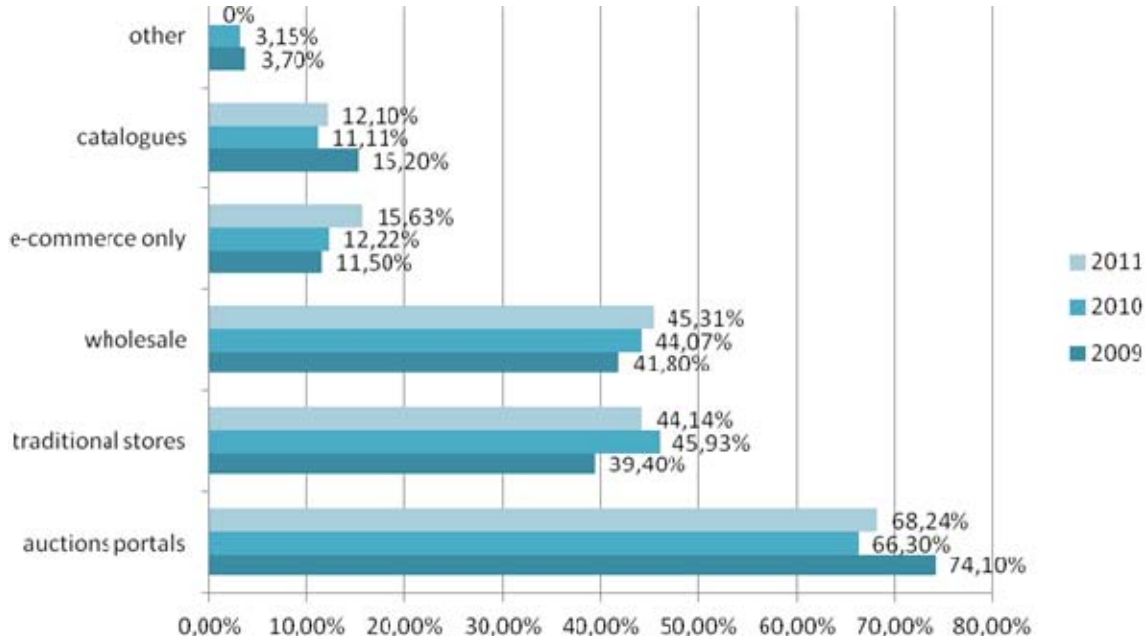
Figure 5: The number of suppliers



Source: The Author's own work

Most on-line shops (29%) receive the products from the one to five wholesalers, a little bit less shops (24%) cooperate with the six to ten suppliers. And only every fifth shop has been cooperating with 11-20 suppliers. The store cooperation with a small number of suppliers guarantee a management processes centralization, but, from the other hand, this store offers less number of products than other.

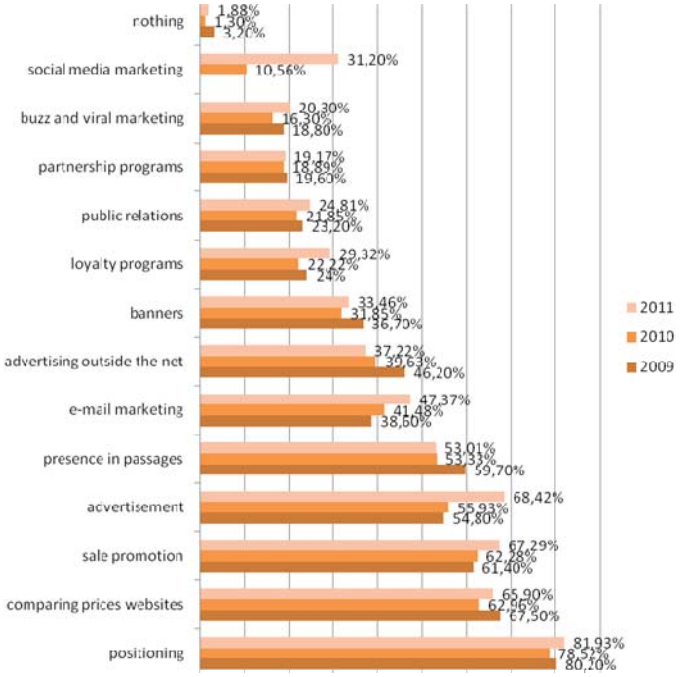
Figure 6: The additional sales channels



Source: The Author's own work

Polish on-line shops very often use the additional sales channels, only 16% of them, has declared that the on-line sale is the only sale channel. Every third shop, sells its product through auction sites, the second, most poplar channel, is traditional sale and wholesale. Every tenth shop sells by mail order using the printed catalogues. It the other category there is also shopping group, which are now becoming very popular sales channel and can be expected that on the next year, this channel will gain a separate category.

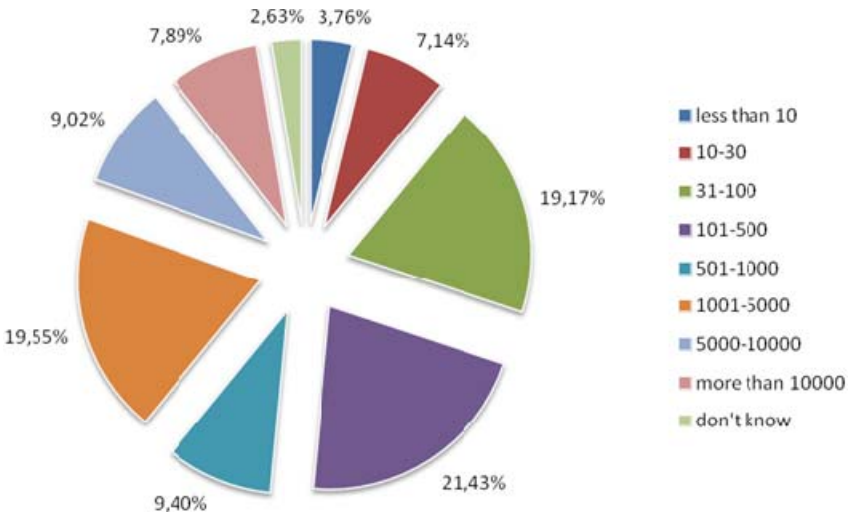
Figure 7: The marketing's form used by e-shops



Source: The Author's own work

The most popular form of marketing used by polish on-line shops is the serach engine positioning, this form is being used by over 80% shops. In the second place is the use of comparison sites and the third, most popular form of marketing, is advertising in the form of a link on the website. Such a big share of these forms is caused, that stores are convinced by its biggest efficiency. A very few shops use the marketing form such as buzz marketing or public relation activities. And the smallest number of shops (less than 2%), which do not use any marketing forms, was noticed.

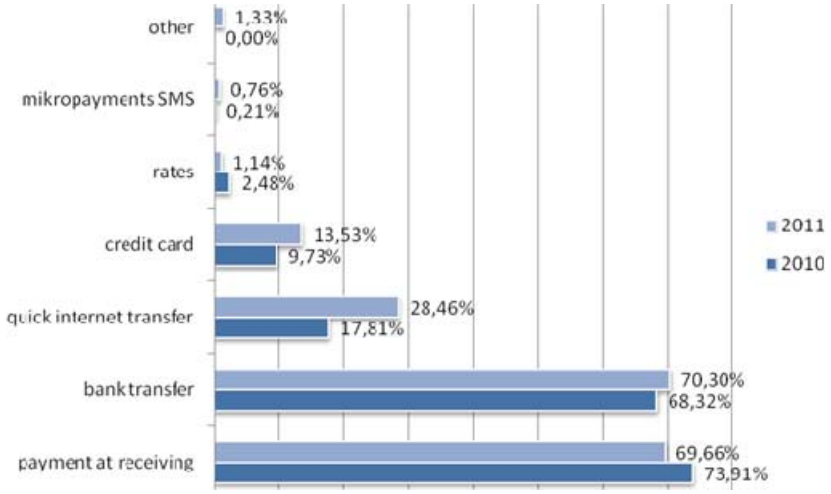
Figure 8: The average of products sold per month



Source: The Author's own work

Majority of shops selling from 100 to 500 products per month, while the smallest percentage of stores selling more than 10 thousand products per month. This is probably due to the fact that in addition to several major online shops, polish e-commerce market are small shops, where the average sale is between 100 and 500 products per month.

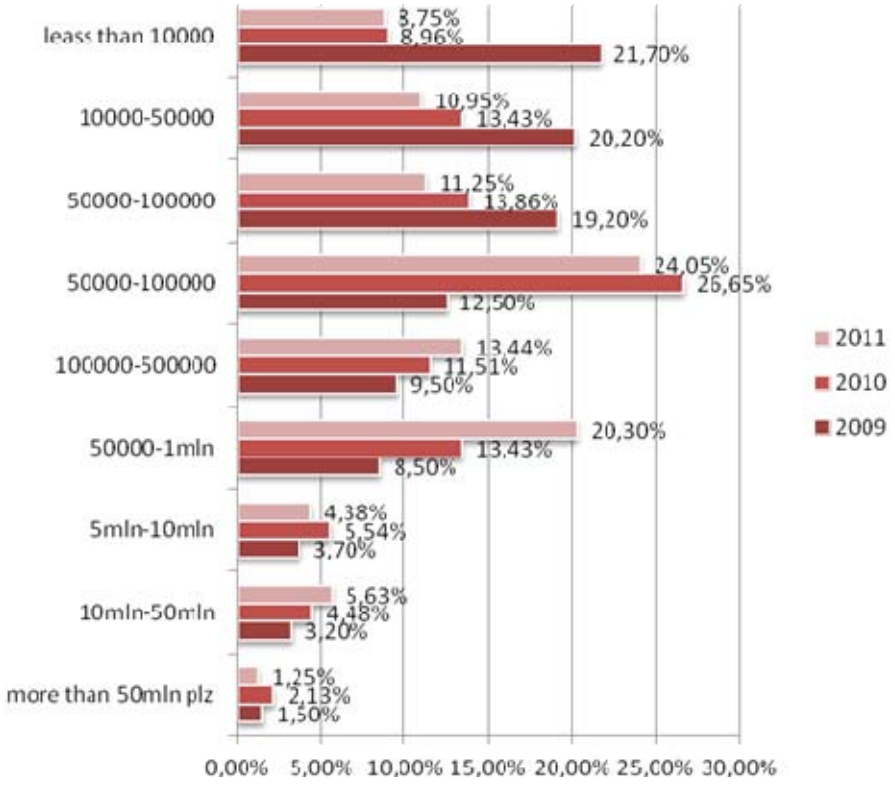
Figure 9: The available payment options



Source: The Author's own work

The most common methods of payment was cash on delivery, and in second place were the payments made by bank transfer. Payment due upon receipt of the goods, is caused the lack in the trust of customers to the business of the store. The second form of payment is popular due to the increasing number of people having Internet accounts or Internet access to bank accounts. Still not very popular form of payment is by credit card because the first is still a small percentage of people has it, and secondly - people with credit cards use them as part of an emergency, because as we all know the money from credit cards are "expensive." Unpopular is also the instalment plan, not only because of the additional costs but also to the fact that the value of the transaction with an online shop rarely exceed PLN 300.

Figure 10: Net sale



Source: The Author's own work

The largest group of shops where net sales is in the range of 100 thousand PLN to 500 thousand PLN, followed there are shops where net sales is in the range of 10 thousand PLN to 50 thousand PLN, while the smallest percentage of stores was reported in the range of sales over 50mln PLN. However, it can be also seen a large growth rate in the range from 1 million to 5 million of net sales, this indicates that a growing number of shops increase their sales.

4. Conclusion

Fewer and fewer online shops experience the problems with the deteriorating economic situation, but a lot of shops complain of problems stemming from the cooperation with suppliers. Generally, the results of research conducted, allowing the optimistic assumption that the polish e-commerce market will continue to grow. With the progressive computerization of society, including e-commerce market will be noted continuous growth associated with more online stores to boost sales or increase the number of products offered. The study emerges a fairly optimistic picture of the polish e-commerce market . In addition, compared to other foreign markets, the polish e-commerce market is just beginning as well as in a sense, guarantees its continued growth.

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MINERAL WATERS CONSUMPTION IN THE ROMANIAN MARKET: PERCEPTIONS AMONG THE SEGMENT OF YOUNG POPULATION FROM BRAŞOV

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Abstract: *This article aims to identify perceptions and buying behaviour for mineral waters in the romanian market. Main attention was paid to Romaqua Grup S.A. Borsec's activity and reputation. A qualitative marketing research was conducted among the segment of young population from Braşov, the main goals being to highlight which are the most popular and consumed mineral waters, the satisfaction and contentment degree of interviewed subjects regarding the mineral waters offered in the romanian market,and also to find out their opinions regarding design and aesthetics, advertisements and prices of mineral waters with Borsec brand.*

Key words: mineral water, Borsec brand, qualitative marketing research.

JEL classification: M 31

1. Introduction

The anticipation of future and planning of products which will suit changes that will occur in consumers' behavior, requirements and tastes, and the permanent alignment at the evolution of the competitive environment are vital for the company's survival.

The Borsec resort, called ''The Pearl of the Carpathians'' is situated at 26 km from Toplita, on the national road Toplita-Piatra Neamt, in Borsec Valley, from the north western part of Harghita county, at an altitude of 900 m above sea level, which gives a specific microclimate with a beneficial nature, because of the surrounding massive coniferous forests. Beside the environment of a rare beauty where Borsec is located, the quality of its mineral waters ensures a privileged situation among the balneary and climateric resorts from the world.

The reputation of the mineral waters from Borsec dates back in the XVI-th century. There is a documentary attestation that the mineral water from Borsec has been transported with carriages, in 1954, in oak barrels, at the royal court from Alba Iulia where Sigismund Bathory was treated. Because of the curative effects and empirical experience, the mineral waters from Borsec were bottled in clay pots, put in bags on the back of the mountain horses and transported in Transylvania, Moldavia, Romanian Country and Hungary since XVIIIth century.

In 1806 starts the industrial bottling in glass bottles produced at Borsec. In the first year were bottled 3 million liters of mineral water, which were transported with carriages in different locations, arriving even at Viena. The water collected in the well from springs 1 and 2 was poured into bottles, plugged with corks and sealed with wax. It is interesting that the bottling was made only in sunny days, when the atmospheric pressure was maximum, and the CO2 content was maximum. The industrial bottling has functioned permanently from 1806 until recently, with short stagnations during the two world wars. The tradition was continued by the „Queen of the Mineral Waters Borsec S.A'' and now by Romaqua Group S.A- Borsec. Meanwhile, the bottling technology was upgraded, putting in operation efficient bottling installations.

The objectives considered in this paper are the following:

- Identification and description of Romaqua Grup S.A.Borsec's activity on national and international level;
- Identification and understanding the reasons and buying behavior for mineral water for the segment of young population from Brasov;
- Understanding the opinions of young people from Brasov regarding the mineral water Borsec.

2. The description of Borsec mineral water

The natural mineral waters Borsec have a balanced mineral content, a low content of iron and a high and stable concentration of natural CO2. All these features position Borsec as one of the best natural mineral waters.

In Borsec there are more than 15 springs of natural carbonated mineral water, having a similar chemical composition, stable in time, with variable flows, the most important as quality and flow being springs 1 or 2. Because of their composition, mineral waters have cleansing effects on digestive disorders (stomach, intestines, biliary system), kidneys and bladder and urinary system and on the peripheral circulatory system. Because of a balanced chemical composition, without iron and viable in time, the mineral water from Borsec has a pleasant taste, being one of the most popular mineral water in the world, being exported in many countries as USA, Israel, Ciprus, Germany, Taiwan, Hungary and Moldavia. As a recognition of the outstanding quality of Borsec mineral water, it was awarded medals and diplomas at international fairs and exhibitions from Viena, Berlin, Trieste and Budapest and the honorable title of "Queen of Mineral Water", granted by the emperor Franz Josef.

On the occasion of the Mineral Waters Exhibition ''Spring of Life ''- editions 1999 and 2000 organized by UGIR, Borsec mineral water was awarded the honorary diploma, the medal ''The Gold Brand'', for the best natural carbonated mineral water and the excellence award for the romanian industry.In the edition from 2001 of the same event organized by UGIR, Romaqua was awarded ''The Gold Brand''for the natural carbonated mineral water Borsec and ''The Platinum Brand''for tradition and excellence in the romanian industry. Larex awards the company the excellence prize for ensuring product quality for the year 2000.

In June 2001, the Accreditation Association from Romania (RENAR) has granted Romaqua the accreditation certificate, recognized on the european level, for recognizing the competence of Borsec laboratories to carry out tests in the field of mineral waters, according to present standards and methods.

The permanent concern for a continuous upgrading and increase of the quality level turned Romaqua Grup in the first bottler of mineral water from Romania, receiving the international certificate for quality management- ISO 9000 granted by TUV- Germany.

The company received the excellence prize for supervising the quality of products-2000- granted by the National Center for Testing and Product Expertise-Larex.

Because of its chemical composition, the mineral water is fizzy, with calcium, magnesium, with a very low content of iron. The chemical analysis shows that Borsec mineral water has the following composition (e.g. Table 1):

Table 1: The chemical composition of the Borsec mineral water

Anioni	**Mg/l**	**Cationi**	**Mg/l**
Cl-	29,7832	Na+	53,5
SO4 2-	24,69	K+	12,37
HCO 3-	min. 1.800	Ca 2+	310,62
		Mg 2+	97,28

The chemical composition and the fact that the mineral water is microbiological pure are proved by certificates issued by the Ministry of Health from Romania, by the laboratory SNAM/1999 and by the Chemistry Lab VITTEL S.A.-France (Rapport D'Essai No C3-229/14.09.1992, M93/60/21.09.1993).

Merchandising features: mixed waters bicarbonated, with calcium, magnesium and an insignificant iron content.

3. The activity of the company Romaqua Grup S.A. Borsec on national and international level

Regarding the volume of the market, at the end of 2011 ,the romanian market for bottled water has reached 12 million hectoliters and a value of 1.4 billion lei. This quantity represents a consumption of 54.55 liters/person and an increase in consumption with 3% compared to 2010. In 2012 the consumption of natural mineral water will have an increasing trend, between 3% and 5%. 90% of the population in Romania prefer the local brands because of the reputation and because of the high price of imported products. The consumption of mineral water in Romania is two times lower than the european average, although Romania is the third country, after France and Italy, having a good potential for resource exploitation.

The most important competitors in the romanian market are : Romaqua Group, European Drinks, Coca Cola, QAB, Apemin Tusnad. The market share for Borsec is 26% on the mineral water market, followed by Coca Cola, according to data provided by the research company Nielsen. The cumulative shares in volume and in value are presented in the table below (e.g. Table 2) :

Table 2: Top 5 producers and top 5 brands of mineral water (apr. 2010 - march. 2011)

Cumulative share in volume (%)		Cumulative share in value (%)	
Producers:			
Romaqua Group Coca Cola Own brands European Drinks-Food Bucovina Enterprises	59,5	67,0	Romaqua Group Coca Cola European Drinks-Food Bucovina Enterprises Own brands
Brands:			
Borsec Izvorul Alb Izvorul Minunilor Bucovina Calipso	43,2	55,2	Borsec Izvorul Alb Izvorul Minunilor Dorna Bucovina

The bottled mineral waters represent a traditional market, highly fragmented from the point of view of the number of producers, with famous brands and a high degree af loyalty from consumers.
In 2010, Romaqua Group has recorded a turnover of 142,5 million euro, 52% being represented by Borsec with sales exceeding 335 million liters. From this volume, only 2% were exported. In 1805 Borsec mineral water was exported only in Hungary and in Austria. At the moment, the most important market for export is Hungary. Other markets for exports are : USA, Canada, Greece, Moldavia, Denmark, Holland, Great Britain, Israel, Taiwan, Lebanon.

4. Research methodology

The topic of the research is called ‘’Reasons and buying behaviors of mineral waters by the segment of young population from Brasov’’. Borsec has experience in offering a 100% natural water and in branding, combined with a deep understanding of the way in which consumers think, these being in a unique position for sending the message of vitality.

This market research will offer specific information about how consumers perceive the quality of mineral waters offered on the market, about their buying behavior regarding these products and the reasons for purchase.

The qualitative analysis method chosen is the depth semi-structured interview (semi-directive). This method was used in order to find out in detail the reasons and buying and consumption behaviors of mineral waters. This direct communication technique represent a free conversation, a dialogue, a semi-directive communication which involves the formulation by the researcher of questions with the aim to find out from the interviewed persons,in detail, opinions, perceptions, attitudes regarding the topic, in order to discover the main reasons of its behavior.

Because the issues linked to consumer satisfaction regarding Borsec mineral water are diverse, it is necessary to structure the interview based on a list of topics or more important issues. These issues are intended to be deep and are approached by the researcher when are not brought in discussion by the subject of interview.

The population taken into account includes most young people from city of Brasov, Brasov county, which are pupils, students or have a stable job.

From 50 persons, 8 persons were chosen randomly, as follows:

- A young man and a young woman, students at Transilvania University from Brasov, with age between 19 and 23 years old.
- A young girl, pupil in the 12th grade at the Unirea National College, with the age between 16 and 19 years old.
- A young woman and a young man employed as skilled workers, age between 26 and 30 years old.
- A young man employed as an unskilled worker, age between 23 and 26 years old.
- A young man without job, age between 19 and 23 years old.

5. Research objectives

The following research objectives were established:

1. Identification of interviewed subjects' opinions regarding the mineral waters from the romanian market and identification of most popular and consumed mineral water;
2. The satisfaction and contentment degree of interviewed subjects regarding the mineral waters offered on the romanian market;
3. Identification of purchase methods and frequency of mineral waters purchase
4. Finding out opinions regarding design and aesthetics of mineral waters with Borsec brand.
5. Opinions regarding advertisements made by mineral water producers on the romanian market, in particular Borsec brand.
6. Identification of opinions regarding the price of mineral waters on the romanian market.

6. Results of the research

Analyzing the subjects'opinions regarding the mineral waters from Romania, half of those consider that on our market there are many brands of mineral water, and less than half say that these are very good. One fourth of the subjects say that the mineral waters are healthy, with healing effects and with a balanced content of minerals. Among the subjects'opinions were noticed with a low frequency ideas that the mineral waters from our country are not appreciated at their true value and that they are better than those from other countries from the European Union. Half of the subjects say that the best mineral water is Borsec, on the second place being Perla Harghitei with a quarter of the answers, followed by Dorna and Biborteni, each with one answer.

Regarding the opinions on Borsec mineral water, those are varied.

¾ of the interviewed persons of the research consider that this mineral water is slightly too fizzy. Two of the subjects say that the water maintains the bubbles even after the bottle is opened several times and almost half of the persons say that water has a good taste, but a little bit salty. Only a few say that the water is naturally fizzy, that is recognized at the international level.One fourth of the subjects say that this water is one of the purest.

Half of the subjects say that they have the possibility to choose when it comes to mineral waters, more than half being satisfied by the offer of mineral water from our market, while only one fourth are very satisfied. Half of the subjects are very satisfied with Borsec mineral water,while one fourth say that they are a little bit dissatisfied.

Regarding the quantities of mineral water purchased most often by the subjects, one can notice the fact that the quantity of two liters appears most often, followed by 1.5 liters. Some persons buy a pack, others buy one liter and others half a liter.

The buying frequencies vary from one person to the other. The most often water is purchased after a few days, than weekly, and only one person says that buys mineral water daily.

Five of the interviewed subjects say that the mineral waters are a bit overpriced for the romanian market, while only three say that the price would be affordable. Half of the interviewed persons say that the price of Borsec mineral water is too high, only two say that the price is affordable and only one person say that the price is in accordance with quality.

All the interviewed persons have mentioned the fact that the promotional activities and advertisements from Borsec were noticed at television. Internet, press, radio or sales points were answers with a frequency of 1 in subjects' opinions.Opinions regarding advertising made by Borsec are different. Only one quarter of the interviewed persons consider that the company has a good advertising, while other opinions regarding this issue are divided: the advertisements are conceited, there is no focus lately

on correlating the brand with natural, value and perfection, and the advertising is weak in comparison with competitors.

Half of the interviewed persons are influenced by package when they buy the Borsec mineral water and the other half are not influenced. Three of the subjects mention that the Borsec mineral water has a bottle with thin neck which can be easily handled.Most of the interviewed persons say that the colors from package, blue and green inspire them purity, natural and cold water while only one person says that the dark blue color does not give a good impression. Less than half of the interviewed persons say that all information, slogan and validity term are well presented on the label and are sufficient for each customer. One person says that the package looks too old and gives the impression of a low quality water and the label is not attractive. Two of the interviewed persons say that the bottle loses its form after part of the water was consumed.Regarding opinions on improving and changing the package for Borsec, there were many proposals. Half of the subjects wish that the mineral water to be bottled in glass and not in plastic bottles, one fourth wants to find this water in bottles of 2 liters or in larger quantities that one can find on the market. Two of the interviewed persons say that the package should not be changed or improved, being proper for the product. We can notice other opinions with a lower frequency and desires that the Borsec mineral water to have a cooler design, colorful, a better visual look and a bottle made of a tougher material.

Regarding the slogan of Borsec mineral water, one fourth of the persons say that it symbolizes the quality of Borsec mineral water and fits because it is recognized on international level as the best mineral water. There are also some negative opinions, one subject saying that the slogan is false and another person saying that it is exaggerated.

7. Conclusions

The beautiful history of this true romanian brand dates back 2000 years ago. In 1806, when Borsec became an industry, it offered the opportunity to many people to benefit from the unsurpassed taste and exceptional qualities of its mineral waters.

The behavior of young people from Brasov regarding mineral waters show the fact that the frequency of purchase is high enough and quantities are normal, in bottles of different sizes. Young people are generally satisfied with the offer of mineral water and with the brand Borsec.

Regarding the variety of the mineral water's offer, young people consider it very diverse and the volume of the offer is considered high. The price for mineral water on our market is considered too high. The promotional activities of companies and advertising influence in a small degree the buying behavior, as well as the package. One can notice that advertisements for Borsec were best remarked at television, but they are considered weak in comparison with competition.

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MARKETING MIX ANALYSIS FOR ROMANIAN CLOTHING MARKET

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Abstract: *Today the business environment is continually changing. The Romanian clothing market is a crowded one with a lot of powerful competitors.The paper analyses what kind of marketing mix politics are used by the companies involved in clothing sector. The main goal of the study was to identify the attitude of the Romanian people regarding the acquisition of clothes and the characteristics of the supply on clothes. The competition appeared and the clothing companies try to differentiate itself form others using marketing mix instruments. The Romanian companies should adapt their offer, taking into account the costumers specific needs and wishes*.

Key words: marketing mix, Romanian clothing market, supply on clothes, demand on clothes

JEL classification: L 63, M 31

1. Introduction

Today, more than ever, the business environment is continually changing. The clothing industry is a very global industry, with constantly increasing trade flows all over the world. The Romanian clothing industry has a long tradition and experience from the 19th century, as well as a good fame around the world as its products are present in many countries of the world. The Romanian clothing market is a crowded one with a lot of powerful competitors, especially Asian firms with their cheep products. Companies are today aware that they must offer the right product, in the right place, at the right price and at the right moment of time in order to be competitive.

Since 1 January 2005, The WTO Agreement on Textile and Clothing no longer exist. There was implemented a measure stipulated for some time, that is the total abolishment of the quota system for the imports of textiles and clothing. Before the Agreement took effect, a large portion of textiles and clothing exports from developing countries to the industrial countries was subject to quotas under a special regime outside normal GATT rules. The total liberalization of the world trade with textiles and clothing opened the way to the imports from Asia as well as to the interest of the big companies for the cheap workforce in these areas. The Asian firms (Chinese, Indian) and the companies from Turkey became powerful competitors on both domestic and foreign markets. China becomes the biggest player on the UE market with a share of almost 30% in the European market. China is the most competitive production base for the time being due to an immense oversupply of labour in the rural provinces and young educated workers who make possible the keeping of the wages at very low levels.

To determine the role of the clothing industry in national economy is enough to look at the following aspects:

- Production of clothes represents 2.6% of the total production achieved in the country;
- Clothes exports represent approximately 10% of Romanian exports;
- The 215,000 employees of companies working in the clothing industry is a significant proportion of approximately 13% of employees in Romanian industry;
- Before joining the European Union, Romania has an honourable position among major global suppliers of clothing. Exporting garments worth 4.63 billion dollars, Romania ranks 11 accounting for 1.7% of world clothing market.

Competition intensifies in almost every industry, so companies must develop innovative products and business processes to survive. Successfully products must touch the customer emotionally. A clear understanding of the customer's psychology is essential for companies to sustain themselves in the

market. The companies formulate their strategies in such a way that the product become more appealing to the consumers, and turns an ordinary customer into a long term client. Brands plan their marketing so as to create and maintain a long term relationship with the customers.

2. Material and method

We used for our investigations exploratory and descriptive research. In order to a closely identification for some problems and the specific ways to solve those it is been used exploratory research. To obtain information about situation already existing on the market it is been used descriptive research.

We obtain primary and secondary data through:

- two personal (face to face) interviews based on short questionnaires – one for the demand and the other for the supply –; the information we got was neither sensitive, nor threatening; we used clear, unambiguous, structured and unstructured questions; for the clothing supply we got responses from a representative group of 150 stores; for the clothing demand we used for identifying the representative sample STATGRAPHICS soft; for a standard error of ±0,03 the sample was 1068 Romanian people;
- statistical data and published studies;

The main goal of the first conducted study was to identify the attitude of the Romanian people regarding the acquisition of clothes. The questionnaire was structured in two parts: the first one contains eight questions which give us basic information like:

- The main reason for buying clothes;
- The place where these clothes are bought;
- The appreciation of the importance of some aspects which determine the acquisition;
- The fashion genre preferred by the Romanians;
- The appreciation of the quality of the products made in: Romania, China, Turkey, U.S.A. and E.U.;
- The suggestions of the Romanian customers regarding the improvement of the clothes made in Romania;
- The average monthly amount spent on clothes;
- The opinion of the Romanians regarding the recognition of Romanian brands at national level.

The second part of the questionnaire includes questions used for the classification of the respondents: the age of the respondents, the gender, their education, their occupation and their monthly average income.

The main goal of the second conducted study was to identify the characteristics of the supply on clothes. The questionnaire is structured in two parts: the first one contains questions which give us basic information:

- The clothing style for sale in Romanian stores;
- The targeted market segment for stores;
- The criteria on which the supply is established;
- The brands for sell in the store;
- The made in country for the clothing offered for sell;
- The appreciation of the clothes made in Romania;
- The income of the target market segment;
- Methods for pricing the products.

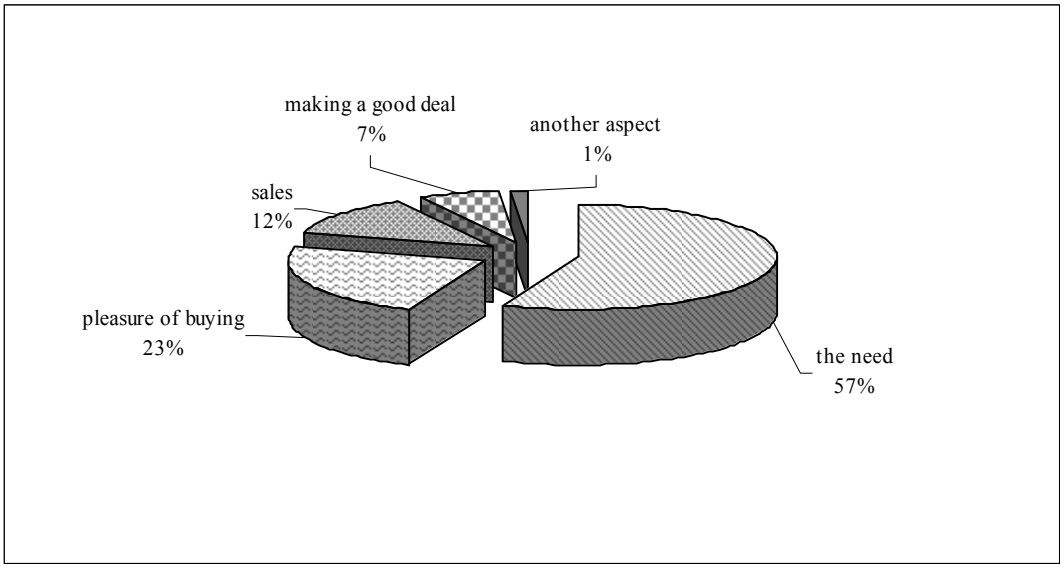
The second part of the questionnaire includes questions for the classification of the respondents – in this case the stores.

3. Results and discussions

The starting point of our investigation was the situation of the Romanian companies involved in the clothing sector after the total liberalization of the world trade with textiles and clothing and the crises period. Our research was conducted on two separate studies: one for demand and the other for supply.

The first study reveals that more than a half of the interviewed persons are buying clothes because of the need (Figure 1).

Figure 1: The main reason for buying clothes



Source: own calculations based on questionnaire

The second reason for buying clothes is the pleasure of buying according to 23% of the interviewed people. Only for 12% of the Romanians, the sales represent the main reason for buying clothes.

Table 1 shows the aspects which are influencing the buying decision and their importance. Using the calculated average for each aspect it can de made a top of this aspects. It can be notices, that the Romanian customers consider the material from witch the clothes are made being the most important aspect in the buying process.

Table 1: The importance of the aspects which are influencing the buying decision

The answer / The aspects	Very important 4	Important 3	Less important 2	Not important 1	Weighted Average
The brand	259	363	316	130	2.7
The made in country	154	379	368	167	2.49
The design	471	430	121	46	3.24
The price	472	420	139	37	3.24
It's fashionable	209	372	325	162	2.59
The advice of a person	87	292	440	249	2.2
The composition of the material	505	458	83	22	3.35

Source: own calculations based on questionnaire

The second important aspects are the design and the price, followed by brand, fashion, and the made in country. On the last place it can be find the advice of a person.

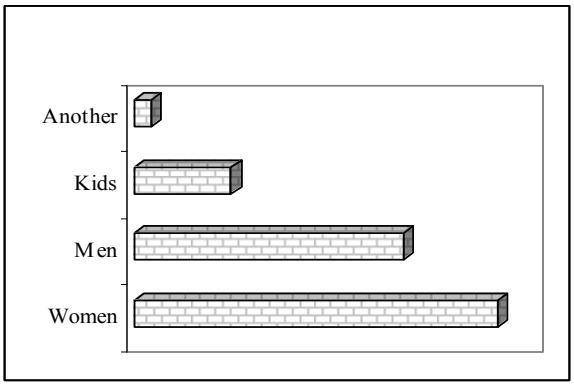
Analysing the respondents' answers, the Romanian clothing customer's profile is:

- Due to the fact that the clothes are strictly necessary products all the people regularly become a customer. The percentages of the women and men buying clothes are almost equal. The customers form urban areas spent more on clothes that the people from rural areas;
- The majority of the Romanian customers of clothes has a high-school degree;
- The biggest segment of the population (40%) earn between 400 and 1000 RON per month;
- For 57% of the Romanian costumers the need represent the main reason for buying clothes;
- Almost 70% of the costumers prefer specialized stores for buying clothes;
- Only a very small percentage (4%) of the Romanian customers are using the Internet or the product catalogues as an alternative for buying clothes;
- It can be notice that the material from which are made the clothes represent the most important criteria in buying decision for the Romanian customers;

- The product design and price represent the second most important criteria in the decision of buying clothes;
- The Romanians are preferring the classical, casual and sport clothes;
- The clothes made in the U.S.A. and European Union have an image of best quality products;
- The Romanians consider the staff made in China and Turkey having the lowest quality comparing to the medium quality clothes made in Romania;
- Most of the Romanians (36%) spend monthly between 50-100 RON for clothes;
- The majority of the Romanian costumers spend 53.11 RON per month for buying clothes;
- Half of the Romanian customers spend on clothes less than 70.93 RON, and the others 50% spend over this value;
- The opinion of the customers is that the notoriety of the Romanian brands is at a very low level.

The second study focused on supply offered by Romanian clothing market. As we assume, it can be notice in Figure 2, that the clothes for women are present in almost all the stores, followed by the clothes for men and children. It seems that the women are the best customers for buying clothes.

Figure 2: Target market

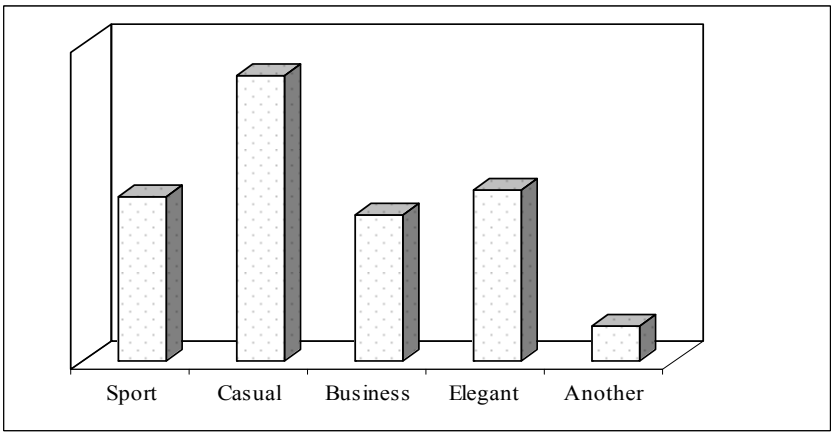


Source: own calculations based on questionnaire

It is important to say that there are stores selling clothes for all categories (women, men and kids) and stores specialized in sealing clothes for one category.

The study was conducted on the classical 4Ps of marketing mix for clothing industry as: clothing product, price, placement and promotion. For product we consider the following aspects: the clothing style for sale in Romanian stores, the criteria on which the supply is established and the made in country for the clothing offered for sell. In most of the stores there are casual clothes for sell. The elegant style is the second most sold type of clothes. The sport and business clothes are present in many of the studied stores (Figure 3).

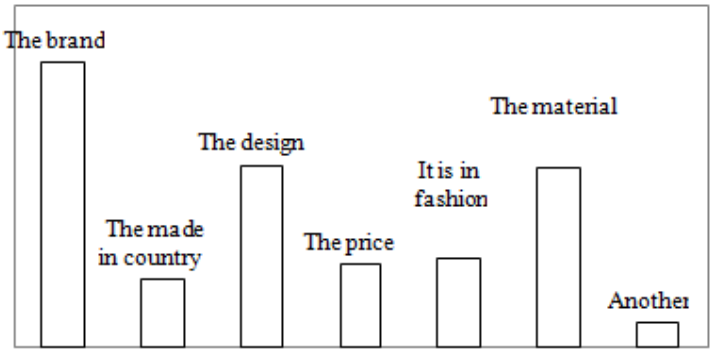
Figure 3: Clothing style for sale in stores



Source: own calculations based on questionnaire

In Figure 4 we can observe the criteria on which the range of existed products to be sold is established. We can easily notice that the most important aspect used to establish the supply is the clothes' brand. On the second place are situated the design and the composition of clothes. It is interesting to observe that the price does not represent such an important criterion, occupying only the fifth position. For many stores the "made in country" doesn't represent an important aspect to establish which products are for sale:

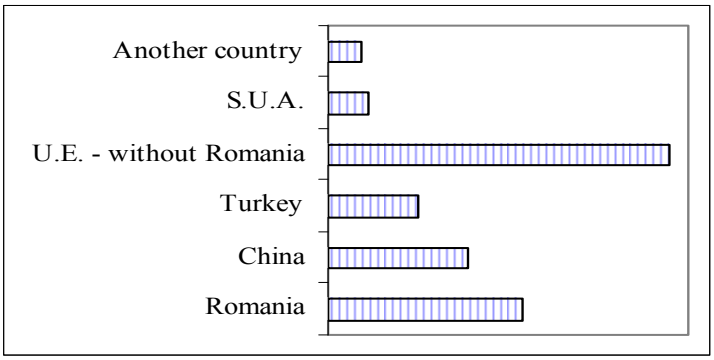
Figure 4: The criteria on which the supply is established



Source: own calculations based on questionnaire

Although the general impression is that in Romania is being sold only the clothes made in the cheap Asian countries, the stores we studied present a different reality. In most of the stores are sold clothes made in UE (excepting Romania), or made in Romanian factories. Only on the third and fourth places are the clothes made in China and Turkey (Figure 5):

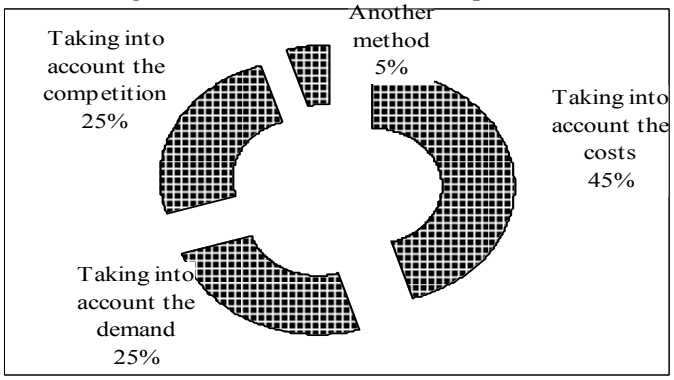
Figure 5: The made in country



Source: own calculations based on questionnaire

We have considered for price the used methods for pricing the products and the income of the target market segment.

Figure 6: Methods for pricing the products



Source: own calculations based on questionnaire

In Figure 6 there are presented the methods used by the stores to establish the prices for their products. Hence the frequently used method is taking into account the costs, 45% of the stores used it. We can also observe that the stores which take into account the competition or the demand are in equal percentages 25%.

In Table 2 it can be notice that half of the stores which were part of this study have as a target the persons with medium income. It is interesting the fact that almost 46% (24.67% + 20.67%) from the stores consider that they are the target for people with big income. Only 4.66% (3.33% + 1.33%) form the stores consider that their target are the people with small income. These answers prove once again that the price doesn't anymore differentiate the company from the competition.

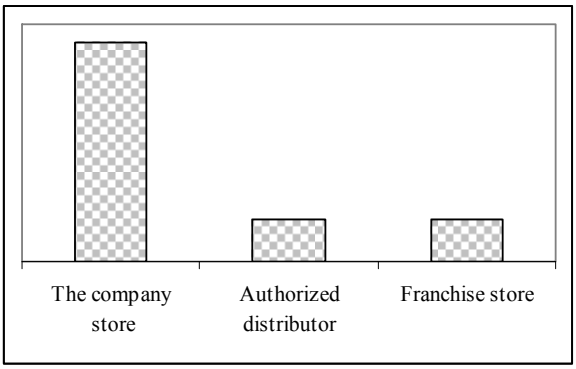
Table 2: The income of the target market segment

Score	Big Income 1	2	3	4	Small Income 5
Frequency	37	31	75	5	2
Relative frequency	24.67%	20.67%	50%	3.33%	1.33%

Source: own calculations based on questionnaire

From distributions politics points of view we consider an important thing to know if the store belongs to a Romanian manufacturer or to an importer. We found out that one third (33%) of the stores belong to a Romanian manufacturer and the other two third (66 %) represent a foreign brand (Figure 6).

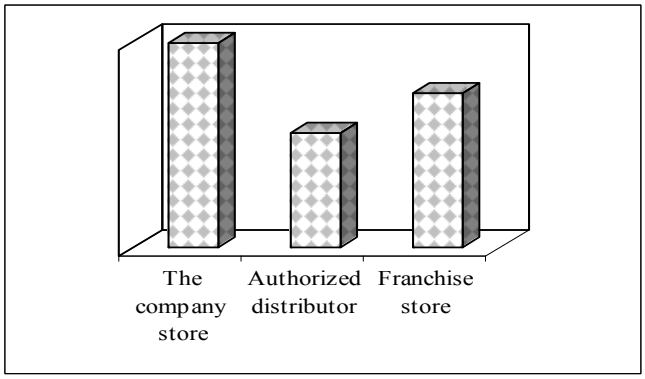
Figure 7: Romanian manufacturer – type of the store



Source: own calculations based on questionnaire

If we refer to the Romanian manufacturer it can be noticed from Figure 7 that the most of the studied stores represent the company stores, followed by authorized distributor and franchise store in the same percentage (almost 14% each).

Figure 7: Importer – type of the store

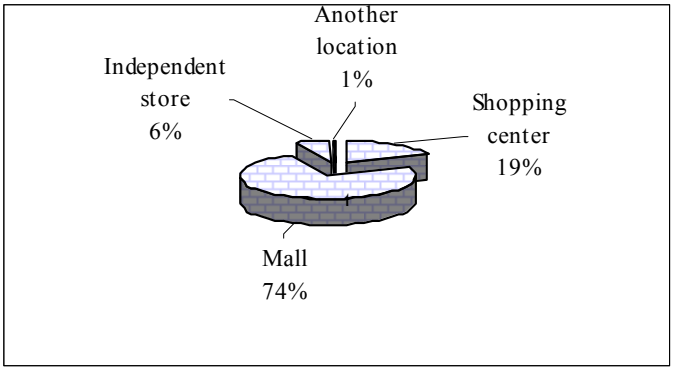


Source: own calculations based on questionnaire

In the case of importers the fact is different (Figure 7). The company store represents the biggest percentage (43%) and the franchise store represents 32%, an important percentage. This fact shows us that the franchise system is more used in developed marked countries than in Romania.

Analysing the question regarding the emplacement of the stores we can find interesting things. It looks like the actual tendency is that the stores are placed in a mall or in a shopping centre. The stores which are isolated are not preferred by the sellers on the Romanian market (Figure 8).

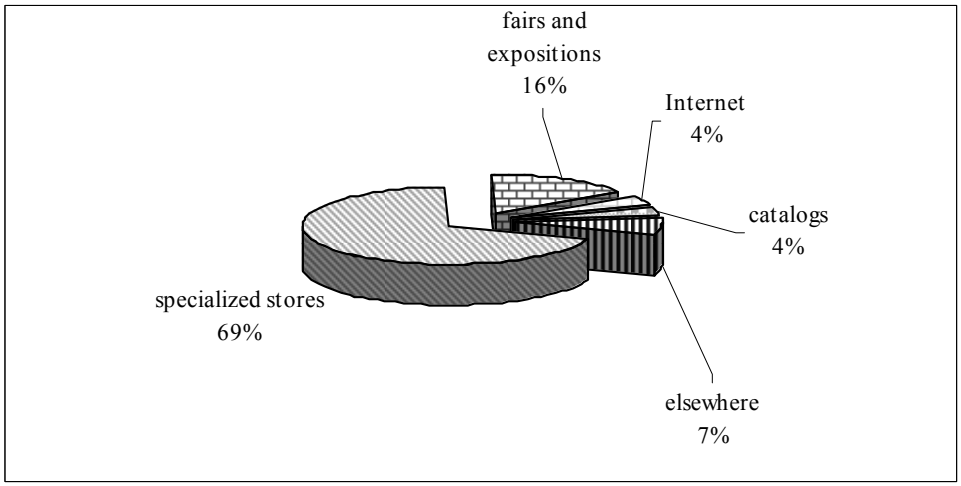
Figure 8: The location of the store



Source: own calculations based on questionnaire

As we expected the majority (69%) of the Romanian customers is buying the clothes from the specialized stores (Figure 9). Fairs and expositions are preferred by 16% of the customers for buying clothes. Only very small percentages (4%) of the Romanian customers are using the Internet or the catalogues as an alternative for buying clothes. A significant percentage of 7% of the Romanians is buying clothes from the market, second-hand stores and from the black market.

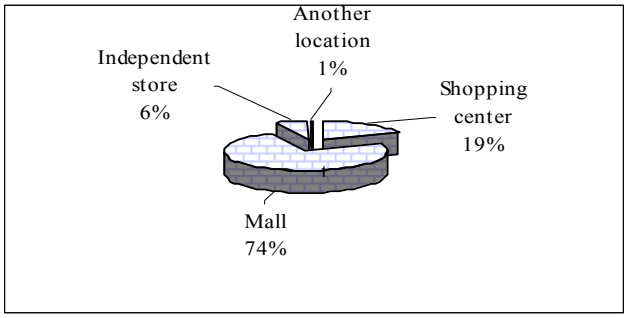
Figure 9: The place of shopping



Source: own calculations based on questionnaire

As we expected the majority (69%) of the Romanian customers is buying the clothes from the specialized stores (Figure 9). Fairs and expositions are preferred by 16% of the customers for buying clothes. Only very small percentages (4%) of the Romanian customers are using the Internet or the catalogs as an alternative for buying clothes. A significant percentage of 7% of the Romanians is buying clothes from the market, second-hand stores and from the black market.

Figure 10: The location of the store

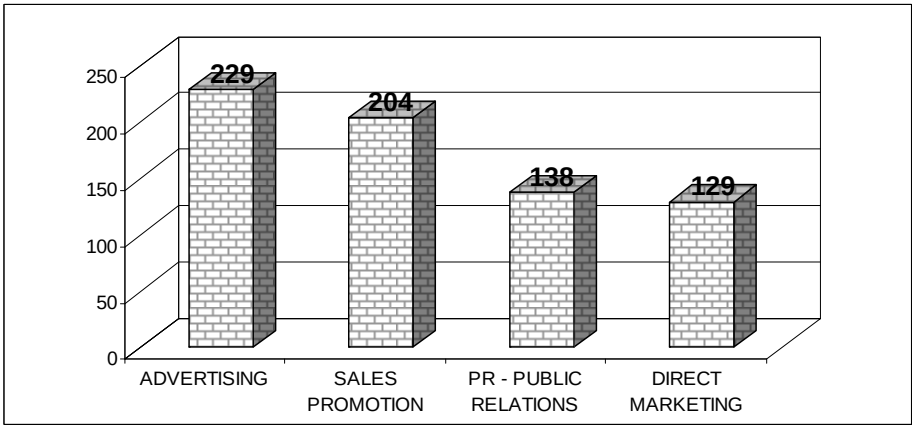


Source: own calculations based on questionnaire

If we analyse the question regarding the emplacement of the stores we can find interesting things. It looks like the actual tendency is that the stores are placed in a mall or in a shopping centre. The stores which are isolated are not preferred by the sellers on the Romanian market.

Further we analysed the promotional mix (Figure 11). The study reveals that the advertising is the most used promotional method, followed closely by sales promotion.

Figure 11: The promotional mix



Source: own calculations based on questionnaire

From store representatives responses it appears that both public relations and direct marketing are pretty much used as methods to promote the clothing products.

4. Conclusions

The crowded Romanian clothing market create the necessity and for marketers the opportunity to an efficient use of marketing mix elements for differentiation. The opinion of the customers is that the notoriety of the Romanian brands is at a very low level.

The domestic market seems lost for the Romanian companies in the face of the Asian imports especially after the total liberalization of the world trade with textiles and clothing. There is no market in Romanian at this moment for the domestic products. Too many products are manufactured that the domestic market cannot absorb. The specialists maintain that, unless one has a network of shops, one cannot adapt the price of the products according to the market conditions, cannot withdraw a product that does not sell; all in all, one does not have many chances.

The correlation between the demand and supply is not very appropriate. The Romanian companies must adapt their product offer, taking into account the costumers specific needs and wishes and the characteristics of the competition. The most important suggestions made by customers to improve the clothes produced in Romania are:

- To improve the design;
- To have more models;

- To find all the measures;
- To adapt the products to the current fashion tendencies;
- To improve the quality of the row materials;
- To improve the quality of the execution.

The competition appeared and the clothing companies try to differentiate itself form others using marketing mix instruments. The Romanian companies should adapt their offer, taking into account the costumers specific needs and wishes.

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THE UNDERSTANDING OF BRANDING PROCESS AS A MANAGEMENT TOOL THAT HELPS THE COMPANIES TO DIFFERENTIATE ON THE MARKET

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Abstract: *This paper aims to be a brief presentation of branding as a management tool, both on its importance as a tool for the success of an organization on the market and the low level of understandingand use of the Romanian managers.*

An emerging economy like Romania's today needs strong brands that could support the Romanian organizations in a global economy to win new markets and enforce their products and services, to distinguish themselves from their competitors and provide a more flexible supply range.

Key words: brand, branding, brand values, brand positioning, brand identity

JEL classification: M 31, M 39

1. Introduction

The term "brand" is an English word; its origin comes from the language of the North Germanic tribes (Scandinavia) - brandr - to burn that describes the identity of a product, service, organization or location.

American Marketing Association (AMA) defines brand as a name, term, sign, symbol or design, or a combination of these terms, designed to identify products or services of one or more sellers and to differentiate themselves from competitors with the purpose to have an advantage against them.

To expand the scope of the brand concept, we will highlight some definitions given by the pioneers and great theorists of branding. Walter Landor, founder of Landor Associates, and also one of the fathers of modern branding said: "In short, a brand is a promise. We identify and validate a product or service that delivers a promise of satisfaction and quality. "

Another industry pioneer and a famous scholar in the field, Wally Olins (2009) said that "a brand is, ultimately, an organization, product or service with personality" while one of the most appreciated authors at the moment, Marty Neumeier (2003) further summarized by stating: "A brand is an instinctive and personal feeling, towards a trademark, institution or product."

The last quote we will mention is the one of the famous professor David Aaker (1996) who stated that "a brand is the most valuable real estate asset in the world, a corner in your consumer's mind. The brand is a collection of perceptions in the minds of consumers. "

2. Sections

According to their features, brands can be of several types, classified as follows:

- Product and / or service brand, e.g. iPhone, Clorox, Fulga, Gmail, etc.
- Organization brand, e.g. Google, GE, Coca-Cola Company, Crucea Roşie (the Red Cross), BCR, etc.
- Personal or individual brand, e.g. Oprah, Martha Stewart, Mircea Badea, etc.
- Location and / or country brand, e.g. New York, Munich, London, Spain, United States, Iceland, etc.

Why brand and not trademark? The meaning of the English word brand includes the concept of trademark (which it does not identify itself with) and in addition it refers to intangible, abstract elements.

If a trademark is a sign capable of graphic representation serving to distinguish the goods or services of a natural or legal person from those of other people, the brand refers to other attributes designed around a brand: reputation, trust, preferential options, and so on. We could thus define a brand as the sum of tangible attributes (name, visual identity, smell, sound) and intangible ones (positioning, values, personality) symbolized by a trademark.

2.1. About branding: definition, concept

Branding is designing and managing brands to increase their net value. This activity is also called brand management; either of these two definitions name basically the same thing stated above. In his book "Brand Simple", Allen P. Adamson (2009) defines branding as "the execution and management of things that determine how people perceive the brand."

Like any other asset, brand management is very important for the success of the company in the market. "If launched and supported effectively, the brand is a major corporate resource - sometimes the most valuable financial asset of an organization. The brand, as finance, investment, human resources, research and development, marketing, information technology and other corporate resources, needs authority, rules, proper funding, commitment and management. If thus supported the brand-resource will be as effective as any other resource, if not, the resource is exhausted."(Olins 2009)

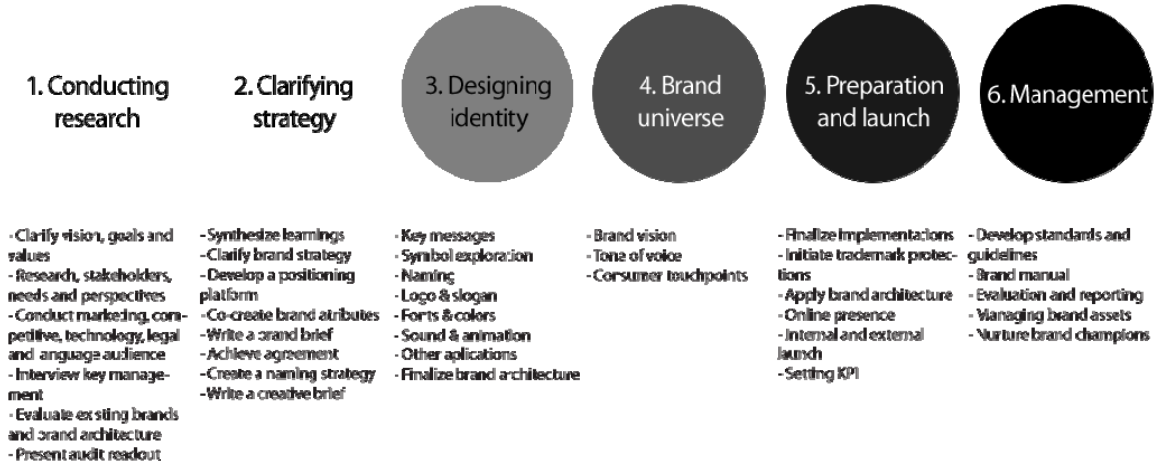
Brand design, launch and management involve both human and financial resources and the cooperation of several professionals from different disciplines such as design, marketing, human resources, finance and management. The brand consulting agency has the role of management and coordination in the process of branding and the general manager is the main responsible within the company. Branding involves a well organized process, with clear stages, whose complexity varies only for reasons related to the size of the organization starting such a project. This process, together with its component stages, each stage specificities and deliverables that can be obtained at the end of each stage will be dealt with below. It is an accurate methodology that requires a mix of investigation capabilities, strategic thinking, and excellence in design as well as project management.

Successful management of a brand must be focused on values capitalization so that these attributes could represent a natural extension of general perception. The stated goal of any brand manager is to strengthen the brand values so that they may be easily recognizable and identifiable to the public.

2.2. Stages of branding

In management we got used to define each activity as a process, as long as there is an input and an output; it may be defined in stages, standardized and optimized. The same thing happens in branding where, we have an input – the client's need, his brief and an output – the launching of its new brand identity, with one remark: the process is ongoing and the feedback from the market determines the strategy and tactics that will be implemented in order to maximize brand capital. Figure 2.1 illustrates such a process, a process which we will further develop.

Figure 1: Stages of branding



Stage 1 - Research and analysis

In this first phase we get to know the organization, its mechanisms, the people behind it and those whom the organization serves. We begin by analysing the whole business to have a general view: the business model and strategy, marketing strategy, current and past communication, portfolio of products / services. In order to assess the importance of criteria and objectives in the decision of company rebranding, there are used strategic tools such as "corporate brand matrix". There will be scheduled individual interviews with a fixed duration of up to one hour with the general manager, company staff and strategic partners. Then we move to market and consumer research in order to have a closer understanding of market needs and our customers motivators.

Of course, the success of a company on the market is also due to an accurate and constant assessment of supply and strategy of the direct competitors. This should also be analysed to ensure that the criterion of differentiation is based on solid arguments.

Stage 2 – Strategy

At this stage, the consultant's knowledge will be correlated with the business expertise of the company; there will be analysed and discussed specific situations and cases; the brand strategy will be clarified by restricting the focus until finding that core idea which will be the start for the new brand. There should be used a summary and specific procedures to see the big picture, to create a constructive dialogue, to discover the essence of the brand and develop a platform to support these ideals.

The process will be developed through a series of brainstorming sessions and a final workshop under the guidance of a strategic consultant, with the purpose to find those unique attributes and positioning differentiators that a brand should have.

Thus, the brand strategy document will be composed of the following elements:

- Introduction to the brand universe - a brief description of the conceptual universe of the new brand;
- Mission and Vision - a mission statement and vision of the brand;
- Brand values - naming them with according explanations;
- Brand Positioning - is a comprehensive formula of how we deliver our vision on the market, bringing all the people involved a common idea. This positioning defines the category to which we belong to, the consumer benefit and his reason to believe at the highest level;

- Brand character: the constituent elements are grouped into two categories, as follows:
  - two, threefeaturesare prominent, a principleappliedperfectlyinbranding as well, in fact, there are thefeatures thatgive meaningand coherence to the brand;
  - ten, fifteenmainfeaturesthat complementthe prominent ones in order to create an overallidentity imageof thefundamentalfeaturesthatdefine it;
- Brand tone of voice: defining tone of voice used in brand communication.

Also in this stage the creation brief will be written for the visual brand identity, and if considered appropriate the name may be changed, this is also the appropriate moment to set naming strategy.

Naming is basically the brand name (verbal identity) as the first and most important contact of a brand with the public and consumers. It may bring to the brand favourability and benefits or throw it into obscurity. A "winner" name must be unique, memorable and legally available, but above all it must be consistent with the strategy and visual identity. Name development should consider criteria that vary from language to marketing as follows: to be memorable, easy to pronounce, to support the message and brand positioning, easily to be searched especially in the current context - social media, available on Internet, to be legally registered as a trademark, not to have connotations or unwanted meanings in other languages, and not in the least, to be agreeable!

Another important criterion is the language related to creating name sound.

Stage 3 – Identity

Symbols imply intelligence, imagination and emotion in a way that no other form of expression does not, say those from the University of Georgetown.

After the agency's briefing, the creative team will begin the first stage of symbolist search to shape the creative approaches, both visual and verbal. They will come up with an initial set of identity proposals which will be presented to the top management; in fact, this is the first process of elimination and feedback. Based on the feedback received both the final candidates and primary uses will be identified.

On the basis of specific evaluation methods a selection committee presided by the general manager will choose the final concept. If necessary, internal questionnaires will be used as well as a final pre-test of the concept on a number of selected existing customers. The same process is used in the case of verbal identity with the remark that these final candidates are pre-tested in terms of international significance (if any) and evaluated through focus group and a legal availability research will be made.

Depending on the option chosen, there will be defined communication applications on various materials, fonts and colours used, imagery, if the case, sound and animation criteria, the final brand architecture.

In this stage the following items related to brand identity will be developed:

- Visual identity: logo, colour palette, letter types (fonts), line design, stationery items (business cards, letterheads), elements of presentation (ppt);
- Verbal identity: name, slogan, key messages;
- Elementsofsignage;
- Animations and sound;
- Other factors to shape the visual identity: mascots, avatars, illustration, photography;

The expected results following this stage, take in consideration: establishing key messages, symbols research, the final name candidates, creating visual identity, fonts and color, sound and animation, applications, completing brand architecture.

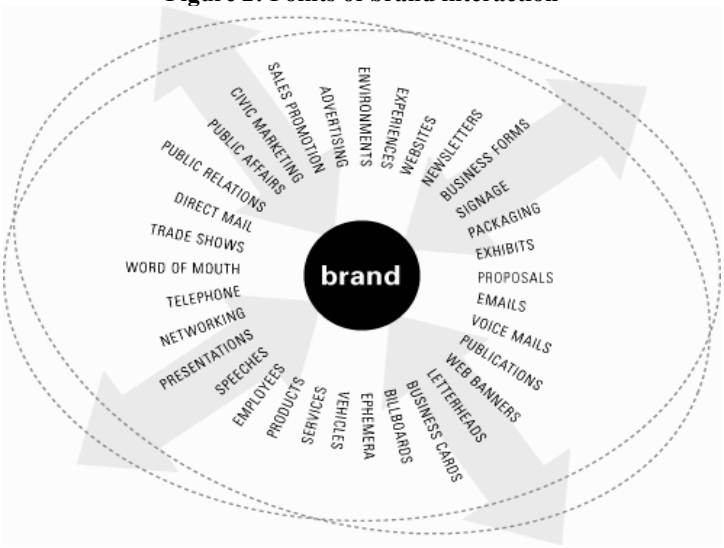
Stage 4 - Brand reality / Conceptual universe

This stage aims to create the universe and the premises which help the brand to grow organically and to show its personal role and influence to create value. Reality shows that each brand which has proved successful on the market, has a conduct of a character; a character that guides community to express itself coherently and consistently in accordance with its character. It evolves in line with community it belongs to and it sets new objectives along its development.

Using criteria of branding, linguistics and psychology there will be created the criteria for brand personality, a vision document that will define its evolution scenarios as well as the tone of voice of the organization. Then there will be remapped all the points of interaction with the brand, thus defining the universe of its existence. It will be ensured that the brand experience will be comprehensive and coherent so that each group of decision makers could be part of the same experience.

Asbrandingoperateswithperceptions, it is absolutelynecessaryto focus onpointsof interaction(or contact) with the consumer; inFigure 2.2the most of them arelisted.

Figure 2: Points of brand interaction



The expected results following this stage, take in consideration: creating the documentation of vision and brand personality, the tone of voice and ways of expression of the brand, creating applications for each interaction.

Stage 5 - Implementation and launch

As it is in life, development is a long process, the way you present yourself to your audience is essential for later success. Thus, the brand must be coherent and consistent, from the inside up to the external launch, so that maximum impact is obtained.

Creative team and the consultant's communications department will be involved in finalizing the implementation of identity, web presence development and communication of basic materials.

An external consultant will start the process of trademark protection, according to the customer's specifications. A strategic consultant and the PR and communications team will work closely with the General Manager to prepare the internal launch and specialized seminars with the company management. The same formula will train and assist the external launch to all the publics of the newly created brand. Finally, constant evaluation criteria will determine the success of the new brand on the market.

The expected results following this stage, take in consideration: completing the implementations of identity, initiating the process of trademark protection, implementing applications and brand architecture, developing web presence, internal and external launch, creating criteria for measuring success.

Stage 6 - Management

Any strategic asset is consistent when supported by sets of rules and procedures, constant evaluation and coherent actions. Successful management of a brand should be focused on capitalization values so that these attributes would represent a natural extension of the general perception. The stated goal of any brand manager is to strengthen the brand values so that they are easily recognizable and identifiable to the public.

There will be created the final documents on strategy and communication standards, a brand manual, preferably in electronic format in order to be easily modified, updated and maintained, and to take constantly into account of the new developments occurred.

Since every brand needs guidance for organic growth will be created by the consultant with a client team management model it using the company's internal resources and a special package designed to integrate and account supervision.

The results obtained during this phase are: creating communication standards and brand manual, account integration and supervision, post-launch evaluation and reporting.

3. Conclusions

We have shown in the above pages that branding is not just a marketing concept, but also an excellent modern management tool which relates to business strategy, the company's communication, human resources and financial value.

The ultimate goal of a branding program is to give a new breath to the organization and / or to its products and services, to create prerequisites for leadership, to generate connections and emotions and not in the least to generate more financial value, as margin of profitability and as an asset by itself as well.

A properly executed strategy, a positioning according to the needs identified in the market, supporting brand values and a remarkable performance will create premises for success of the new brand.

So designing a brand through a well-executed branding program will generate reputation for an organization, product and/or service, attract loyal customers and employees and it will bring more financial value and not in the least long-term stability in the market.

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AN ASSESSMENT OF BRASOV INCOMING TOUR OPERATORS' AWARENESS ON SUSTAINABILITY ISSUES

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Abstract: *The main purpose of this paper is to identify Brasov incoming tour operators' awareness concerning sustainable tourism development. Based on a qualitative exploration of the interviewed managers' perceptions of sustainability issues, the general understanding of the concept of sustainable tourism is examined as well as their interest in eco-certification and the practical application of different sustainable initiatives is analyzed. The outcomes of the research reveal a moderate interest concerning sustainability issues and eco-certification among Brasov tour operators and outline the necessity of further promotion and networking in the destination for a better understanding and use of sustainable development tools.*

Key words: tour operators, sustainability, eco-certification, sustainable supply chain management

JEL classification: D 22, L 83, Q 56

1. Introduction

Tourism can have several negative impacts on the environment; in some cases it can cause long-term environmental degradation which destroys the very features that once attracted tourists to a place, leading tour operators and their customers to abandon the older destination in favor of new, undamaged ones.

As intermediaries between tourists and tourism service providers, tour operators bring together a variety of tourism-related services to form a complete holiday package, including goods and services provided by a supply chain of subcontracted companies, organizations and agents. Although tour operators are not always in direct control of the environmental and social impacts of those products, consumers increasingly expect the companies they buy from to ensure that their products also provide environmental and social sustainability. For tour operators, this means that effectively implementing sustainability policies requires working closely with suppliers to improve sustainability performance in all the components of a holiday – throughout the life cycle of a holiday package (Tour Operators' Initiative for Sustainable Tourism Development, 2003). According to the United Nations Environment Programme (2005) the key business benefits for a tour operator acting sustainable are: revenue growth, cost savings,access to capital,human capital, brand value and reputation, preservation of destinations, improved service, risk management and license to operate and pre-empting government regulations.

In the international context of growing concern about the sustainable management of natural assets used by tourists, this article presents the findings of a research conducted with Romanian incoming tour operators from a well-known urban destination: Brasov. Based on a qualitative exploration of the interviewed managers, the general understanding of the concept of sustainable tourism is examined along with their interest concerning the eco-certification of their tourism products and the application of different sustainable practices is explored.

The main purpose of the present paper is to outline incoming tour operators' perceptions of sustainability issues and the opportunities for the implementation of a sustainable supply-chain management. The main objectives of the research concern: tour operators' interest in sustainable tourism development, the identification of sustainable initiatives of the studied tour operators and their interest in eco-certification. The article begins with a review of the literature focused on the role of sustainable instruments in the tour operating business and continues with a presentation of the framework of Brasov tourism. Afterwards the applied research method is described and the following section presents the findings of the conducted qualitative research. The final section presents some conclusions of the study and practical implications tour operating industry in the studied tourism destination.

2. Literature review

A recent business trend emphasizes that firms are expected to go beyond their profit-oriented activities and boost the wellbeing of the community, making the world a better place (Robins, 2005). In this regard, as tourism contributes to the wellbeing of society, if the companies within this industry augment their performance, their positive effect on society will also increase (Nicolau, 2008). The challenge for tour operators is to practically integrate sustainability into their supply chain when they are only just beginning to understand it. The United Nations Environment Programme (2005) mentions five action areas for tour operators' activities aimed to integrate sustainability principles into its business practices:

1. **Internal management.** At the most basic level, sustainability practices can be applied to the operations and activities that take place within a company's headquarters and at its country offices. Changes might include using sustainably produced paper for brochures, minimizing energy use and waste production, and ensuring acceptable staff working conditions.
2. **Product development and management.** A tour operator's choice of services, routes and activities for its products determines the sustainability of the holidays it offers. The challenge in this case is to design holiday packages that have lower environmental and social burdens while still yielding acceptable economic returns.
3. **Supply chain management.** Most elements of a holiday package are delivered by suppliers who are subcontracted by the tour operator. Thus, the selection and contracting of service providers is an important opportunity to influence the sustainability of products. Actions here might include setting sustainability standards in consultation with suppliers, assessing them on their performance and supporting improvements, and providing incentives for meeting the standards.
4. **Customer relations.** Tour operators can help raise consumer awareness of sustainability issues by providing information on appropriate behavior, such as purchasing local products, respecting local cultural norms, and avoiding environmental impacts such as littering or wildlife disturbance.
5. **Co-operation with destinations.** Tour operators, either individually or through joint industry forums, can influence the sustainability of destinations by supporting sustainable decision-making by destination authorities and other local actors and by engaging in philanthropic activities.

If a tour operator addresses the sustainability practices of particular suppliers or destinations, tour operators therefore need to demonstrate responsibility for business impacts, while not dictating terms of business which may be inappropriate to destination level interests. The 'ethics' of business also extends to the need for tour operators to take commercially realistic steps, which meet the needs of all stakeholders, including the financial interests of shareholders/owners, and employees (Schwartz & Font 2009).

However, as Schwartz and Font (2009) have outlined, the different goals and priorities of suppliers and operators, the low-cost focus in European markets and the complexity of tour operator supply chains can explain the difficulty of putting theory into practice. Van der Duim and Van Marwijk (2006) recognized that the task of truly changing the current ways of ordering of tour operators would be particularly laborious.

Only recently did tour operators begin to evaluate the environmental impacts of their operations and those of their suppliers (Baddeley and Font, 2011). Tapper's research (2001) highlighted the disparity between business approaches to engagement with sustainable tourism among a variety of small, medium and large tour operators. Cash flow and ever-diminishing tour operator contract rates are blamed by many authors for the lack of financial investment in technical solutions (Font et al. 2006; Tapper 2001). Payback from no-cost/low-cost measures could be used to fund technical solutions that require initial financial investment; however, a lack of willingness or ability to engage means that this opportunity is not always exploited (Baddeley & Font, 2011). Second, human barriers include resistance to change, a lack of qualified staff and training programmes, a lack of understanding and the inability to plan (Amoah & Baum, 1997; Bohdanowicz et al., 2011; Dong & Wilkinson, 2007). Tour operator resources and those of their suppliers may be too limited to engage in technical assistance or investment programmes (Schwartz & Font 2009). The third issue cited repeatedly is the lack of demand. A "green gap" exists between the results from surveys claiming customers want sustainable products and their actual purchasing behaviour (Baddeley & Font, 2011).

Recent research has also begun to address operator approaches to environmental management (Herremans et al., 2005) and the role of tour operator associations in developing a common approach to sustainability management (Tepelus, 2005; Van der Duim & Van Marwijk, 2006). Essentially, research to date has identified that, while there are a wide range of examples of good practice across the industry, there is considerable opportunity for more operator-led initiatives and more widespread activity (Schwarz, Tapper & Font, 2008).

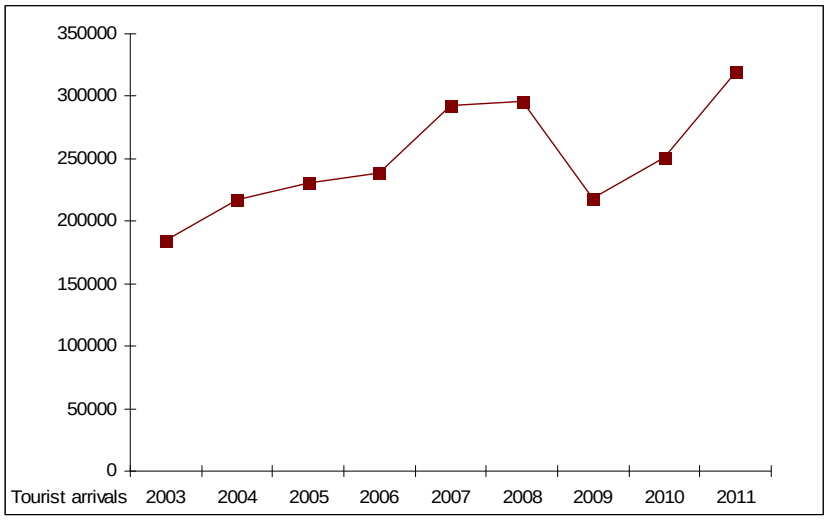
Miller (2001) provides a substantive contribution to understanding smaller and larger tour operator's attitudes towards corporate social responsibility, and the factors which determine a responsible approach, highlighting factors such as moral obligations and public relations. Herremans, Reid and Wilson (2005) provide an examination of inbound, National Park based, Canadian tour operators implementation of environmental management systems (EMS). It usefully highlights the significance of business values and informal approaches within smaller businesses, and the need for learning and communication tools. As reported by Van Wijk and Persoon (2006) in an examination of sustainability reporting among European tour operators, there is still much work to be done. They note that tour operators need to move beyond policy and reporting statements towards practices which actively improve sector sustainability.

3. The framework of Brasov tour operating industry

The city of Brasov is centrally located and offers various natural and historic (one of Romania's best preserved medieval city) tourism development opportunities. Its natural assets as well as local culture and heritage architecture, provide a wealth of interpretive and sightseeing experiences. Brasov is an ideal primary service area as it offers the most complete mix of visitor services including several excellent hotels, good restaurants, a complete variety of stores and retail outlets, inbound and outbound tour operators. It is also the main gateway to other destinations in the county and therefore has an important role to play in distributing information (MacGregor, 2005).

Brasov Branch of the National Statistics Institute(2010) reported a constant growth of tourist arrivals in Brasov city in the last years starting from 184.651 arrivals in 2003 to 295.521 arrivals in 2008. However, due to the international crisis the number of tourist arrivals in 2009 was 26 % lower than the previous year, counting 218.485 tourists. The year 2010 has brought a slight recovery of tourist arrivals to 251.188, a value which is however 15% lower than the one registred in 2008. This positive trend continued in 2011 (Brasov Branch of the National Statistics Institute, 2012) when tourist flows reached the highest level in the last 10 years - 319.513 arrivals: 76% Romanian and 24% foreign tourists, mostly from: Germany, Israel, Italy, France, USA, UK, Spain, Republic of Moldavia and Austria.

Figure 1: The evolution of tourist arrivals in Brasov between 2003 and 2011



Source:Brasov Branch of the National Statistics Institute, 2012

Although Brasov has attracted more tourists in 2011 than the previous year (an increase of 24% for Romanian tourists and 12.8% for foreign tourists), their average length of stay is has decreased (2.72%

for Romanian tourists and 4.65% for foreign tourists) reaching the lowest value in the last four years: 2.12 days. While Brasov has enjoyed relative success over the past 30 years because of its proximity to Bucharest, its markets remain primarily Romanian with foreign travelers providing less than quarter of visitor nights. The average length of stay of tourists in Brasov in the last 4 years has varied between 2.13 and 2.19 days, which could be a consequence of the tourists' perception of the destination as a transit point or mostly suitable for weekend getaways.

According to the Ministry of Regional Development and Tourism (2012) there are 133 travel agencies in Brasov and 88.72% of them have a tour operating license. However, there is no statistical evidence concerning the number of incoming tour operators in Brasov. Most of Brasov tour operators are members of the National Association of Travel Agencies (ANAT) but there is no network representing the interest of incoming tour operators either on national or regional level. Six incoming tour operators are members of the Association of Ecotourism in Romania (AER), an NGO which has achieved a partnership for nature conservation and tourism development among tourism associations, non-governmental associations acting in local development and nature conservation, nature conservation projects and travel agencies. AER created an Ecotourism Certification System as a mechanism for putting into practice the basic principles of ecotourism, in order to ensure nature conservation and sustainable development of local communities through tourism.The Ecotourism Certification System addresses two different categories of applicants: ecotourism programmes / tours provided by tour operators or guides (i.e. eco-tours of maximum 15 participants) and small-scale accommodation structures in rural and natural areas (eco-lodges and guesthouses of maximum 25 rooms). Five of the tour operators interviewed in the present research are members of the Association of Ecotourism in Romania and three incoming tour operators located in Brasov area have eco-certified tourism products.

4. Methodology

As the main interest of our study was to outline the perceptions and awareness of incoming tour operators concerning sustainability issues, a qualitative research methodology was used. The advantage of qualitative methods in exploratory research is that use of open-ended questions gives participants the opportunity to respond in their own words, rather than forcing them to choose from fixed responses, as quantitative methods do. Open-ended questions have the ability to evoke responses that are (FHI, 2005): meaningful and culturally salient to the participant, unanticipated by the researcher and rich and explanatory in nature. Thus, we have chosen semi-structured face-to-face interviews as the main data collection method in the present research. An interview guide was developed from the existing research literature listing topics for the interviews and data needs in case the informants failed to think of any ideas related to the topic at hand. The interview guide covered the following themes: general perceptions regarding sustainability issues, sustainable initiatives implemented by the studied businesses, managers' knowledge of tourism eco-certification systems and their interest in the eco-certification of their tourism packages. Interviews were conducted with 10 managers of incoming tour operators from the city of Brasov during a month period in March 2012. The collected data was afterwards processed using content analysis and the discussions and conclusions are presented in the following sections.

5. Data analysis

In order to assess the awareness of Brasov incoming tour operators concerning sustainability issues, a total of 35 invitations to participate to this research have been sent but only a 10 of the approached managers have agreed. The low response rate can also reflect Brasov tour operators' lack of interest concerning sustainable tourism development.

The first interviewed tour operator is a small company specialized in incoming tour operations all over Romania, including few days stay in Brasov area, attracting mostly tourists from Holland, UK, USA, Sweden and Australia. It is a member of the Association of Ecotourism in Romania and its manager shows a high interest in sustainability issues and ecotourism development.

The second respondent manages a specialised tour operating business in horseback-riding adventures in Transilvania, focused mainly on the UK, German, French, Scandinavian and Austrian markets. This is the most eco-oriented interviewed subject and has extensive knowledge and interest in sustainability issues.

The third analyzed tour operator is specialized in both incoming and outgoing photo tours and sees the AER and TIES membership as a great image capital and guarantee of service quality and business sustainability.

The fourth respondent manages a tour operating business with both incoming and outgoing activity. On the inbound market it specialises in hiking and cycling tours offered mostly to British, American, German and Danish tourists. Although the company is a member of the Association of Ecotourism in Romania, eco-certification doesn't seem to be a priority on short-term, as it is not seen as a real opportunity to attract more clients.

The fifth tour operator is an eco-oriented specialised in tailor-made tours, mainly attracting British, American and Canadian tourists. The manager of this company is highly committed to the sustainable development principles and the AER membership and eco-certification system.

The sixth respondent is managing an incoming tour operating business and although it is not specialised in ecotourism experiences it promotes sustainable and responsible tours, especially on the British, American, German, Australian and Spanish markets.

Although the seventh tour operator has mainly an outgoing activity it promotes incoming tours on the European market, without focusing on the sustainable tourism segments. The manager is eco-oriented, is interested in both the membership and eco-certification system of the Association of Ecotourism in Romania and intends to invest in an eco-guesthouse.

The eighth tour operator is focused on the outgoing activities but it is also aiming to gain a better position on the international market with incoming packages which are not highly eco-oriented. However, due to the collaboration with an international tour operator specialised in responsible tours in natural areas, the managers' awareness concerning sustainable has increased in the past years. Eco-certification doesn't seem to be the priority for the next years, even though the tour operator wants to extend its inbound activity.

The ninth respondent is also managing a tour operating business mainly focused on the outgoing market, but offering incoming packages as well. The manager is interested in sustainability issues but doesn't consider eco-certification on a short-term period.

The last tour operator is focused on mass-market outgoing activities with a little focus on the incoming market, mostly trying to attract German tourists. The manager has little interest in sustainability issues and doesn't consider the eco-certification of the incoming packages included in the company's offer.

Althoughall the respondents have declared their interest in sustainable tourism development, it seems that the members of the Association of Ecotourism in Romania are more preoccupied about this subject outlining that "any tourism package must be created and organised considering the influences it has on the natural environment and local communities". A tour operator specialised in ecotourism activities mentioned that "conservation is on top of the list of items that they care about in developing their business". Another tour operator, which is a member of the Association of Ecotourism in Romania, has also chosen the membership of the International Ecotourism Society (TIES) in order to reinforce the company's sustainable initiatives and be identified by tourists as a sustainable tour operating business. The interviewed mass-market oriented tour operators, who offer both outgoing, domestic and incoming tourism packages, have shown less interest in sustainable tourism development than the other respondents which are very well positioned on the incoming tourism market.

The majority of the respondents mentioned the importance of environmental quality in tourists' experience in a destination while two of them outlined that foreign tourists, "especially those originated in developed countries", tend to have higher ecological standards when choosing a tourism destination. Six of the tour operators mentioned that most of their clients are eco-oriented tourists (five of them are members of the Association of Ecotourism in Romania), while the other four participants, which have both outgoing and incoming activities, are not well positioned on the ecotourism market. Five managers highlighted they have received requests from international tour operators for ecotourism packages.

All the interviewed subjects acknowledge the negative impact of their tour operating activities on the environment, mostly mentioning transportation and greenhouse emissions, sewage and pollution issues in accommodation units, as well as waste problems, especially for activities in the natural environment. However, most of the respondents consider it is less their responsibility to solve these problems and more that of local and national authorities or service suppliers. Nine of the studied tour operators mentioned they are taking different measures in order to act more sustainable: promoting locally produced food, local guides and accommodation using renewable energy resources, selective garbage collection and recycling, excluding motorised sports from their tourism packages, promoting public transportation among their clients, promoting separated paths for hiking and mountain biking tours in order to minimize land erosion, educating tourists to respect the sustainable tourism principles. All

interviewed subjects reported paper use limitation and paper recycling measures in their offices, an apparently small effort but very important in this particular field, which is intensively paper consuming (especially in the form of catalogues, brochures, flyers and travel documents). The managers of tour operating businesses offering both outgoing and incoming tourism programmes mentioned the problem of catalogues and brochures, which are not selectively collected in an organised manner, giving certain opportunities for less sustainable travel agencies to avoid recycling. A stronger cooperation of Brasov tour operators with the local recycling company is advised in order to set up an organised selective garbage collection each season that could facilitate paper recycling.

Among the tour operators who are not members of the Association of Ecotourism in Romania three of them are not familiar with their eco-certification system, while only one of them expressed an interest to eco-certify certain tourism packages. Surprisingly, even two of the tour operators who are members of AER can't perceive the use of eco-certification, mostly mentioning the financial implications and little recognition on the international tourism market.

6. Conclusions

The present qualitative research reveals useful information that can help destination managers in their attempt to raise the awareness of incoming tour operators concerning their role in the sustainable tourism development process. Although most interviewed managers have shown their interest concerning sustainability issues, they seem to have limited understanding of all aspects included in the sustainable tourism framework. At the same time, the interviewed tour operators have reported few implemented sustainable practices, mainly placing the responsibility for different initiatives to other parties (local authorities or service suppliers). The members of the Association of Ecotourism are more eco-oriented than mass-market operators especially due to their focus on a specialized segment of consumers, who are known to be interested in sustainability issues. We consider that all Brasov incoming tour operators should rather promote smaller guided tours, as customers often seek greater detailed interaction and are very aware of their social and cultural responsibilities. Brasov incoming tour operators' positioning on eco-oriented market segments may become a competitive advantage compared to other competitors, especially useful in the present international context when Romanian tourism is struggling to recover after from the economic crisis. Despite this opportunity, eco-certification doesn't seem to be popular among mass-market operators and its role is minimizes even by some of the eco-specialized operators. Thus, we recommend a better promotion of such certification schemes in order to ensure a better understanding of their advantages by both tour operators and tourists.

Considering the main outcomes of our research we have formulated a series of recommendations that can assist tour operators in the process of sustainability improvement. As tour operators offer tourism products comprised of contracted goods and services, the effective implementation of sustainability policies requires working closely with suppliers to improve sustainability performance in all the components of a holiday package. This corporate responsibility to promote sustainable tourism must therefore be extended into all areas of business for a tour operator, from the way it manages and equips its main offices, to the types of promoted tourism packages and supplier selection. Sustainability should also be a big part of a company's marketing strategies and relations with its customers, as well as its partnerships and presence in the destination.

The main results of our research highlight the potential for Brasov tour operators to address a sustainable supply chain management (SSCM) as most sustainability impacts take place in the supply chain. For a tour operator, effectively integrating sustainability into its supply chain requires the establishment of a coherent company policy and accompanying management system that set out clear targets and actions on economic, environmental and social performance. The management system should include procedures for monitoring, reviewing and reporting on progress made in integrating sustainability principles into the company's supply chain.

It is highly recommended for Brasov tour operators to develop further understanding of their business impacts and to communicate sustainability issues to suppliers and consumers. From the financial perspective, improved sustainability can lower costs through greater operating efficiency, reduced waste generation, and reduce consumption of energy and water. Sustainability practices can also lead to increased revenue and shareholder value by generating more repeat business and attracting new business from customers who value good environmental and social performance. A strong positive reputation as a company that cares about sustainability issues, coupled with improvements to the quality of the tourism experience provided to clients, can result in increased customer satisfaction and loyalty, strengthened

brand value, enhanced publicity and marketing opportunities, and better acceptance by local communities in destinations. At the same time it is particularly important to raise customer awareness of the value of ecolabels and other eco-certification schemes, in order that suppliers are encouraged to apply for them, encouraged through additional tour operator promotional opportunities.

Although it casts some light on the perception of sustainability issues within the tour operating sector in Brasov, our research has certain limitations. Firstly, due to the low response rate and respondents selection, the results can't be extended to all tour operating businesses either from Brasov or other tourism destinations. Secondly, the present research doesn't analyze tour operators' motivating factors and barriers in the sustainable development process and impacts on their current activities. Further research should investigate the impact of sustainable tourism practices and eco-certification, from both operator and supplier perspectives. The whole notion of tour operator responsibility to destination sustainability requires exploration in terms of addressing impacts in a way which is commercially viable to both parties, while not imposing unrealistic standards on supplier businesses.

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RESIDENTS' PERCEPTION TOWARDS URBAN SPORT EVENTS. THE CASE OF eyoWf 2013 - BRASOV, ROMANIA

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Abstract: *The aim of our research is to identify Brasov residents' attitudes regarding the role of sport events in local tourism development. The research has been focused on residents' awareness regarding the organization of the European Youth Olympic Winter Festival in Brasov and their intention to actively participate in this process. The outcomes reveal a poor information of local residents especially due to few and late promotional actions performed by local authorities. As people have a positive attitude regarding such events we recommend that local authorities should develop strategies to help spread the benefits of these events to the wider community.*

Key words: tourism development, sport events, residents, attitudes, marketing

JEL classification: R 11, L 83, M 31

1. Introduction

Events are important motivators of tourism and figure prominently in the development and marketing plans of most destinations. The roles and impacts of planned events within tourism have been well documented and are of increasing importance for destination competitiveness. The term 'event(s) tourism' was not widely used, prior to 1987 when The New Zealand Tourist and Publicity Department (1987) reported: "Event tourism is an important and rapidly growing segment of international tourism" (Getz, 2008).

Event tourism must be viewed from both demand and supply sides. On the supply side, destinations develop, facilitate and promote events of all kinds to meet multiple goals: to attract tourists (especially in the off-peak seasons), serve as a catalyst (for urban renewal, and for increasing the infrastructure and tourism capacity of the destination), to foster a positive destination image and contribute to general place marketing (including contributions to fostering a better place in which to live, work and invest), and to animate specific attractions or areas (Getz, 2008). Events have become a major instrument for cities, not only to compete for attention and raise the public profile but also to attract tourist expenditure and upgrade urban infrastructure (Richards, 2007; Roche, 2000). For the local population, large-scale events in particular are often a double-edged sword (Müller, 2011): on the one hand, residents are confronted with higher costs associated with events such as monetary expenditure, in the form of rising prices for housing or an increasing tax burden when a city supports and hosts particular events. Large-scale construction programmes to build venues and accommodation or upgrade the transport infrastructure commonly extend over many years and come with a budget of sometimes several billion euros (Chalkley and Essex, 1999). These costs can also take on non-monetary forms such as social exclusion and displacement, environmental destruction, disruption of urban services and so on (Lenskyj, 2002; Waitt, 1999). On the other hand, events can result in increased revenues, urban revitalization and function as catalysts for upgrades of the urban infrastructure and public services (Getz, 2008). The amenities of the tourist infrastructure as well as new exhibition halls or sports venues are left as legacies for the population to use a long time after the event has concluded (Müller, 2011). If planned with foresight, venues can be converted for community use after the event, as happened with the curling and speed skating venues of the Olympic Winter Games in Vancouver 2010 (Müller, 2011). The inflow of tourist expenditure might result in new jobs and increased tax revenue (Preuss, 2004). Lasting social benefits are potentially available to the host community through properly planned and promoted special

events. These include the enhancement of community spirit and pride, the promotion of cooperation and leadership within the community, the strengthening of support for local cultural traditions, and the building of greater cross-cultural understanding (Getz, 1992).

Considering the substantial growth in major sport events as well as the increased competition amongst tourism destinations eager to host them, residents' support can become a competitive advantage for event hosting. Consequently, the aim of this paper is to develop a deeper understanding of the social dimension of Olympic tourism development, by exploring resident perceptions of Brasov 2013 European Youth Olympic Winter Festival (EYOWF). The first section of this paper provides a background to previous research concerning sport events with an outline of previous resident perception studies which explored how and why resident perceptions and attitudes to mega events may vary. The second section is focused on the presentation of the event and host tourism destination while the third part of this paper outlines the research methodology. The paper then presents the results of the resident perceptions research and finally, some conclusions and implications for destination and event management are outlined that contribute towards a better understanding of the social dimension of event tourism development.

2. Literature review

Festivals and events have become one of the fastest growing sectors of tourism (Gursoy et al., 2004) and at present there is a strong association between events and tourism (Quin, 2006). Various authors have proposed theoretical frameworks for understanding the variation of resident attitudes and perceptions toward tourism and events within the community, and how it may assist in understanding the variation in residents' reactions toward tourism development (Ritchie et al., 2008). Residents may have more positive perceptions of tourism if they perceive that their tourism exchanges bring individual benefits, but will have negative perceptions of tourism if they perceive these benefits to be outweighed by costs (Ritchie et al., 2008). Ap (1992) noted that the social exchange theory (Emerson, 1972) is useful in understanding resident's perceptions of tourism impacts, as exchange behaviour is related to perceptions. Gursoy & Kendall (2006) also used social exchange theory as a basis for their research, which modeled how resident attitudes toward a mega sporting event were influenced by residents' community concern, their emotional attachment to the community and their eco-centric attitude or environmental sensitivity.

A study by Bachleitner & Zins (1999) suggests that residents' involvement in decision making is an important factor in their perceptions towards tourism development, while Fredline & Faulkner (2002) believe many residents feel disenfranchised by the planning process and this may result in negative resident perceptions toward the event. Davis et al.'s (1988) study showed that residents with the most negative attitudes toward tourism had a low level of knowledge about tourism, highlighting the importance of information and the potential role of the media.

Despite a number of research studies being conducted on mega events and the Olympic Games (Ritchie and Hall, 1999; Gursoy & Kendall, 2006; Ritchie et al., 2008; Konstantaki & Wickens, 2010), few have focused on resident perceptions and even fewer have developed a longitudinal approach to better understand these perceptions and how or why they may vary over time (Ritchie et al., 2008). Ritchie et al. (2008) emphasized the need to include resident perceptions into a 'triple bottom line' approach to measuring the impacts of mega sporting events, and in particular the Olympic Games. Ritchie and Hall (1999) explored mega events and human rights, giving particular attention to housing implications, residents' aspirations and public participation. Assessing the perceptions of residents toward mega events is one potential indicator within the broader social impact assessment of mega events (Ritchie et al., 2008). The concept of social impact assessment, and more broadly sustainability, stresses the importance of a long term approach and integrating community interests into decision making (Ritchie et al., 2008). Understanding the social dimension of hosting a mega sport tourism event is crucial in order to develop local support for hosting such events (Fredline, 2005).

Solberg and Preuss (2007) refer to the development of a pool of volunteers as part of the „soft-infrastructure" benefits of events: enhancing the knowledge and skills - the human capital - of residents. Like sport in general, all sports events depend heavily on volunteer labour – a major hidden subsidy which raises significant questions about the nature and scale of economic impacts (Coalter and Taylor, 2008). Smaller events probably draw such volunteers from governing bodies and local sports clubs, but large scale events recruit and train substantial numbers of volunteers.

Even though event-related publicity helps increase the residents' familiarity with the sport tourism event, it can also act as a platform for shaping a positive or negative attitude (Chon, 1992). Other factors that have been implicated with shaping residents' attitudes towards sport tourism development

include gender, age (Mason & Cheyne, 2000; Kim & Petrick, 2005), social status (Ritchie et al., 2009), and education, occupation and income (Waitt, 2003). However, some of these studies suggested that the differences in attitudes can be best attributed to the heterogeneity of urban communities rather than demographic variables (Konstantaki & Wickens, 2010).

Most of the sport event literature focuses on the effects of mega events on host destinations and residents' attitudes and opinions regarding this theme. Although Brasov will not host a mega event, but a European winter sports competition, we consider the investigation of residents' attitudes and involvement opportunities as very useful, especially considering the fact that this is the first European event Brasov is hosting since the University Winter Sports Competition held in Poiana Brasov in 1981. Moreover, if this event will be a succesful one, local authorities along with the Romanian Olympic Committee intend to propose Brasov as the host of the 2022 Winter Olympics (Buna ziua Brasov, 2012).

3. Brasov, host of the 2013 winter edition of the European Youth Olympic Festival

The City of Brasov is located in the Central-Eastern part of Romania, at the foot of Mount Tâmpa (967m) and it is situated at an average altitude of 625m, with the Postăvarul and the Piatra Mare Mountains in its background. Brasov has a remarkable potential for tourism development, because of the appealing elements that endows it: diverse terrain, picturesque scenery, interesting local customs and unique cultural heritage. Brasov attracted more than 300.000 tourists in 2011, placing the city on the second place among Romanian destinations, following the country's capital - Bucharest. The City of Brasov attracts almost half (49.4%) of the county's tourist arrivals. The majority of Brasov visitors (74%) are Romanians. From the total foreign tourists which have been accommodated in Brasov's tourism structures, 76.4% were Europeans and 18.6% from Asia (Brasov County Statistics Institute, 2012).

Braşov has been chosen as a host destination for the winter edition of the European Youth Olympic Festival in February 2013 along with other nearby winter sports destinations: Predeal, Râşnov, Sinaia and Azuga. Some 1,500 athletes from over 45 countries are expected at this sport event, along with couches and staff members, but also 1,000 journalists from all over the world and a couple of thousands tourists, according to the organizers. The European Youth Olympic Winter Festival will bring a variety of benefits to Brasov as a city but also as a tourist destination (Candrea & Ispas, 2010), especially the opportunity to attract tourists and to promote Brasov's image on the international market.

To fully understand the extent of this event, an overview of previous Olympic Festivals of European Youth is required: starting with the first winter edition of the EYOF, which took place in Aosta, Italy and finishing with the latest, the winter edition that took place in Liberec, the Czech Republic. Considering the fact that most attending tourists to the event are those who compete, the evolution, in time, of attending figures of the Olympic Festival of the European Youth is presented in table 1.

Table 1: The evolution of the number of attendants at EYOF

Organizing country	Year	Number of attendants	Attending countries
Aosta (Italy)	1993	708	33
Andorra la Vella (Andorra)	1995	447	40
Sundsvall (Sweden)	1997	991	41
Poprad (Slovakia)	1999	819	40
Vuokatti (Finland)	2001	1111	40
Bled (Slovenia)	2003	1242	41
Monthey (Switzerland)	2005	1200	41
Jaca (Spain)	2007	1284	43
Szczyrk (Poland)	2009	1620	47
Liberec (Czech Republic)	2011	1500	49
Brasov (Romania)*	2013	1500	45

*expected

Source: http://eyowf2013.ro/history

Judging from previous information, the number of attendants to EYOF tends to grow, generally, except the last edition (2011), where the numbers dropped with 7%in comparison with the former edition. The explanation for this reduction might consist in the present international economic and financial situation, but it can be compensated by an extension of the attending countries. Therefore, we can conclude that, at the tenth edition of the event, the numbers of attendants had doubledin

comparison with the first edition.

The concepts of marketing connections, key shareholders management and consumers are recently acknowledged in the marketing literature (Bowdin et. al., 2006). Several festivals and events start their life-cycles on the premises of a 'partner relationship' within a group of dedicated people. As the EYOF is an Olympic festival, the first partnerships that have to be concluded are with the national and international Olympic organizations (Romanian Olympic and Sport Committee, European Olympic Committee Association, International Olympic Committee). Furthermore, the relationship between these organizations and the local authorities has to be based on communication and mutual support. The collaboration between authorities, government, local population, travel agencies within the country or abroad and volunteers is very important for this event. As the key members are not only the personnel, the volunteers and participants, but also community residents, the management of an event should be based on partnerships with the local community. Residents are important actors in the development and promotion of a tourism destination, but also in the deployment of events. A negative attitude on the behalf of the local population can influence the failure of an event (Ispas & Herţanu, 2011).

At the time we have started our research among Brasov citizens, there was no Romanian webpage dedicated to the event and the main public information that residents had access to concerned negative media news about land concession, investment costs, late construction works and other problems faced by local authorities in their attempt to ensure the infrastructure necessary for the EYOWF competitions.

At present, 9 months before the event, negative information is promoted in the national media, unfortunately supported by the general secretary of the Olympic and Sport Committee in Romania, the vice-president of the 2013 EYOWF organising committee, who has pointed out the delays in the bids organisation for accommodation, transportation, medals, cups and other necessary goods and services due to buget defficiency as well as the lack of a test competition in the winter season, which is compulsory for every new sport facilities (Gazeta Sporturilor, 2012). Several problems have been mentioned by the president of the EYOWF 2013 organising committee: delays in event planning, the necessity to solve security problems and attendants' transportation as well as the need for many volunteers in this project. There have already been discussions with the representatives of the University of Transylvania in order to involve local volunteer students who speak at least 2 foreign languages in the event(Gazeta Sporturilor, 2012).

Since we started our research, the offical webpage of the event has been created although it has several limits. However, it brings reassuring news concerning the progress report presented by the Romanian delegation at the European Olympic Committees (EOC) General Assembly gathered in Soci (Russian Federation), which showed that all aspects of the preparations are in accordance with the requirements of the EOC calendar, and all the development works will definitely be finished by October 2012. From the same website we have found out that the selection of volunteers has begun, following important criteria such as: good knowledge of English, working with computer, communication skills, polite, experience in media communication, medical education, technical skills, driving license.
Considering these issues, the present paper outlines residents' role in the framework of event tourism development in the Romanian tourism destination, Brasov and investigates their attitudes and support for tourism activities as a key element of a successful sport event.

4. Methodology

Our research is part of a survey meant to study residents' attitudes toward tourism development and support for specific tourism options in a Romanian urban destination: Brasov. The local residents' attitudes toward event tourism are considered important for destination management organisations in order to gain local support for tourism projects and initiatives. In order to capture the attitudes of Brasov residents towards tourism development and events we have chosen a quantitative method using a survey based on a questionnaire. Residents were approached by voluntary students in their home based on a randomly selection and asked to fill a questionnaire. The researched items were assessed with a binary scale or using a five-level equally distanced Likert type scale labelled as 'Strongly Agree' (1), 'Agree' (2), 'Neither Agree nor Disagree' (3), 'Disagree' (4), 'Strongly Disagree' (5). The final part of the questionnaire collected socio-demographic information on the respondents.

Each interviewer was assigned several randomly selected streets from one quarter and they have chosen different households using a sampling interval. The interviewers were given instructions regarding

how to present the study to encourage the response of one adult member of the family. After the presentation of the study, the interviewer left a questionnaire. The questionnaire was collected within the next 2 days by the same interviewer, who checked for any problems during completion. The data collection process was carried out between October and November 2011.

The final sample counted 1326 people living in Brasov with the following socio-economic and demographic characteristics: the majority of the respondents were females (56.9%) with an age of between 16 to 34 years old (60%). Most of them were married with children (about 34.7%) or single (34.5%) and had mostly high school degree (about 42.1%). Most of the respondents have a low (45.2%) or medium (39.2%) income. About 17.2% of the respondents were employed in the field of tourism/hospitality industry. Only 9.3% of the interviewed subjects live close to tourism areas while 81.6% live at medium distance or far from the city tourism centre.

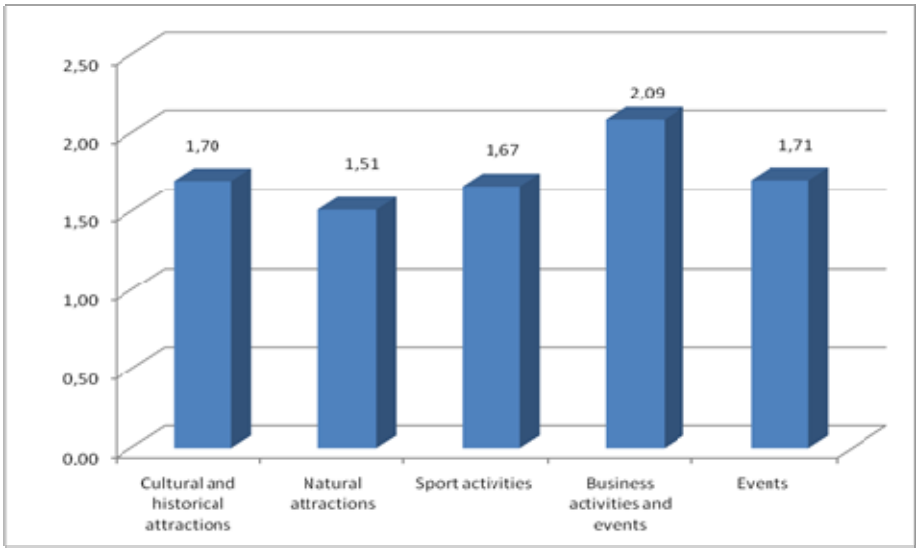
5. Research outcomes

The collected data was analyzed using SPSS Version 16.0 and the outcomes are focused on residents' attitudes regarding the future development of tourism in Brasov area and regarding the organisation of the EYOWF in 2013. Some descriptive analyses have been performed and different signification tests as t-test and Anova test. A Homogeneity analysis has been also put in practice in order to find the main socio-demographic characteristics of residents that are aware of the 2013 Brasov edition of the EYOWF in comparison with the ones that are not aware of this event.

A general outcome of the research shows that residents better appreciate the positive effects of tourism activities on the local community than the effects on their personal life. In this respect, 88.7% of respondents perceive a positive impact of tourism on the community and 81% consider that the benefits of tourism development overcome its costs. Most answers indicate a neutral attitude (33.4%) regarding the positive effects of tourism on the respondents' professional activities while almost a quarter of the interviewed subjects (24.6%) strongly disagree with this statement. In this respect, we can conclude that Brasov residents do not perceive a direct personal economic benefit from the development of tourism activities in the community. This conclusion is strengthened by the results of t-test for independent samples, which reveals that the attitudes of residents employed in the tourism field do not differ significantly from the ones of people working in other fields.

Concerning respondents' attitudes regarding future tourism development we have found that residents are more supportive of diversified development than of a specific type of tourism (see figure 1). In this respect, the most appreciated initiatives are those focused on the promotion of natural attractions - parks, protected areas, lakes, mountains, etc. (mean = 1.51 points), but favourable scores have also been recorded for sport activities (hiking, biking, ski, snowboard etc.) and events (festivals, sport contests, etc.).

Figure 1:The mean of residents' attitudes regarding tourism development on an 1 to 5 scale (1= strongly agree)



Considering the results presented in the above figure, we found that Brasov residents have a positive attitude regarding events and support this kind of activities. Starting from this outcome, we deepened the analysis in order to find the most supportive segments of such initiatives (table 2).

Table 2: The influence of socio-demographic characteristics on residents' attitudes regarding tourism development through events and sport activities

Characteristics	Events (festivals, sport contests, etc.)		Sport activities (hiking, biking, ski, snowboard etc.)	
	Mean	Test result/significance	Mean	Test result/significance
Gender				
Male	1.67	F = 1.79	1.67	F = 0.006
Female	1.73	Sig. = 0.18	1.66	Sig. = 0.94
Age				
16-24 years	1.77	F = 2.50	1.69	F = 0.36
25-34 years	1.75	Sig. = 0.029	1.68	Sig. = 0.87
35-44 years	1.65		1.65	
45-54 years	1.62		1.61	
55-64 years	1.49		1.63	
Over 64 years	1.63		1.63	
Marital status				
Single	1.74	F = 0.88	1.71	F = 0.97
Married without children	1.73	Sig. = 0.44	1.60	Sig. = 0.40
Married with children	1.65		1.63	
In a partnership	1.71		1.65	
Education				
Secondary/vocational school	1.67	F = 3.32	1.59	F = 2.50
High school	1.66	Sig. = 0.019	1.65	Sig. = 0.05
Graduate	1.72		1.67	
Post-graduate	1.96		1.87	
Proximity to tourism areas				
Close	1.77	F = 1.58	1.72	F = 0.61
Middle	1.58	Sig. = 0.205	1.60	Sig. = 0.542
Far	1.71		1.66	

The results of the bivariate analysis show a low influence of the population's socio-demographic characteristics on the attitudes regarding tourism development through events and sport activities. According to the ANOVA test, in the case of education we can find significant differences in attitudes; people with a higher education have a less positive attitude regarding the effect of both events and sport activities on tourism development. There is also a significant relationship between the age of respondents and the attitude regarding a positive influence of events on tourism development (sig.<0.05). We can notice that the attitudes towards the effect of events on the local community are positive especially in the case of elder citizens. For the rest of socio-demographic characteristics differences are not statistically significant (sig.> 0.05).

As the local population of Brasov has very positive attitudes regarding the impact of events and sports activities on the tourism development, we consider that the organization of the European Youth Olympic Winter Festival - 2013 is a promising opportunity to boost local tourism, which should be welcomed by local residents. In this respect, the next step of our analysis focuses on the notoriety of this event among Brasov citizens.

Table 3: Residents' awarness concerning Brasov EYOWF 2013

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	687	51,8	52,6	52,6
	Yes	619	46,7	47,4	100,0
	Total	1306	98,5	100,0	

Missing	99,00	20	1,5		
Total		1326	100,0		

Despite the short time left till the EYOWF 2013 winter edition hosted in Brasov less than half of the interviewed residents are informed about this event (47.4% from the valid answers). This percent could take values between 44.69% and 50.11% at the level of the entire population with a 95% probability. Therefore, in the most optimistic situation, only a half of Brasov's population knows that such an important event will take part in their home town at the beginning of the next year.

The analysis of residents' intention to participate as volunteers in the organization of EYOWF-2013, has shown that only a third of the respondents are hypothetically disposed to attend the event as volunteers. This percent could be between 30% and 36% at the level of the entire population with a 95% probability.

In order to find possible associations between respondents' socio-demographic characteristics and awareness about EYOWF-2013, we processed a Homogeneity analysis, taking into consideration the following variables: monthly income, education, proximity to tourism area, gender and the two dichotomous variables presented above. In this kind of analysis the answer categories are graphically represented by dots. The similar categories placed close together, while objects with different characteristics are relatively far apart.

Figure 2:The homogeneity analysis

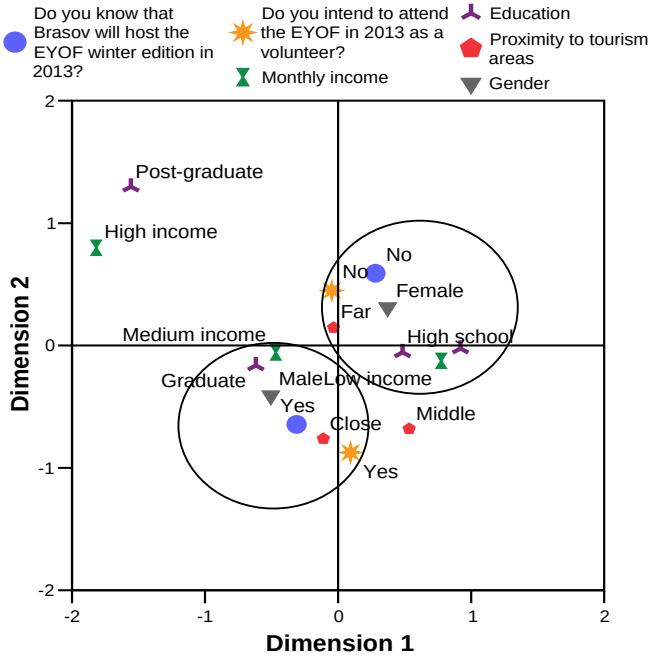
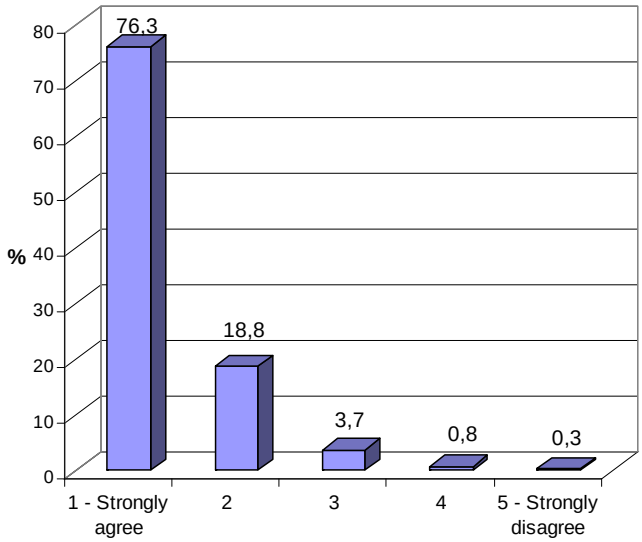


Figure 2 illustrates the characteristics of two groups we have identified. Brasov residents who are familiar with the EYOWF are mainly males, they live close or at a medium distance from tourism areas, they are mostly graduates, with medium incomes and are willing to participate as volunteers in the organisation of this event. The other group is represented by people that didn't hear about the event and are not disposed to attend as volunteers. They are mainly females, living far from tourism areas, have low incomes and lower education. We can also find a certain isolation of post-graduates and people with high incomes that are quite far from both mentioned groups.

In conclusion, Brasov's population is not enough informed about this very important event although there is little time left until its deployment. All these outcomes are related with one of the statements regarding the necessity of a higher involvement of local institutions in tourism promotion.

Figure 3: Residents' opinions concerning the necessity of a higher involvement of local authorities in tourism promotion



As it is illustrated in figure 3, respondents have positive attitudes concerning the improvement of local institutions' involvment in various activities meant to promote local events, places and natural attractions, museums and traditions. Destination planners should consider a better promotion of sport events among residents in order to attract their support as both participants and volunteers.

6. Conclusions

Residents' perceptions are crucial in assisting tourism planners with selection of developments that aim to minimize the negative impacts of events on the local community (Gursoy et al., 2002). From the perspective of tourism destinations sport event tourism implies the development and promotion of event related services which can bring economic and social benefits to the local communities. Understanding the potential impacts of events and how these may impact on residents is a critical aspect of sport tourism event management and planning. However, residents involvement and support is not always immediate, they must be informed by the local authorities concerning the economic and social benefits of the event. Keeping residents informed is an important component in maintaining support, since a lack of information is frequently associated with negative attitudes (Davis et al., 1988; Keogh, 1990; Lankford and Howard, 1994).

The results of our research have shown that Brasov's population is not sufficiently informed about this very important event although there is little time left until its deployment: less than 50% of the respondents are informed about the EYOWF hosting. At the same time, only a third of the respondents are hypothetically disposed to attend the EYOWF as volunteers. However, pressures to appear socially responsible may lead individuals to overstate their commitment in the context of such surveys; therefore we suppose that the percent of citizens who actually want and are able to involve in this event as volunteers is much lower.

The event organizers' dialogue with local residents and uptodate information about EYOWF planning is even more important in the case of Brasov, where communication and exchange of information between citizens and the city administration is close to non-existent and there is wide-spread mutual distrust. We appreciate that the event website section dedicated to volunteer selection from the category "ordinary people living in cities involved in the European Youth Olympic Winter Festival - Brasov 2013" is insufficient; further promotion to this group of residents is needed (in local media and local authorities websites), especially considering the low percent of respondents willing to attend the EYOWF as volunteers. Although the event website gives Brasov residents the opportunity to enrole as volunteers for the EYOWF, the lack of a subscription deadline might be considered as a limitation.

Certain authors believe that by examining and understanding residents' perceptions, event organisers and managers can maximise residents' perceived positive impacts and decrease their perceived negative impacts (Kim & Petrick 2005). A variety of research approaches and many comparisons will be required, from evaluations of those attending events to qualitative studies of what people are looking for,

meanings they attach to their experiences, and influences on future attitudes and behavior (Getz, 2008).

Although it provides a useful insight into residents' knowledge and interest concerning the 2013 EYOWF hosted in Brasov, the present research has certain limitations. The main limit of our study is that it wasn't focused on Brasov residents' attitudes toward the EYOWF 2013 but on their perceptions of local tourism development. Another limit concerns the research focus on Brasov residents, while the local communities from nearby resorts hosting different sport competitions of the 2013 EYOWF have not been taken into consideration. The third limitation of our study is that we have only analyzed residents' knowledge of the event and interest in participating as volunteers, without outlining their perceptions of the event benefits on their community and personal life. Despite these limits, the outcomes of our research show a general interest of local community members towards sport events, which are seen as important promotors of local tourism development. Considering the various international studies investigating the attitudes of the host population with respect to the events and their impacts, we must outline the necessity of further research in Brasov and other host destinations of the 2013 EYOWF sports competitions (Râşnov, Predeal, Azuga and Sinaia) in order to cast some light on residents' opinions, attitudes and behaviour both before the event and after.

7. Acknowledgements

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DEFINING THE COORDINATES OF THE WEB MARKET IN NOWADAYS BUSINESS

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Abstract: *The aim of this paper is to show that the web market is a developing market, which has its special characteristics. We try to present why the standard market analysis approach cannot be implemented for this type of market.*

Keywords: E-commerce, E-commerce Types, Web Market

Jel Clasification: A 11, A 12

Web market is an evolving concept in nowadays world. With the development of the internet and its evolution to the WEB 2.0, which is the more user driven type of internet – as it is the user that further influences the appearance and the suggestions of websites, there was a great increase in the number of e-commerce websites.

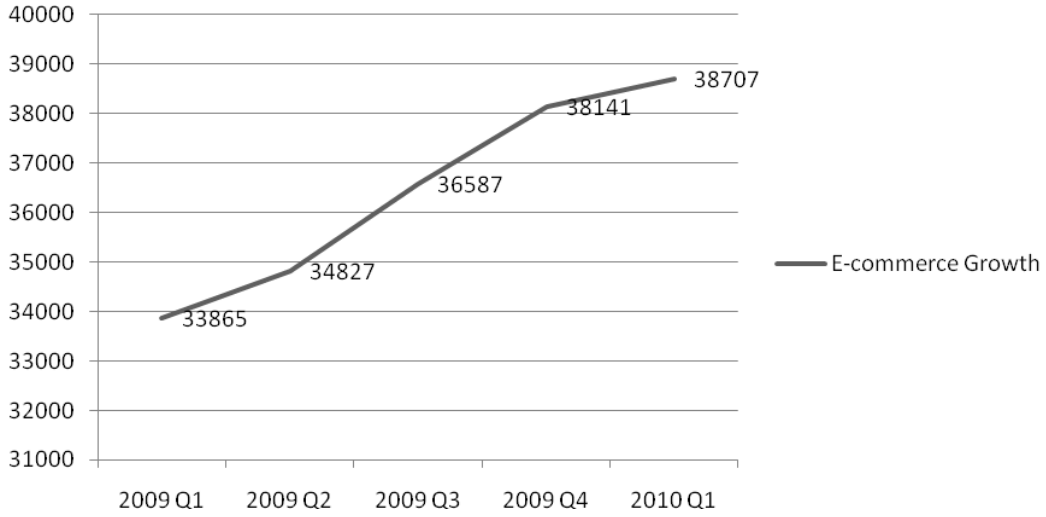
WEB 2.0 internet has given the opportunity for web markets to be closer to their clients' needs. Thus the standard of quality for an e-commerce company has risen, in terms that a website has to be user friendly otherwise it will not be used by the potential customers. (Tim O'Reilly 2005)

The barriers to entry to the web market imply rather low costs, in general, as compared to a real shop or moreover a network of shops. Although the entry costs are quite low on the market, there has already been established a chain of e-commerce websites with large market power.

E-commerce websites are a growing industry and their market share is constantly growing as new people start to put their trust in online sales. The amount of e-commerce sales may vary depending on the type of product they are offering, as some products do not require to be touched or "felt" by the client.

The market size follows a constant growth as we can see in figure 1 presented bellow.

Figure 1: E-commerce Growth in the US, sales volume, milions USD

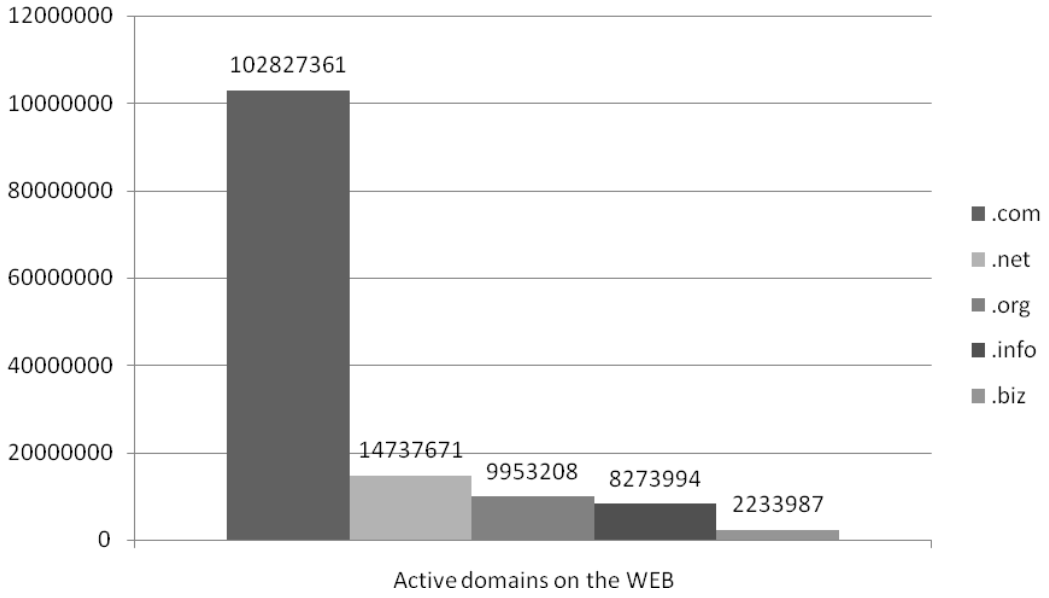


Source: US quarterly retail e-commerce sales 1st quarter 2010 – US Census Bureau

As we can see that even during a year the sales of e-commerce are constantly growing. These numbers mean that a lot of people are starting to trust online purchases if the payment method is easy enough. The figure we presented relies only on e-commerce sales in the US, because the US holds the majority of the registered websites on the web. Thus it is to hold most e-commerce websites. Not to mention the fact that the US are the leading country in innovating sales methods.

The top 5 registered domains, such as .com, .us etc, are presented in the figure 2.

Figure 2: Top 5 Active Domains on the WEB, by the number of registered domains



Source: http://icannwiki.com/index.php?title=Domain_Statistics (last visit 27/04/2012)

Although the .com domain, not necessarily means that it is registered in the US, most of those domains are at least targeted towards the US market. After analysing Figure 2, we can say that the number of registered domains with the domain extension of .com, is strictly superior to the other types of registered domains.

The web market in terms of e-commerce, is a market with specific type of competition, as the prices are transparent and easily compared by the clients, with the help of search engines, such as Google. But since the web market is based on the internet on this market reputation plays a even greater role than on the real market. Customers tend to select the websites they trust, and which already have a good reputation on the market. This can be because clients are paying money for just seeing the picture or the description of the product and a promise that the product will be delivered on time.

E-commerce websites win clients over the real market by a number of significant factors. Most important of those factors are as follows:

- Lower prices than those of the real market;
- Multiple payment methods;
- Home delivery.

Lower prices can be assured by the e-commerce websites due to the lack of costs. These costs which e-commerce doesn't have are related firstly to the lack of huge costs with rent of space for a real shop. Secondly e-commerce companies have less staff then the companies which own a retail store.

Multiple payment methods means that the number of payment methods supported by e-commerce websites is not only great, but also a lot larger than the ones supported by real stores. This can also be related to smaller costs, thus the e-commerce company can delay their revenue gain further and can accept longer credit terms as well as this enables them to accept pay checks.

Some of these payment methods which would not be possible for the real market include third party websites such as paypall.com, which ensures the security of the transaction for a small fee. This type of websites has the role to facilitate further the purchase as well as to make the customer feel more secure about using online payments.

Home delivery is a very important factor to a certain range of customers. Because there are customers who do not have enough time to go to the store themselves to make the purchase. The home delivery system is also a setback for other customers as it takes time, and if the customer is to go to a local retail store the wait associated with the product delivery can be avoided.

The delivery of most of the e-commerce companies is based on the help of fast delivery companies, such as UPS, FedEx, American Express, as well as local mailing system. The fact that

delivery is made by other companies it enables e-commerce businesses to operate world-wide, as the website can be accessed globally. The delivery cost is for fast delivery is usually transferred to the client which in itself enables web-markets to be operating in neighbouring countries as well as the one where it was established.

At this moment we are to assume that every e-commerce company can be considered international by default, which gives out another important role attributed to the web market, its crucial role for the supply chain. As B2B evolved over the years everyone is trying to go into lowering their costs, which will make them more competitive on the local market. Real market stores tend to find the suppliers with the lowest prices possible. This search is what gives B2B an advantage. As you can find every information concerning suppliers on the web and moreover even order online or via e-mail from the desired company (Karthik N.S. Iyer, Richard Germain, Cindy Claycomb 2009). It is even possible to integrate an e-commerce into a store's intranet system to facilitate accounting as well as purchase requests.

It is time that we try to delimitate e-commerce websites into more categories. The categories presented could be used to better understand the role and field of influence of each particular type of category. The categories are as follows:

- Stand Alone E-commerce website;
- The duplicate of a real business on the web;
- Software retail e-commerce;
- Auction type e-commerce;
- Database resellers.

The standalone e-commerce website is the one where it is very complicate to determine its real area of influence because this type of business doesn't have a presence on the real market. An example of a well-known e-commerce of this type is amazon.com. It is a pure e-commerce, thus we cannot truly determine its geographical market.

The duplicate of a real business/store on the web, it is one of the easiest to determine its area of influence it terms of geographic coverage as it is basically the same with the business which it gives an online presence to. For example if we take Wallmart.com its geographic market is the same as is its stores' presence, thus people who buy from walmart.com are the same people who know of the Wal-Mart stores and trust them.

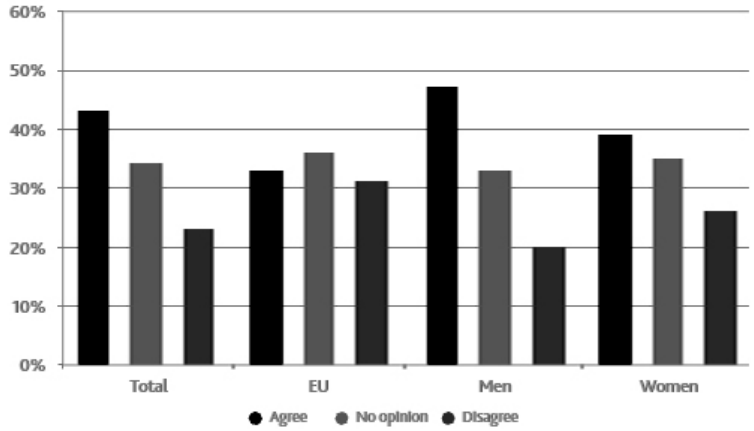
Software retail e-commerce is a specific type, where you cannot really calculate the costs accurately. Because in the costs of product development are in a field of labourand the costs for research and development, which makes it very hard to calculate. An example of such type of e-commerce is kaspersky.com where you can buy software online without customer's country of origin being of any importance.

Auction type e-commerce is basically an e-commerce where clients sell products to other clients, via the principle of the highest bidder. These websites are not a real threat to the real market stores as they mainly sell used items. An example of such e-commerce is ebay.com. Although it started to be selling new items as well as the used ones, the concept of ebay.com is stuck in people's minds as something which sells used items.

Database resellers are the ones that sell statistical data or other types of data to the companies or the clients willing to pay for them. These websites are the ones that sell content so they have a well-defined customer, and are limited geographically to the type of data they sell.

In the following figure we can see the data about people willing to purchase online content if it were easily accessible. This data can show how many clients are willing to buy content online if it is accessible and uses a comfortable type of payment.

Figure 3: Consumers willing to pay for content if has a flexible payment method, percentage



Source: Changing Models: A Global Perspective on Paying for Content Online, Nielsen, February 2010

Although there are many factors which could influence one's opinion about buying online probably the most important is the flexibility of online payments which is reflected in Figure 3.

From the total of consumers that participated in the questionnaire we can see that there are more percentages of people willing to buy online if the website has a flexible payment method, than the ones that disagree to buy online. As well we can observe that the amount of people with no option who, given the correct amount of information could be part of either, is also higher that the amount of the ones that disagree.

The existent market analysis and the tools for the determination of the dominant position cannot be applied accurately to the web market. There are a number of reasons why the web market cannot be accurately analysed using these methods. Firstly most of these tools for market analysis rely on a number of principles which are rather hard to determine for the online market. Among the data required for such an analysis there are things like, market share, geographic location of the market, market size. These factors cannot be precisely calculated for an e-commerce due to the following reasons:

- An e-commerce even though it is established in a country, in may still sell to neighbouring countries, thus is very non discriminative towards the origin of their customer. This makes it quite hard to calculate the accurate and precise market size, as well as the geographic boundaries of the market;
- Being present on the web makes it hard to determine e-commerce's market share as we do not have the data about its market size and even market location. This makes it even more difficult to make a market analysis;
- Even the website extension (such as .com, .ro, .org) do not indicate a lot more about the location of the web company, because a lot of websites to seem global create a .com domain, which makes it even harder to determine the geographical position, if the contact information is not provided on the website.

With this being said we can see why e-commerce requires a new perspective for market analysis. Being a different market first we would have to decide upon the method to successfully delimit its market location and size, and consequentially determine its market share deriving from sales divided by market size.

Conclusions

In conclusion we can say that e-commerce is an emerging market. Selling online gives the companies the opportunity to be present online in practically any country in the world where the website's language is understood.

The flexibility of payment methods makes e-commerce more client-oriented and a lot more versatile for sales. The low costs of maintenance are contributing further to the possibility to create convenient methods of payment for the client.

The Web market is a fast growing market with specific behavior, where reputation is an important asset to the company's credibility. These concepts make it hard to be covered by existing market theories.

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TOURIST DESTINATION IMAGE TROUGH THE IDENTITY OF PERSONALITIES.CASE STUDY: CONSTANTIN BRANCUSI

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Abstract: *In a century dominated by the 3D technology, in which the tourism destination image is determinant in the process of taking the buying decision; it can be stated that sometimes it can take the place of its identity. Thus, an important role is given also to the perception of the image of its personalities. Constantin Brancusi has an important ole among the personalities from Romania, the way in which is perceived the image of the tourism destination Targu Jiu among the visitors can represent a starting point for the development of marketing strategies. The aim of this paper is to identify the role that personalities have in building the tourism destination image.*

Key words: tourism destination, image destination, Constantin Brancusi, tourism form.

JEL classification: M 31

1. Introduction

The permanent changes in the environment in which we live influence the tourists' image on tourist destinations. The image perceived by tourists is a key factor in choosing a certain destination. Each person has in mind a specific image of the destination, the image formed on the basis of those seen in the media, from those heard, read and, in the last instance, on the basis of their own experience, especially in the last two decades when internet access became easier.

The existence of the possibility to choose among several tourism destinations leads to a powerful competition and, further, in establishing and developing strategies for the proper promotion of tourist destination. In order to attract more visitors, it is necessary the existence of a sustainable and competitive advantage, to help making a clear differentiation of the tourist destination.

When choosing tourist destinations, the visitor takes into consideration, firstly, the image formed across the years on them. Depending mainly on this factor, but also on other factors (example, friend's experience), he decides to take into consideration the favorite tourist products, characteristic to that destination. As tourism services are intangible, images become more important than reality (Gallarza et al.; 2002, Kozak and Dekrop 2009).

For the destination to benefit, the images must be different, appealing, simple and most important, credible and based on reality

2. Conceptual framework

The development of tourism from the last decades has offered tourists the possibility to choose among more destinations, so that the challenge to understand the way in which tourists perceive the tourism destination image has become more needed for developing marketing strategies.

Marketing places and destinations are exciting as well as challenging (Fyall et al. 2003; Kozak and Baloglu, 2011). Tourists are becoming more sophisticated and looking for higher standards in quality, innovation and responsiveness as a consequence of developments in technology, increase in mobility and increase in the spread of word-of-mouth communication (Mill and Morrison1992; Kozak and Baloglu, 2011).The globalization has allowed tourists to benefit from tourist products of their country, but also from other countries, some at thousand of miles away.

The destinations should create a competitive advantage by attracting tourists as well as developing and staging memorable experiences as good as or better than competitive destinations (Kozak, and Baloglu, 2011).

Representing one or more attractions, where tourists can consume the biggest part of their financial and time resources (processing after Stancioiu, 2004); the destination elements include (Middleton and Clarke, 2001):

- natural attractions: landscapes, seascapes, beaches, climate, flora and fauna and other geographical features of the destination and its natural resources;
- built attractions: buildings and tourism infrastructure including historic and modern architecture, monuments, promenades, parks and gardens;
- cultural attractions: history and folklore, religion and art, theatre, music, dance and other entertainment, and museums;
- social attractions: way of life and customs of resident or host population, language and opportunities for social encounters.

Places differ in their histories, cultures, politics, leadership and particular ways of managing public-private relationships (Kotler et al., 2002).

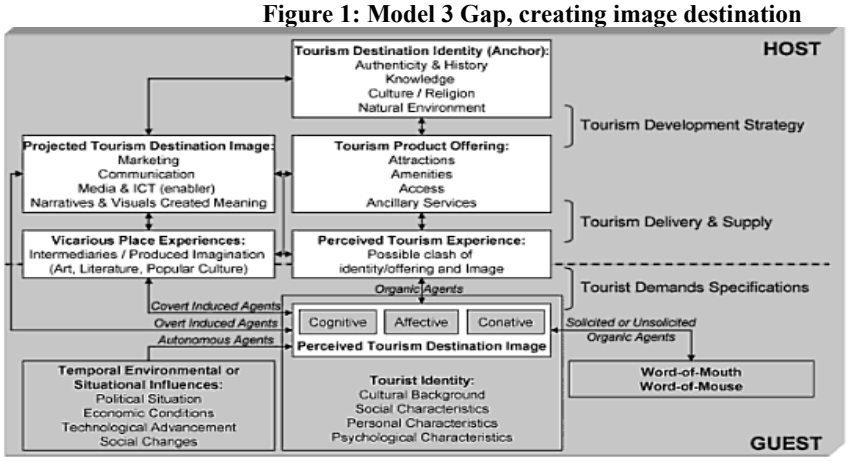
Regions are in a permanent competition to attract tourists, trying to identify always new elements contributing to the existence of their needs and also to find solutions to provide them with what they need even before they know this. Many times consumers have certain needs hidden, that they have not recognized but with the time passing they come to the surface and is necessary the existence of tourist products that satisfy these needs.

Another challenge is the creation and strengthening the image of a destination, there are numerous definitions regarding this concept. Destination image should be envisioned as consisting of two main components; those that are attribute based and those that are holistic (Echtner and Brent, 2003). The important role of destination image, both in terms of understanding travel behavior and in designing effective tourism marketing strategies, underscores the need to develop methodologies to comprehensively and accurately measure the concept (Echtner and Brent, 2003).

Destination image characteristics can be classified as functional, (e.g. climate, prices, roads, nightlife, mental picture of physical characteristics) and psychological (e.g. friendly people, generally safe, general feelings and impression of the atmosphere of the place. (Chen, 2006).

In order to create efficient strategies for the destination image it is necessary to understand the way in which is formed the image of a tourist destination, extremely useful is the model 3GAP (figure 1).The model tries to deconstruct destination image formation and identify those elements that have a dynamic influence on how destination image is formulated in the mind of the consumer (Kozak and Decrop, 2009).

Figure 1: Model 3 Gap, creating image destination



Source: Metin Kozak, Alain Decrop, Handbook of tourist behavior: theory & practice, Routledge, 2009, p.36

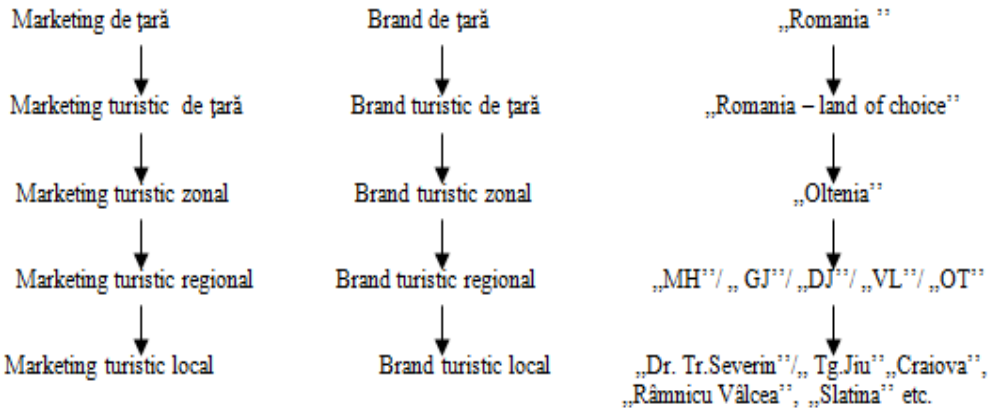
Tourists give consciously or in their subconscious, a crucial importance of the concept of destination image in the moment in which they start making plans for vacation. Starting from this concept there will be taken all decisions on purchasing tourist products. All destinations have images, often based more on historic rather than current events, and it is an essential objective of destination marketing to sustain, alter or develop images in order to influence prospective buyers' expectations (Middleton and Clarke, 2001).

In order to clarify the image of a tourist destination, starting from the specificity of the image perceived by residents of different regions is necessary to further study the image perceived by unknown persons: (tourists or visitors, respectively temporary users), the non-travelers (those who do not wish to visit the destination at least in the period immediately from emotional and rational reasons), then by those returning (those who keep in memory certain images and then compare them with the existing image) and finishing with those perceived by professionals who notice, analyse and then create artistic and psychological images) (Stancioiu et al.,2011).

Tourist destinations increasingly embrace branding techniques to develop unique positions, identities, and personalities in a highly competitive environment at national and international levels (Kozak and Baloglu, 2011).

According to Stancioiu et al. the „family of brands" it is extremely important in creating the identity of a region (Stancioiu et al. 2011). For creating the tourist brand „ Oltenia", important are, firstly, the brand „Romania", the country tourist brand (with the logo „Romania land of choice"), the brand Transylvania, the brand Moldova, the brand of Banat, the brand of Muntenia, the brand of Dobrogea, then the brands from Oltenia (Mehedinti, Gorj, Dolj, Olt and Valcea), the brands of local communities (Drobeta Turnu-Severin, Orsova, Strehaia, Targu-Jiu, Tismana,Craiova,Calafat, Slatina, Ramnicu Valcea, Calimanesti, Caciulata, Horezeu etc) and the brands of local/individual associations of promoting tourism in Romania (Stancioiu et al.,2009).

Figure 2: The family of tourist brands of the tourist brand Oltenia



Source: Stancioiu A.-F., Pargaru, I.,Mazilu,M. (2009):„ Brandul destinatiei-cateva repere conceptual-metodologice in marketingul destinatiei", proceedings of The Second International Tourism Conference „Sustainable Mountain Tourism – Local responses for Global Changes", Eselnita, publicat in Editura Universitaria,Craiova,2009,p.288

On the basis of the designed brand identity, as well as trough communication strategies developed by the marketer of tourist destination, the tourist creates an image of the destination, image which constitutes an important factor in the future choice. The satisfaction or insatisfaction that the tourist is feeling regarding a tourist product depends largely on the expectations that he has had concerning that destination, the destination image previously owned by him and the way he perceived the performance at destination (Pike, 2002, Stancioiu, 2011).

The micro destination Oltenia, trough it's positioning, cultural traditions, historical monuments, its personalities, benefits from ideal conditions for building a special image of the destination. Oltenia is well known for the personalities born in this area. An important personality of this area is Constantin Brancusi, the biggest Romanian sculptor, and one of the founders of modern art.

Tourists can be influences in the image they have on the tourist destination, among other elements, as sacred places, and also by important personalities. Sacred places are revered, not only in real life but also in advertising, since they are immediately recognizable, highly visible and normally connote positive values. (Solomon et al., 2006). In commercial terms, the art revitalize the tourism product, sharpens its market appeal, give new meaning to national character, and permit much tighter sales and promotional efforts. Simply stated, the arts, as an element of tourism, improves the product and strengthens its appeal, making tourism saleable (Zapped and Hall1992; Smith, 2009).

In this context, we can take into consideration the personality Constantin Brancusi as an essential factor in determining the image of the tourist destination Targu-Jiu in parallel with the fact that the Monumental Ensemble Heroes Path is located here.

In the sense of those explained by DEX, Constantin Brancusi is a „ person with outstanding skills and special intellectual and moral qualities, which makes and performs in a practical way trough the success in a certain activity domain." He has been regarded from more perspectives, considered by the musician Erik Satie as being the „brother of Socrates" showing polyvalent personality." Man of unshakable principle, a peasant prince by his own description, subtle of mind, radically modern in his work, Constantin Brancusi (1876-1957) brought to twentieth-century a unique body of work and wisdom that command heartfelt respect.(Lipsey,1997). By its entire work, and personality Constantin Brancusi is part of the big gallery of Romanian personalities, occupying the ninth place in the campaign „Great Romanian", together with personalities as Stefan cel Mare, Mihai Eminescu, Mircea Eliade etc.

3. Methodological and operational framework

The purpose of the research was carried out to assess the way in which tourist destination image can be perceived by tourists through the identity of an outstanding personality from the modern art world, Constantin Brancusi, and to identify new elements that provide the basis for future marketing strategies of the destination.

The research has been performed in the period January 2012- April 2012 on a sample of 820 young people, actual and potential tourists, with higher education in promoting, with an age between 20-25 years.

The main objectives of the research were:

a) identifying of the information known about Constantin Brancusi;
b) to catch the feeling inspired by the works of Constantin Brancusi;
c) identifying the way in which tourists perceive the city, inhabitants and tourist services;
d) identifying the importance given to the works of Constantin Brancusi in promoting the tourism image of the city Targu-Jiu.

The method used was the statistical survey and the instrument use was the written questionnaire, semi structured, completed by the respondent.

Disciple of Auguste Rodin, Constantin Brancusi was born on February 18, 1876 in Hobita (Gorj County) and died on 16 March 1957 in Paris. Moving to Paris in 1904 brought the sculptor worldwide notoriety, his works being appreciated both in France and in the United States of America.

Of the works of Constantin Brancusi, we remember: the Kiss (1907), Prayer (1910), Pasarea Maiastra (1910), Miss Pogany (1912-1933), the Bust of Dr. Carol Davila.

The monumental ensemble located in the central park of Targu-Jiu, is well known worldwide, being part of the great gallery of artistic ensembles. At the request of the National League of the Women from Gorj, Brancusi has sculpted the pieces in honour of the heroes dead in the battle field of the war for bringing together Romania.

The complex comprises: The Gate of the Kiss, about which Mircea Eliade was saying that „it has in the life of the Romanian people the role of a magic creature, that watches to all the important acts from a persons' life:, the Silence Table, measure the time passing, and the Endless Column, considered in 2007 by Unesco as being" not only a masterpiece of modern art but also an extraordinary engineering work".

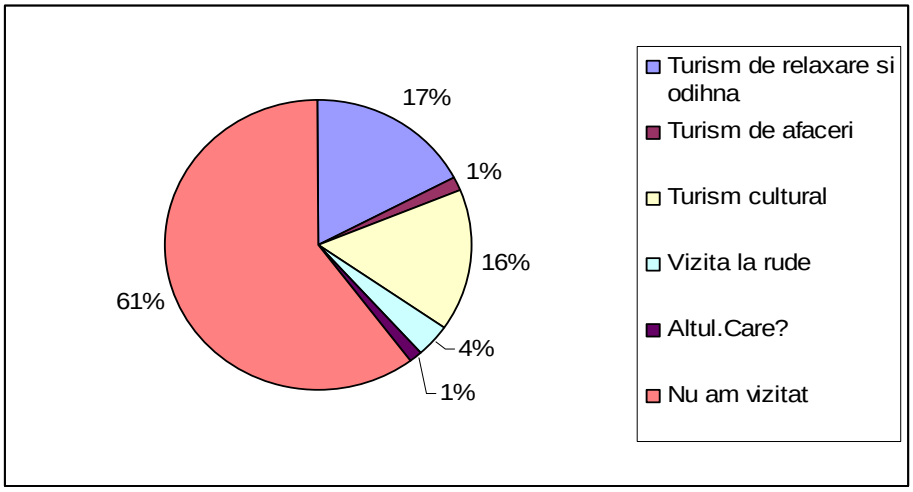
Across the time numerous authors have given a special attention to the complex, considering it either as symbolizing „in a triptych concentration: the mystery of sacrificial love, of Easter joy and eternal light" (Daniel 2007, Stancioiu et al. 2011), or as the cosmic representation of human life, starting from birth, continuing with marriage and ending with death.

The city Targu-Jiu is the residence of the Gorj County, its name coming from the river Jiu and it had been mentioned for the first time in the year 1406, under the name Jiul, in a demand given to the monastery Tismana by the voivode Mircea cel Batran.

The ensemble of Constantin Brancusi is, in great-extend, the most important tourist objective of Romania being well known worldwide due to the notoriety of the works of the great sculptor.

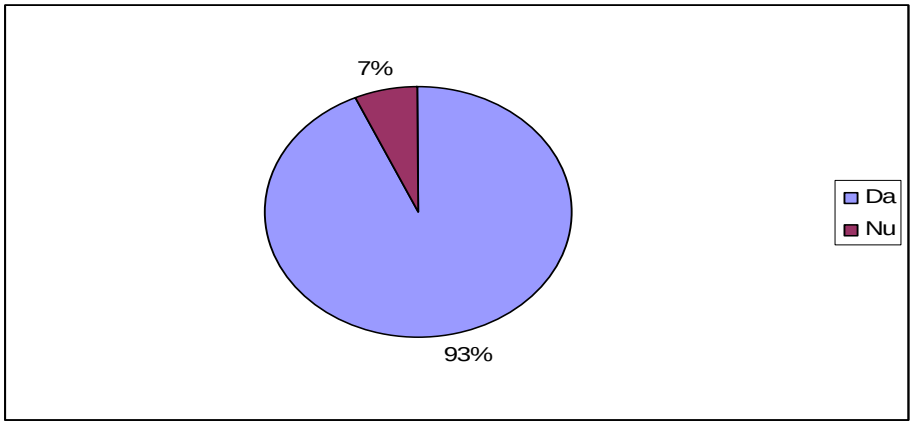
The city of Targu-Jiu owns a lot of heritages, a fact confirmed by the results of the research (the primary reason for the visit was relaxing and leisure tourism 17%, followed by 16%, cultural tourism , visit to relatives and friends 4% and business travel1%) , while 61% of the respondents have not visited the city of Targu-Jiu (figure 3). 72% of respondents who have not visited the city of Targu-Jiu wished to visit at some point the city while 28% are not interested in a possible visit.

Figure 3: The distribution of the tourism forms for the city Targu-Jiu in respondents' perception



An important element of the research regards the respondents' knowledge about Constantin Brancusi and the association of personalities with the area. Thus, 93% of the respondents have heard about Constantin Brancusi (figure 4). A large proportion which may encourage the marketer to develop positioning strategies for the tourist destination Targu Jiu which is the starting point for marketing strategies specific to tourist product/products.

Figure 4: The distribution of the answers concerning the notoriety of Constantin Brancusi

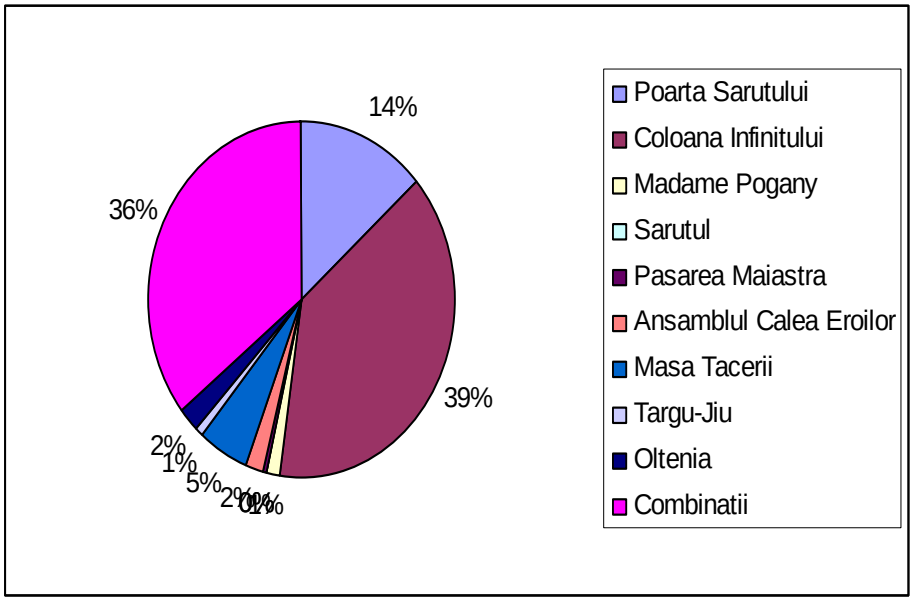


The results of the research have highlighted that of those 93% that answered that they have heard about Constantin Brancusi only 43% know the fact that the great sculptor was born in Hobita, Gorj county, while 49% answered they did not know, 7% with Curtea de Arges and 1% with Curtisoara.

This fact can be explained either through the lack of an efficient promotion, made by the local administration o the locality Hobita or of the city Targu-Jiu, either through the lack of promoting in general all the elements concerning Constantin Brancusi.

In what regards the association of Constantin Brancusi with its own works, from the research it has been concluded that 39% associate its image with the Endless Column, 36% have chosen various combinations of its works, 14% with the Gate of the Kiss, 5% with Silence Table, 2% with the Heroes Path Ensemble, 2% with Oltenia, 1% with the city Targu-Jiu (figure 5).

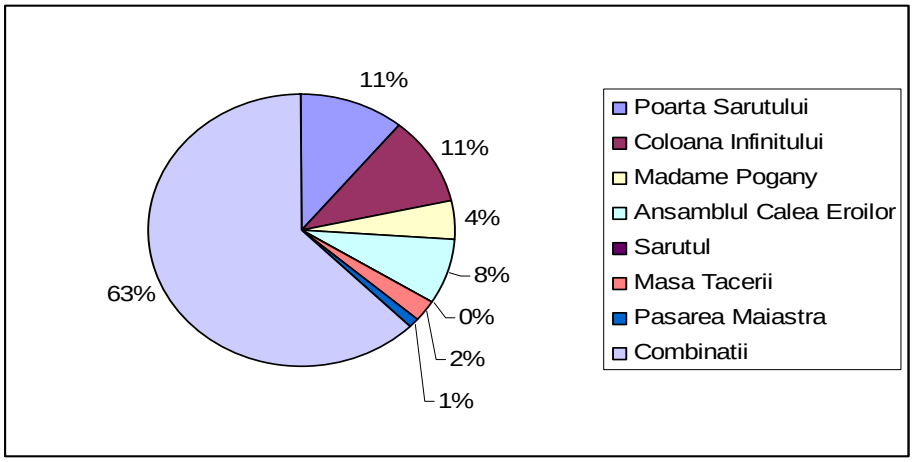
Figure 5: The distribution of answers concerning the association of the works with Constantin Brancusi



Concerning the works visited, there have been obtained the following results: 63% of those that have passed through the city Targu-Jiu have visited not one work but more, while the rest have chosen

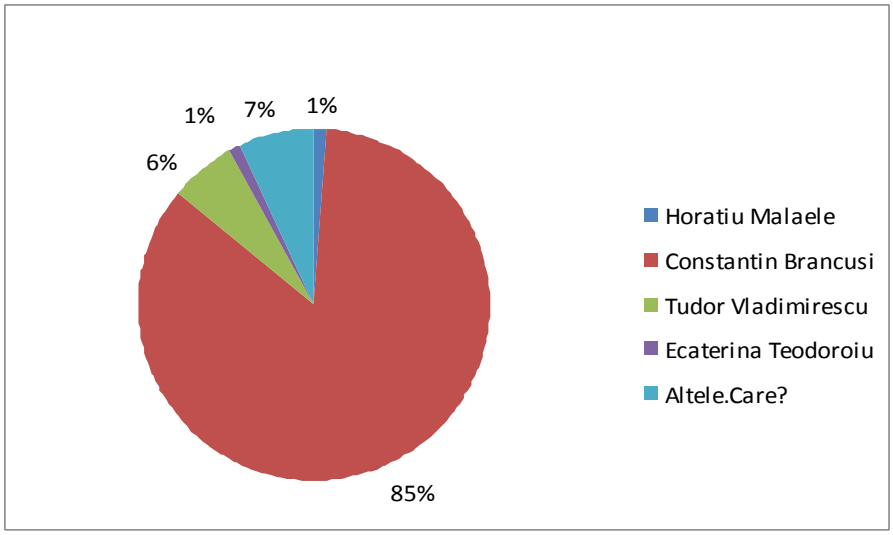
one work as it follows: 11% have visited the Endless Column, other 11% have visited the Gate of the Kiss, 8% the Monumental Ensemble Heroes Way, 2% Silence Table (figure 6).

Figure 6: The distribution of answers regarding the works visited by the respondents



Other personalities that define the area, reminded in the research are: Tudor Vladimirescu, Ecaterina Teodoroiu, Horatiu Malaele. From the research it shows that 85% of the respondents associate the area with Constantin Brancusi, 6% with Tudor Vladimirescu, 1% with Horatiu Malaele, 1% with Ecaterina Teodoroiu, while 7% of the respondents had another option (Figure 7).

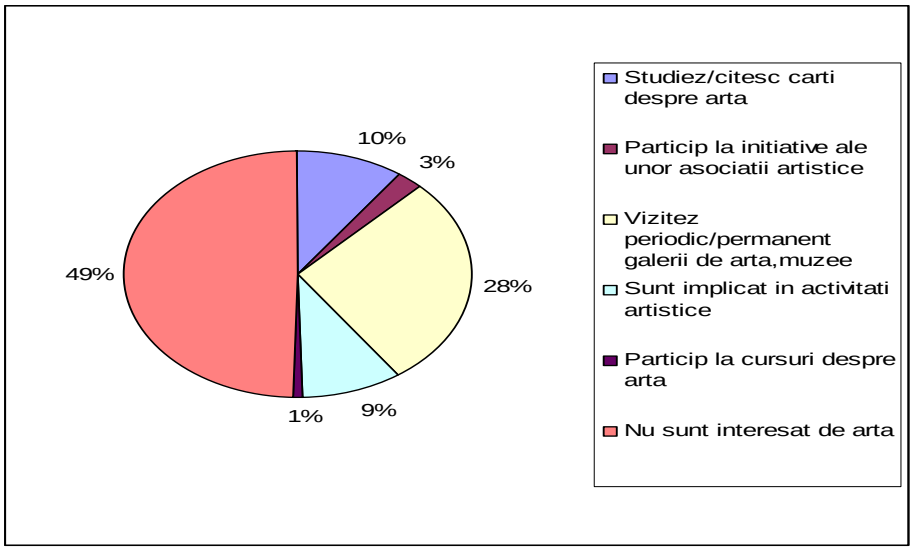
Figure 7: The distribution of answers concerning the association of the area with important personalities



The high percentage reconfirms the idea of Lipsey who has stated that Brancusi has given „ to twentieth-century a unique body of work and wisdom that command heartfelt respect". (Lipsey, p.225)

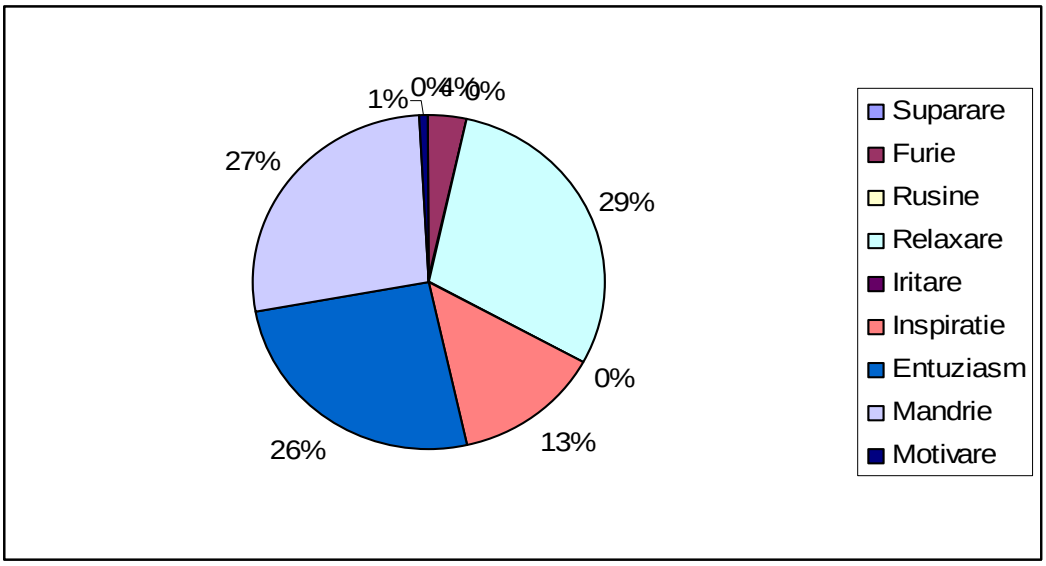
In order to understand better the connection between personalities and the determination of destination image decisive are the results regarding the interest for art of the respondents. Thus, 51 percent of those surveyed have different activities related to this field, of which :28% visit regularly/permanently art galleries, museums; 10% read books about art, 9% are involved in artistic activities, 3% participate in the initiative of artistic associations and 1% participate in courses about art.(Figure 8)

Figure 8: Distribution of the answers concerning the interest for art of the respondents



An important role in the creation of the tourist destination image is had by feelings of those who have visited the works placed in the city of Targu Jiu, as part of their experience. Therefore, it results that the majority (29%) had a feeling of relaxation, at little distance was the feelings of pride (27%), excitement (26%), some of inspiration (13%) and motivation (1%) (figure 9).

Figure 9: The distribution of the answers concerning the feelings of the respondents towards the works visited



The importance of the works for the image of the city Targu-Jiu comes also from the answers given to the question concerning the fact that a proper promotion of the brand Constantin Brancusi could increase the interest of possible visitors for the city Targu-Jiu, 97% of the respondents answered that they consider that realizing such a promotion could bring more tourists to the city Targu-Jiu.

4. Conclusions

The research performed has underlined the fact that 97% of the respondents have heard of Constantin Brancusi and the fact that 85% of them associate Brancusi with the area, confirm the increased importance that a personality can have , such as that of Constantin Brancusi in building the image of a tourist destination, besides other elements of attraction, natural and human.

Taking into account the fact that 18% of those who have visited have opted for a form of tourism "loisir, recreation and leisure ", 16% for cultural tourism and taking into consideration that 50% of the respondents have activities related to art, it can be asserted that in drawing up product strategies specific for the tourist destination Targu Jiu, it must be taken into consideration equally, the tourism of loisir, recreation and leisure and the cultural one.

The fact that 97% of the respondents answered that they consider that a proper promotion of the brand of Constantin Brancusi could increase the interest of visitors towards the city Targu-Jiu confirms the necessity of concentrating the attention and efforts of the marketer for developing, trough proper strategies, of all the elements that can be related to the personality of Constantin Brancusi (inclusively souvenirs).

Moreover, considering that the destination is represented by natural, human attractions, infrastructure, tourist structures, as well as of persons, it can be concluded that, in the case of Targu-Jiu, the main determinant in building the tourist destination image is represented by the personality of the great sculptor Constantin Brancusi, all other attractions spinning around it.

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THE IDENTIFICATION OF THE MARKETING APPROACHES USED IN THE ROMANIAN BANKING SECTOR - A MARKETING RESEARCH -

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Abstract: *The banking sector is by no means the most important pillar of any economy. Any organisation needs a bank to conduct its activity and any individual interact with a bank or several at least to pay the bills, save and borrow. The purpose of this research is to identify the marketing approaches of the Romanian banks in relation to aspects of this competitive industry. The main conclusion of this study is that the Romanian banks use a significant number of marketing approaches covering all aspects of the business, some bearing similarities in the industry, while others striking through their uniqueness.*

Key words: Marketing, secondary data, Romanian banks

JEL classification: M 31

1. Introduction

The banking sector is the backbone of any economy. A bank can lend a state, supports the activity of any organisation and assists every individual in various ways, providing a wide array of services.

Offering services to organisations and individuals, and in some instances to a particular state, a bank must be able to make sound marketing decisions which can be very different and difficult considering the aforementioned types of prospects and the highly competitive banking industry. The banks must be able to adapt, change strategies, release products and services and predict new needs to provide attractive offers to customers (Avram, Furdui & Preda, 2010).

The purpose of this research is to identify the marketing approaches of the Romanian banks in relation to all aspects of this business. In order to reach this goal we considered necessary at this stage to design and conduct a study based on the analysis of secondary data.

The research was conducted based on a model developed and tested by the authors commencing with 2009. The model was initially designed based on the work lead by Prof. Cătoiu (Cătoiu, et al., 2002) and subsequently developed and tested by the authors in studies about the professional marketing services (Edu & Negricea, 2011) and internet services (Cătoiu, Edu & Negricea, 2011).

For this study the model was adapted to the peculiarities of the banking industry.

2. Research methodology

1. Research purpose

   The identification of the marketing approaches used by the Romanian banks.

2. Research objectives
   - 2.1 The identification of the marketing approaches in relation to the marketing environment
   - 2.2 The identification of the marketing approaches in relation to the determination of the buying behaviour on the market
   - 2.3 The identification of the marketing approaches in relation to the product policy
   - 2.4 The identification of the marketing approaches in relation to the price policy

2.5 The identification of the marketing approaches in relation to the marketing communication
2.6 The identification of the marketing approaches in relation to the distribution policy
2.7 The identification of the marketing approaches in relation to the personnel policy
2.8 The identification of the marketing approaches in relation to the location

3. Research hypotheses

3.1 The Romanian banks gather information about the marketing environment related to:
- 3.1.1 industry/market features and tendencies
- 3.1.2 acquisitions and diversification
- 3.1.3 market share
- 3.1.4 suppliers and partners
- 3.1.5 Corporate Social Responsibility endeavours

3.2 The Romanian banks collect information about the buying behaviour in relation to:
- 3.2.1 brand perception (bank and products)
- 3.2.2 brand attitude (bank and products)
- 3.2.3 buying motives
- 3.2.4 product satisfaction
- 3.2.5 buying behaviour
- 3.2.6 buying intentions
- 3.2.7 segmentation studies
- 3.2.8 target markets
- 3.2.9 brand positioning
- 3.2.10 fidelity tactics and consumer reactions

3.3 The Romanian banks' marketing approaches in relation to the product policy can be found in one or more of the following categories:
- 3.3.1 concept development and testing
- 3.3.2 brand name generation and testing
- 3.3.3 a test market
- 3.3.4 product portfolio analysis
- 3.3.5 underperformed products
- 3.3.6 products launched in cooperation with other financial institutions
- 3.3.7 offer analysis on B2C, B2B, B2G
- 3.3.8 product assortment
- 3.3.9 working/ transaction hours
- 3.3.10 transparency in offer presentations
- 3.3.11 perception about usage safety of bank products
- 3.3.12 online applications used for client informing and persuading/ offer description/ product usage

3.4 The Romanian banks pursue marketing approaches for the price policy in the following areas:
- 3.4.1 cost analysis for products/ services/ departments
- 3.4.2 profit analysis for products/ services/ departments
- 3.4.3 bank interest flexibility
- 3.4.4 bank commissions
- 3.4.5 debt re-planning
- 3.4.6 demand analysis: market potential; sales potential; sales forecasting
- 3.4.7 disclosure of costs to clients

3.5 The Romanian banks consider marketing communication approaches related to:
- 3.5.1 motives which determine the choice for a means of communication

3.5.2 mass communication means
3.5.3 advertising message
3.5.4 advertising effectiveness: before/after broadcasting
3.5.5 events, fairs, exhibitions etc
3.5.6 sponsorships
3.5.7 promotional instruments such as special offers, prizes, coupons etc
3.5.8 brands: awareness, trust, loyalty etc

3.6 The Romanian banks use distribution approaches which cover the following areas:
3.6.1 channel performance: partners, dealers, ATMs
3.6.2 channel coverage
3.6.3 ATM deployment
3.6.4 ATM network effectiveness
3.6.5 international cooperation
3.6.6 distribution effectiveness in relation to organisations and individuals
3.6.7 online banking
3.6.8 mobile banking
3.6.9 sales force

3.7 The Romanian banks consider marketing approaches in relation to the personnel policy which could refer to:
3.7.1 recruitment policy
3.7.2 training and courses
3.7.3 remuneration systems (flat wages, commissions etc.)
3.7.4 procedures/ methods/ techniques used to interact with clients
3.7.5 studies on staff
3.7.6 satisfaction related to working conditions/ career development
3.7.7 managerial processes and relations
3.7.8 organisational culture and its forms

3.8 The Romanian banks pursue marketing approaches in relation to the location in the following areas:
3.8.1 location selection for subsidiaries
3.8.2 office placement
3.8.3 office design
3.8.4 online presence

4. Research variables

Table 1: Research variables

Variable	Definition	Directions for this research
Marketing approaches	Objectives, strategies and tactics used in order to create and deliver value to customers in order to gain value in return	Objectives, strategies and tactics pertaining to: - business/ economic environment or company - buying behaviour - product - price - marketing communication - distribution - personnel - location
Marketing environment	The sum of forces which act in a direct or indirect manner upon the organisation	Information about: - industry/market features and tendencies - acquisitions and diversification - market share - suppliers and partners

		- Corporate Social Responsibility endeavours
Buying behaviour	The sum of individual or group decisions directly connected to the acquiring and use of goods and services for the satisfaction of the current and future needs, including decision processes which precede and determine these acts	Information about: - brand perception (bank and products) - brand attitude (bank and products) - buying motives - product satisfaction - buying behaviour - buying intentions - segmentation studies - target markets - brand positioning - fidelity tactics and consumer reactions
Product	The product, service, idea or combination of these with which the organisation is present on the market	Information about: - concept development and testing - brand name generation and testing - a test market - product portfolio analysis - underperformed products - products launched in cooperation with other financial institutions - offer analysis on B2C, B2B, B2G - product assortment - working/ transaction hours - transparency in offer presentations - perception about usage safety of bank products - online applications used for client informing and persuading/ offer description/ product usage
Price	The sum of money which must be paid by the buyer to the seller in order to acquire the offer	Information about: - cost analysis for products/ services/ departments - profit analysis for products/ services analysis: market potential; sales potential; sales forecasting - disclosure of costs to clients / departments - bank interest flexibility - bank commissions - debt re-planning - demand
Marketing communication	The endeavours in which the prospect is informed about the organisation's offer and persuaded to purchase it	Information about: - motives which determine the choice for a means of communication - mass communication means - advertising message - advertising effectiveness: before/after broadcasting - events, fairs, exhibitions etc - sponsorships - promotional instruments such as special offers, prizes, coupons etc - brands: awareness, trust, loyalty etc
Distribution	The processes and routes through which an offer reaches a client	Information about: - channel performance: partners, dealers,

		ATMs - channel coverage - ATM deployment - ATM network effectiveness - international cooperation - distribution effectiveness in relation to organisations and individuals - online banking - mobile banking - sales force
Personnel	The function and processes which handle recruitment, training and compensation of staff	Information about: - recruitment policy - training and courses - remuneration systems (flat wages, commissions etc.) - procedures/ methods/ techniques used to interact with clients - studies on staff - satisfaction related to working conditions/ career development - managerial processes and relations - organisational culture and its forms
Location	The process involved in choosing the placement and designing the interior of an office	Information about: - location selection for subsidiaries - office placement - office design - online presence

5. Population

The researched population is represented by the banks registered in Romania.

6. Secondary data study guide

The study guide was designed in accordance with the research purpose and objectives. This guide was structured in the following chapters:

- business/economic or company
- buying behaviour
- product
- price
- marketing communication
- distribution
- personnel
- location

For each section, the study guide had the following structure:

Table 2: Business/economic or company research

Business/economic or company- information about:							
Features of the industry/market and tendencies on it	Acquisitions and diversification	Market share	Suppliers and partners	Corporate Social Responsibility endeavours	Other	Description	Source

Table 3.1.: Buying behaviour research

Buying behaviour- information about:

Brand perception (bank and products)	Brand attitude (bank and products)	Buying motives	Product satisfaction	Buying behaviour	Buying intentions	Segmentation studies	Target markets	Brand positioning

Table 3.2. Buying behaviour research

Buying behaviour- information about:				
Brand positioning	Fidelity tactics and consumer reactions	Other	Description	Source

Table 4.1.: Product research

Product- information about:							
Concept development and testing	Brand name generation and testing	A test market	Product portfolio analysis	Underperformed products	Products launched in cooperation with other financial institutions	Offer analysis on B2C, B2B, B2G	Product assortment

Table 4.2.: Product research

Product- information about:						
Working/ transaction hours	Transparency in offer presentations	Perception about usage safety of bank products	Online applications used for client informing and persuading/ offer description/ product usage	Other	Description	Source

Table 5: Price research

Price- information about:									
Cost analysis for products/ services/ departments	Profit analysis for products/ services/ departments	Bank interest flexibility	Bank commissions	Debt re-planning	Demand analysis: market potential; sales potential; sales forecasting; price sensitivity	Disclosure of costs to clients	Other	Descri ption	Source

Table 6.1: Marketing communication research

Marketing communication- information about:				
Motives which determine the choice for a means of communication	Mass communication means	Advertising message	Advertising effectiveness: before/after broadcasting	Events: fairs, exhibitions etc

Table 6.2: Marketing communication research

Marketing communication- information about:					
Sponsorships	Promotional instruments such as special offers, prizes, coupons etc	Brands: awareness, trust, loyalty etc	Other	Description	Source

Table 7- Distribution research

Distribution- information about:											
Channel performance: partners, dealers, ATMs	Channel coverage	ATM deploy-ment	ATM network effective-ness	International cooperation	Distribution effectiveness in relation to organisations and individuals	Online banking	Mobile banking	Sales force	Other	Descrip-tion	Source

Table 8.1- Personnel research

Personnel- information about:				
Recruitment policy	Trainings and courses	Remuneration systems (flat wages, commissions etc)	Procedures/ methods/ techniques used to interact with clients	Studies on staff

Table 8.2- Personnel research

Personnel- information about:					
Satisfaction related to working conditions/ career development	Managerial processes and relations	Organisational culture and its forms	Other	Description	Source

Table 9: Location research

Location- information about:						
Location selection for subsidiaries	Office placement	Office design	Online presence	Other	Description	Source

7. Sources of secondary data

The secondary data sources were structured in several chapters to facilitate the study:

7.1 Web sites of banks
7.2 Web sites of regulatory institutions
7.3 Reports and statistics issued by public and private institutions
7.4 News Web portals
7.5 Newspapers
7.6 Specialised publications in banking
7.7 Specialised web sites in banking

8. Research conclusions

After analysing the secondary data sources, 628 relevant references were identified. These references were analysed using the subcategories of the study guide.

In order to match these references with the research objectives, each objective was analysed considering on one hand the predefined subcategories and on the other hand the "other" subcategory.

Objective no. 1- The identification of the marketing approaches in relation to the marketing environment

After analysing the data it was concluded that this objective had been accomplished. In this regard it can be said that the Romanian banks gather information about the marketing environment related to:

- industry/market features and tendencies
- acquisitions and diversification
- market share
- suppliers and partners
- Corporate Social Responsibility endeavours

The hypothesis formulated for this objective was entirely confirmed because the findings were placed within the pre-established subcategories.

Objective no. 2- The identification of the marketing approaches in relation to the determination of the buying behaviour on the market

The analysis of the gathered data concluded the accomplishment of this objective. The Romanian banks collect data about the buying behaviour in relation to:

- brand perception (bank and products)
- brand attitude (bank and products)
- buying motives
- product satisfaction
- buying behaviour
- buying intentions
- segmentation studies
- target markets

- brand positioning
- fidelity tactics and consumer reactions

The collected data displayed also marketing approaches pertaining to *buying benefits.*

The hypothesis formulated for this objective was partially confirmed because other findings were uncovered as well.

Objective no. 3- The identification of the marketing approaches in relation to the product policy

The analysis of the collected data concluded the accomplishment of this objective. The Romanian banks make product decisions which extend to the following categories:

- concept development and testing
- brand name generation and testing
- a test market
- product portfolio analysis
- underperformed products
- products launched in cooperation with other financial institutions
- offer analysis on B2C, B2B, B2G
- product assortment
- working/ transaction hours
- transparency in offer presentations
- perception about usage safety of bank products
- online applications used for client informing and persuading/ offer description/ product usage

Other product-related marketing approaches were displayed by the collected data, grouped as follows: *product adaptation (product simplification / product automation / product integration), new services/products launching campaigns offers for newly wedded people; new products, such as EURO ATMs and bank cards with photos; business loans.*

The hypothesis formulated for this objective was partially confirmed because other marketing approaches were found besides the ones asserted in this hypothesis.

Objective no. 4- The identification of the marketing approaches in relation to the price policy

The analysis of the collected data concluded the accomplishment of the 4th objective. The Romanian banks pursue price-related marketing approaches which cover the following areas:

- cost analysis for products/ services/ departments
- profit analysis for products/ services/ departments
- bank interest flexibility
- bank commissions
- debt re-planning
- demand analysis: market potential; sales potential; sales forecasting
- disclosure of costs to clients

In accordance with the collected data in the "other" subcategory, the Romanian banks are also interested in *analyses of exchange rates*

The hypothesis formulated for this objective was partially confirmed because the collected data displayed also marketing approaches which were not found in the pre-established subcategories.

Objective no. 5- The identification of the marketing approaches in relation to the marketing communication

Based on the analysis of the collected data, the 6th objective was accomplished. The collected data reflect that the Romanian banks pursue marketing approaches related to the marketing communications concerning:

- motives which determine the choice for a means of communication

- mass communication means
- advertising message
- advertising effectiveness: before/after broadcasting
- events, fairs, exhibitions etc.
- sponsorships
- promotional instruments such as special offers, prizes, coupons etc.
- brands: awareness, trust, loyalty etc.

Other marketing approaches were identified in relation to the marketing communication. These approaches referred to *media centres and online/offline advertising, advertising of new services/products.*

The hypothesis formulated for this objective was partially confirmed because other marketing approaches were uncovered besides the ones mentioned in this hypothesis.

Objective no. 6- The identification of the marketing approaches in relation to the distribution policy

Based on the analysis of the collected data, the 6th objective was accomplished. The Romanian banks' marketing approaches pertaining to distribution refer to:

- channel performance: partners, dealers, ATMs
- channel coverage
- ATM deployment
- ATM network effectiveness
- international cooperation
- distribution effectiveness in relation to organisations and individuals
- online banking
- mobile banking
- sales force

The hypothesis formulated for this objective was entirely confirmed, the collected data being allocated in the pre-set subcategories of the study guide.

Objective no. 7- The identification of the marketing approaches in relation to the personnel policy

The analysis of the collected data concluded the accomplishment of the 7th objective. The personnel-related marketing approaches of the Romanian banks lie, mainly, within the categories mentioned below:

- recruitment policy
- training and courses
- remuneration systems (flat wages, commissions etc.)
- procedures/ methods/ techniques used to interact with clients
- studies on staff
- satisfaction related to working conditions/ career development
- managerial processes and relations
- organisational culture and its forms

The collected data displayed also marketing approaches related to *staff downsizing* and *job openings.*

The hypothesis formulated for this objective was partially confirmed because other marketing approaches besides those ones already mentioned were identified.

Objective no. 8- The identification of the marketing approaches in relation to the location

Based on the analysis of the gathered data, the 8th objective was accomplished. The Romanian banks' marketing approaches in relation to the location cover the following areas:

- location selection for subsidiaries
- office placement
- office design
- online presence

The hypothesis formulated for this objective was entirely confirmed because the findings were placed within the pre-established subcategories.

3. Conclusions

The Romanian banks use a significant number of marketing approaches covering all aspects of the business, some bearing similarities in the industry, while others striking through their uniqueness.

These findings could be sufficient for a thorough understanding of the marketing approaches considered by the Romanian banks and this model could be effectively used in this industry.

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THE IDENTIFICATION OF THE ECONOMICS STUDENTS' PERCEPTION OF THE ROMANIAN LABOURMARKET ABSORPTION

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Abstract: *Due to the economic world crisis, deep changes occurred on the labourmarket at national and international levels. In this context, many higher education graduates have to face the lack of jobs. This article is aimed at developing awareness with regard to economics students' perception of Romanian labourmarket absorption. The outcome of this research represents a valuable source of information to be used by the academic management in making proper and successful decisions.*

Key words: labourmarket, students, investment in education, costs, benefits.

Jel Classification: J 21, J 24, M 51

1. Introduction

Many specialized literature studies refer to the education impact on employment and income-earning opportunities, job satisfaction. Due to the current economic crisis, the world labour market had to face deep changes: rise of unemployment, decrease of job number, difficult access to a well paid job, fall of income. According to Negricea, Edu and Ivanescu (2011), these deep transformations affect students to a greater extent because of the impact on family and other community groups leading to changes of values and perceptions of future careers and social development. However, education is the only major resource for a better future offering a chance for a new start. This article is aimed at identifying the economics students' perception of the Romanian labour market absorption. The article is made of five parts: the first part is the introduction, the second part addresses the Romanian labourmarket, its evolution, employment and income-earning opportunities according to the educational level. The third part presents the research method, the fourth shows the research outcomes regarding the economics students' perceptions of the Romanian labour market absorption, the fifth part presents the research conclusions and in the end of the article the limitations and proposals for future research are presented.

2. Romanian labourmarket and the impact of education on employment and income-earning opportunities

Specialized literature authors such as Boeri (1994), Chletsos Michael, Kollias Christos (1996), Commander and Tolstopiatenko (1997), make references of labour market changes occurred due to the transition process in former communist countries, loss of jobs and governmental reforms, labour market privatization, emphasizing that unemployment is a major challenge in Central and Eastern European transition countries, because the labour market changes had a negative effect on population and quality of life. Many researchers estimated the income variable in transition economies through a regression model, using *education* and *experience* as independent variables, and *income* as dependent variable. (Boeri, T., and K. Terrell, 2002, p. 61). According to Boeri, T., and K. Terrell (2002), the rise of an individual's education level by one year leads to an increase of the income by 2%-5% in planned economies. In the context of transition to market economy, the incomes vary considerably at individual and organizational levels.

Romania's transition to market economy has triggered deep economic and social changes. This transition process from a planned economy to a market economy, begun in 1989, implied labour force reallocation. In a planned economy the employment opportunities are centred in heavy industry,

agriculture and the public sector. Romania's transition determined a chain of effects such as the reduction of the number of employees and the rise of unemployment, and also governmental implementation of some social programs and labour market measures meant to mitigate these difficulties. Due to the transition to the market economy, employment opportunities increased in business sector, because of privatization and international trade development. (Boeri, T., and K. Terrell, 2002). The implementation of a macro-stabilization program in Romania, starting in 1992, represented a partial economic recovery, similar to some transition countries in Central Europe. (Núria Rodríguez-Planas, Jacob Benus, 2010, p. 68).

As they were losing security of employment, the Romanians, like other peoples, sought levers that would ensure employment stability. In this context, the authors Dostiey Benoit, Sahnz E. David (2008, p. 19) consider that education and age play an important part with regard to the labour market entry and further earning opportunities. Bellman et al (1995) and Earle (1997) reached the conclusion that age has a significant influence on unemployment rate, the elders having more difficulties in finding a job and facing bigger risk of losing it.

Many research studies show that education is an essential factor in lowering unemployment rate, increasing the labour stability and improving the income level. (Alkafri Saleh, 2011, p. 5). The same studies show that a higher educational level shortens the necessary time for finding a job. (Alkafri Saleh, 2011, p. 10) Besides knowledge, the academic environment can provide continuity and value to a society that strives to make its way through economic and social difficulties. Starting from the individual needs, the University can lay the sound basis for a harmonious development of all society's structures (Negricea C., Dumitru N., Edu T., 2011, p.66). Better education contributes to the unemployment rate decrease. In Romania, in 2010, 80% of the higher education graduates were employed, while only 42% of low educational level people had a job.

However, the unemployment rate is quite high in Romania. In 2008 it started to rise reaching 7.12% in February 2012.

According to Eurostat, the highest unemployment rate was reached in January 2004: 8.79%, while in January 1997 it was 4.93%. In December 2008, the unemployment rate was 5.70% , growing till September 2011 up to 7.65%. (http://sdw.ecb.europa.eu/quickview.do?SERIES_KEY=132.STS.M.RO.S.UNEH.RTT000.4.000)

With regard to salaries, in Romania the income level has been decreasing since 2008, the civil servants being the most affected.

Although at present the Romanian graduates' incomes are low as compared to other EU countries, we consider that the personal investment in higher education generates medium and long-term financial benefits in all countries, for both education beneficiaries and the entire society, by lowering the unemployment risk and ensuring optimum professional integration.

3. Research method

In order to emphasize the economics students' perception regarding the integration into the labour market, we have elaborated a selective research of the economics students in Bucharest, sampled so as to reflect the whole structure. The selective research has its advantages, such as: shorter data collection time, lower data collection costs. Also, it has its disadvantages, for instance: errors can occur; the results are not as accurate as the outcome of a total quantitative research. This research, which is an exploratory research, has been performed because at present there is no data concerning the economics students' perception of the Romanian labour market absorption. The exploratory research is " *the research aimed at clarifying and better understanding the coordinates of a problem*," (Cătoiu I. *Coord.* ,2009, p. 74); in the near future our intention is to conduct a quantitative research, whit results that could be extrapolated to the entire targeted population.

Someone's perception represents "*acomplex process, which consists of a mental activity of observation, understanding, evaluation of stimuli, by means of sensory receptors... The most important characteristic of perception is selectivity, due to consumers' particularities, and it is complementary to the need*." (Cătoiu I., Teodorescu N., 2004, p. 18)

The ***research scope*** is to identify, through exploratory research, the economics students' perception of the labour market absorption in Romania.

The***research objectives***are as follows:

- *O1*: Identification of the students' perception regarding the economic sector in which they would like to work after graduation.
- *O2*: Identification of the students' perception concerning the right career start time.
- *O3*: Identification of the students' perception concerning the utility of knowledge acquired in academic years
- *O4*: Identification of the students' perception regarding the final educational cycle level (bachelor, master, post-graduate, doctoral, post-doctoral programs)
- *O5*: Identification of the students' perception regarding the number of necessary interviews for finding the proper job.
- *O6*: Identification of the students' perception regarding the expected salary of the first job.

Research hypotheses:

- *H1*: There is a significant interdependence between the final educational level and the expected salary of the first job.
- *H2*: There is a significant relationship between gender and expected salary of the first job.
- *H3:* There is a significant relationship between gender and the economic sector in which he intends to work after graduation.
- *H4*: There is a significant interdependence between the respondents' enrollment years and career start estimates.

The research was performed based on questionnaires, and conducted at the Romanian-American University and at the Academy of Economic Studies from Bucharest in February – March 2012. Most questions were closed questions, with fixed answer choices. The questionnaire was filled in by economics students over 18 years old of the Romanian-American University and the Academy of Economic Studies,; 128 questionnaires were collected; Table 1 below shows the structure of the sample by gender and age of the respondent:

Table 1: Structure of the sample

Gender of respondent	**Age of respondent**			**Total respondents**	
	19-22 years	**23-26 years**	**over 26 years**	**Total percentage**	**Total number**
Male	20.3%	17.2%	1.6%	39.1%	50
Female	31.3%	25%	4.7%	60.9%	78
Total	51.6%	42.2%	6.3%	100%	128

Source: own research

4. Research results

The questionnaire includes closed questions aimed at identifying the economics students' perception concerning the Romanian labour market absorption. With regard to the economic field in which they would like to work after graduation, the results are presented in Table 2:

Table 2: Economic field in which the students desire to work after graduation

Economic field	**No. of respondents**	**% of respondents**
Accounting	8	6.3
Finance	6	4.7
Marketing	52	40.6
Management	35	27.3
Economics	6	4.7
PR & Advertising	10	7.8
Other field	9	7
Undecided	2	1.6
Total	128	100

Source: own research

The research outcome shows that most of the respondents - 40.6% desire to work in marketing after graduation, and 27.3% would like to work in management. The percentage of those who want to work in PR and Advertising, and the percentage of the students who would consider choosing other field are quite similar, 7.8%, respectively 7%. Only 1.6% are undecided about the field in which they would like to work after graduation.

As to the relationship between gender and the chosen field after graduation (Table 3), the research reveals that 27.3% of the women desire to work in marketing, as compared to 13.3% of the men. The lowest percentage field is Accounting for men, only 0.8%, and political economics for men, respectively 2.3%. None of the respondents would like to work in IT after graduation.

Table 3: Relationship between gender – economic field in which the student desires to work

	Economic field in which the student desires to work after graduation									
Gender	Account-ing	Finan-ce	Marketing	Manage-ment	Political economics	Economic IT	PR and Advertising	Other field	Unde cided	Total
Male	0.8%	1.6%	13.3%	14.1%	2.3%	0%	3.9%	3.1%	0%	39.1%
Female	5.5%	3.1%	27.3%	13.3%	2.3%	0%	3.9%	3.9%	1.6 %	60.9%
Total	6.3%	4.7%	40.6%	27.3%	4.7%	0%	7.8%	7%	1.6 %	100%

Source: own research

As to the educational level that the respondents would like to complete, the situation is presented in Table 4 below:

Table 4: Level of tertiary education desired to be completed

	No. of respondents	**% of respondents**
Bachelor degree	11	8.6
Master degree	96	75
Postgraduate diploma	5	3.9
Doctorate degree	14	10.9
Postdoctoral diploma	2	1.6
Total	128	100

Source: own research

According to the research, 75% of the respondents desire to complete the master level, and only 10.9% want to complete the doctoral level. 8.6% would like to stop at the bachelor level and only 1.6% desire to attend post-doctoral programs.

Correlating the tertiary educational level desired to be completed to the expected salary of the first job (Table 5) we have found out that 6.3% of the respondents who want to complete the bachelor level expect a first job salary between 1001-2000 RON, as compared to 49.2% of those who desire to complete the master. The respondents who want to complete the bachelor level seem realistic as to the expected salary of the first job, no respondent expecting over 5000 RON, as compared to the master students, 2.3% of them expecting over 5000 RON at the first employment. Concerning the students who would like to complete doctoral and post-doctoral level, most of them expect 1001-2000 RON for the first job.

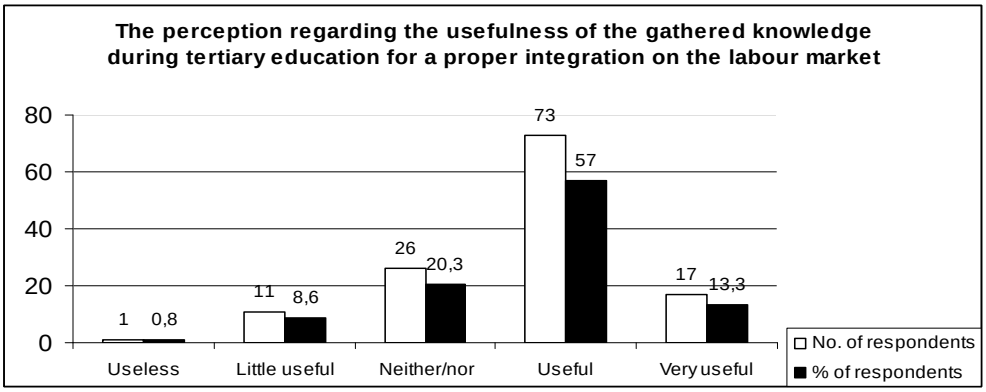
Table 5: Relationship between the tertiary educational level desired to be completed – expected salary

	Expected salary of the first job (RON)						
Education level	**200-500**	**501-1000**	**1001-2000**	**2001-3500**	**3501-5000**	**Over 5000**	**Total**
Bachelor	0%	0.8%	6.3%	0.8%	0.8%	0%	8.6%
Master	0.8%	12.5%	49.2%	7%	3.1%	2.3%	75%
Post-graduate	0%	0%	3.1%	0.8%	0%	0%	3.9%
Doctoral level	0.8%	1.6%	4.7%	3.1%	0.8%	0%	10.9%
Post-doctoral level	0%	0.8%	0.8%	0%	0%	0%	1.6%
Total	1.6%	15.6%	64.1%	11.7%	4.7%	2.3%	100%

Source: own research

With regard to the respondents' perception concerning usefulness of knowledge acquired during their tertiary education in order to face the labourmarket challenges, the situation is shown in Figure 1.

Figure 1: Perception regarding usefulness of knowledge acquired during tertiary education

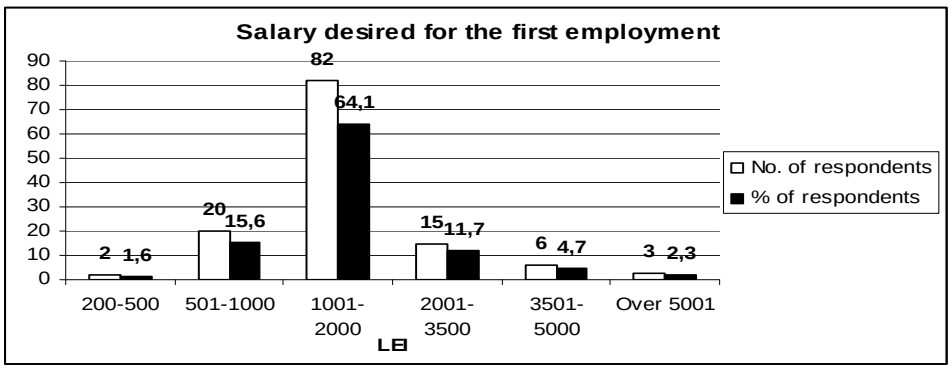


Source: own research

More than half of the respondents, respectively 57% believe that the information and knowledge acquired during the academic education are useful on the labour market. Only 0.8% of the respondents consider the knowledge not being useful on the labour market while 13.3% consider being very useful.

Regarding the students' perception of the salary desired on the first employment, the situation is presented in Figure 2:

Figure 2: Salary desired on the first employment



Source: own research

The research reveals that more than half of the respondents, respectively 64.1% are very realistic as to their future salary on the labour market. Thus, 64.1% of the respondents have first employment salary expectations between 1001-2000 RON, while 2.3% have unrealistic expectations, that are non-compliant with the current evolution of the labour market, as they expect over 5000 RON for the first job. A small percentage, 1.6% of the respondents, has a poor opinion regarding the salary expectations for the first job, as they consider the salary to range between 200-500 RON.

Correlating gender to the expected income of the first employment, we have obtained the result presented in Table 6 below:

Table 6: Relationship between gender – expected income for the first employment

Salary desired for the first employment (RON)							
Gender	**200-500**	**501-1000**	**1001-2000**	**2001-3500**	**3501-5000**	**Over 5000**	**TOTAL**
Male	0%	6.3%	25%	5.5%	0%	2.3%	39.1%
Female	1.6%	9.4%	39.1%	6.3%	4.7%	0%	60.9%

TOTAL	1.6%	15.7%	64.1%	11.8%	4.7%	2.3%	100%

Source: own research

The research shows the female respondents are more realistic than the males with regard to the salary level. Thus, 39.1% of the women expect an income between 1001-2000 RON for the first employment, and only 25% of the men expect this salary. Also, the study reveals that the percentage of the women who want a salary over 5000 RON for the first employment is 0%, while 2.3% of the men expect this salary; the percentage of the students who expect a salary between 2001-3500 ron for their first employment is similar for both genders, but the values are quite low, 6.3% for the women and 5.5% for the men. However, 4.7% of the women hope to earn between 3501-5000 RON at the first employment, while no man expects this salary for the first job.

With regard to the *contribution of the Romanian educational system to the youth integration into the labour markets,* the research shows (Table 7) that most respondents, 35.9% , expressed their disagreement and only 3.1% showed their agreement, which means a significant mistrust in the contribution of the Romanian educational system to the youth integration into the labourmarket. Regarding the belief that *studying abroad helps finding a proper job,* more than half of the respondents, 50.8%, agreed, and only 0.8% fully disagreed with this statement. Therefore, the youth have a favorable opinion on studying abroad, and have high confidence in foreign educational systems.

As to the *optimism about the future career,* more than half showed their agreement – 50.8%, which means that the economics students have a positive opinion on their future career, and only 0.8% showed total disagreement in this respect.

With regard to the *current economic evolution and its influence on the job seeking graduates,* most respondents, 49.2%, consider that the current economic environment is unfavourable to the job seeking graduates. Only 1.6% of the respondents are optimistic about the current economic evolution.

As to the statement *The Romanian labour market is not favourable for professional development*, 33% of the respondents expressed their disagreement, considering that the Romanian labour market is unfavourable for a future career, and only 3.9% have a positive opinion concerning their future careers on the Romanian labour market.

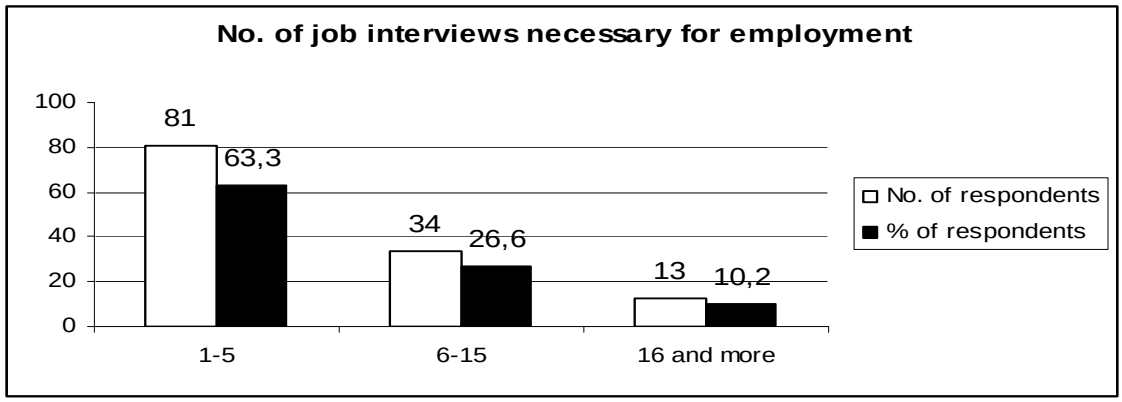
Table 7: Students' opinion

Questions	**Total agreement**	**Agreement**	**Indifference**	**Disagreement**	**Total disagreement**
The contribution of the Romanian educational system to the youth integration into the labour markets is remarkable.	3.1%	25%	18.8%	35.9%	17.2%
Studying abroad helps me find a proper job.	27.3%	50.8%	17.2%	3.9%	0.8%
I'm optimistic about my future career.	36.7%	50.8%	3.1%	8.6%	0.8%
The current economic evolution is unfavourable to the job seeking graduates.	49.2%	37.5%	10.2%	1.6%	1.6%
The Romanian market is not favourable to my professional development.	19.5%	33.6%	22.7%	20.3%	3.9%

Source: own research

Regarding the number of interviews needed for finding a job (Figure 3), 63.3% of the respondents consider that 1-5 interviews are needed, and 10.2% consider that over 15 interviews are necessary.

Figure 3: Job interviews needed for employment



Source: own research

5. Research conclusions

The economics students' perception of the labour market absorption is important, as it provides useful information to the academic management. As the research study shows, most of the respondents, 41.4% consider they will start their career immediately after completing the current academic program, 22.7% estimate they will start the career when they have found a job. Only 3.1% of the respondents have clear career objectives and consider starting working only if the job is financially attractive. According to the research study, 18.8% of the respondents already have a job, which influences their academic attendance. A small percentage, 7%, considers that a thorough training is needed for a career start, therefore they estimate this will happen after completing further educational levels.

Correlating the respondents' career start estimates to their academic year, the research revealed (Table 8) that only 3.1% of the first year respondents estimate to start their careers immediately after completing the current educational level, as compared to the 3rd year respondents, 14.8%, who believe to enter the labour market as soon as they graduate. Regarding the completion of further educational levels, the I and II year master students, 100%, want to enter the labour market immediately, with no further educational programs. As to starting a career as soon as they find a job, the II year master students reach the highest percentage in this respect, 8.6%, only 1.6% of them consider entering the labour market if they find a long-term job. Concerning the financial attractiveness, only 1.6% of the first year students want to enter the labourmarket when finding a financially attractive job, while 0.8% of the II year master respondents would like the same thing. As to the current working situation, the research showed that 5.5% of the II year master respondents are already employed, as compared to 0.8% of the first year students.

Table 8: Correlation between academic year – career start estimates

	Academic year					
Career start estimates	**Bachelor I year**	**Bachelor II year**	**Bachelor III year**	**Master I year**	**Master II year**	**Total**
After completion of the current academic cycle	3.1%	9.4%	14.8%	3.9%	10.2%	41.4%
After completion of further educational levels	1.6%	1.6%	3.9%	0%	0%	7%
As soon as I find a job	3.1%	3.9%	1.6%	5.5%	8.6%	22.7%
When I find a long-term job	0%	3.1%	0%	2.3%	1.6%	7%
When I find a financially attractive job	1.6%	0.8%	0%	0%	0.8%	3.1%
Already employed	0.8%	7%	1.6%	3.9%	5.5%	18.8%
TOTAL	10.2%	25.8%	21.9%	15.6%	26.6%	100%

Source: own research

With regard to students' perception concerning the benefits of speaking a foreign language in finding a proper job and the educational level that can offer the highest chance for employment, 99.2% of the respondents are aware of the importance of speaking a foreign language for facing the labourmarket challenges, irrespective of the educational cycle they attend; the master students are most aware of this issue, 66.4% of them agree that speaking a foreign language is useful for employment.

In this respect, based on the students' perception of the integration into the Romanian labourmarket, the academic management may adopt useful development strategies, ensuring long-term success and competitive advantages.

6. Research limitations and proposals for future research

This is a selective research, aimed at identifying the economics students' perception of the Romanian labourmarket absorption. The sample comprised 128 respondents. The respondents were selected at random, including different number of students from various academic years. The research results cannot be extrapolated to the entire analysed community, but we conducted this research in order to provide some guidelines for a broader future research, based on a bigger sample, so that the results could be extrapolated to the entire analysed community.

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NOWADAYS AUDIENCE PERCEPTION OVER THEATRE. DECIDING BETWEEN CONVENTIONAL AND UNDERGROUND

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Abstract: *The aim of this paper is to reveal the changes regarding nowadays theatre audiences' needs, motivations and preferences. Why the audiences are not satisfied anymore with the theatre that they have attended for a long time? Which are the motivations that make them search for something else? What is that 'something else'? And how does it succeeds in bring them more than they already have? How they manage to take their decisions and according to what? These are the main questions this paper dares the reader to find the answers.*

Key words: theatre audience, behaviour patterns, motivation, cultural consumption

JEL classification: M31

1. Introduction

The issue of high and popular culture has been debated for a long time, in order to understand which are the differences between the two and who are the people that attend them. In what concerns the first matter, namely what makes the difference between them, scholars have relatively reached an agreement.

The chore difference is that the two rest on different economic models. While popular culture is market based and profit oriented since the late nineteenth century, the arts (or high culture) have functioned in non-profit area, a fact that suggests that arts serve a larger social purpose. One might argue that this larger social purpose is not being fulfilled, whether because insufficient corporate and patron funding or because the arts have failed to demonstrate their value to legislators and to the public. Therefore, arts institutions often find themselves attempting to attract participations and interest by emulating popular culture. (Foreman-Wernet, Dervin, 2005, p. 170)

Yet, the second matter – who attends high or popular culture, is still subject of discussion, whether because scholars cannot harmonize their opinions or the past years have brought changes and thus the need to upgrade our theories about cultural consumption. So, there is no surprise that a new consumer of culture has been born (Kolb, 2005, p. 2). In these circumstances, high and popular culture organizations should rethink the way they approach their consumers and the kind of experiences they deliver them.

This present paper aims to reveal insights regarding the new theatre consumer that is no longer satisfied with the conventional theatre (expression of high culture), but in a search for a "different" dimension of the theatre – the underground (expression of popular culture).

Within this paper, the author starts from the premise that the underground theatre is an independent one; independent from a financial point of view as it owns its existence to donations and sponsorships and not governmental subscriptions; independent because it is not conditioned by a theatre auditorium, but it can be played in the most unconventional places (e.g. factories, basements, clubs/bars, etc.); independent because it stands for fighting the taboos and clichés; independent for it affords to choose freely its performers and directors (Herghelegiu, 2010).

Thus, the paper answers to questions such as: Who are the people that prefer the conventional theatre? And the underground one? Why people choose one or other? Why not? Why frequenting both? Which are the triggers that make them act in this way? Eventually, how they take their decision? On what grounds?

2. Literature review

In the 1970s, the interest in high and popular culture subject raised, through the published work of Herbert Gans that alleged that cultural and social stratification are directly linked to each other.

According to this thesis, individuals in higher social strata are those who prefer and predominantly consume "high" or "elite" culture, and individuals in lower social strata are those who prefer and predominantly consume "popular" or "mass" culture—with, usually, various intermediate situations also being recognised (Chan, Goldthorpe, 2007, p. 169). And so, Gans defined the cultural life as consisting of four strata: high, middle class, lower middle class and working class cultures (Kolb, 2005, p. 34).

In the strata of high culture, the art product is seen as a unique creation of the artist, while the responsibility of the audience is to discover and understand the meaning of the vision in order to appreciate the art. But for this, the audience needs a prior knowledge of art and artists. This is the reason why, high culture is only available to certain social classes that have perquisite knowledge. The middle class culture concentrates mainly on audience's desires. The audience puts equal importance both on understanding the message the artist wishes to convey and enjoying the art product. Usually, this audience consists of professionals members of society, with a critical thinking, enjoying the various opinions that art contains. For the lower middle class culture strata, the enjoyability of the content of the art is most important, but it still wants the art to have a meaning – easily understandable, making a clear distinction between right and wrong, expressing the value of conventional society. According to the working class culture, the cultural product is only for satisfying the audience. Due to the low educational level, the audience wishes an understandable message that offers, as well, the opportunity for relaxation and escapism, without wanting to risk their limited leisure time and money. (Kolb, 2005, p. 34-37)

Next, Bourdieu argued that there is a structural homology between social position and cultural practices, as well as between cultural practices in different cultural fields. Bourdieu considered legitimate taste and ''high" cultural activities (taste for and participation in the classical fine arts, etc.) typical to the dominant classes, ultimately as means of power. As indicators of cultural capital or, more generally, of social status, he saw them contributing to social exclusion, cultural dominance and inequality (Purhonen, Gronow, Rahkonen, 2010, p. 267). To conclude, Bourdieu assumed that the class cannot be treated as analytically and empirically separable from status (defined as "a specific style of life"), in that the class structure is to be seen as determined purely by social relations arising in economic life, i.e. relations within labour markets and production units (Chan, Goldthorpe, 2007, p. 169).

On the contrary, Peterson found that although higher education and income groups were more likely to consume high culture, they were also more likely to consume a variety of popular cultural forms—what he termed the cultural omnivores. Cultural univores, who consumed a much narrower range of cultural genres were much more likely to have lower income and education levels. Omnivores were also found to be much less likely to reject other cultures and to be open to, and tolerant of, the views of others than those with narrower cultural tastes (Snowball, Jamal, Willis, 2009, p. 468). The omnivore thesis also differs from accounts of cultural consumption as an aspect of lifestyles that is fluid, flexible, and transient, in the sense that consumption patterns are individualized, elective, do not reflect well-established communities, and involve short-term commitments (Sullivan, Katz-Gerro, 2007, p. 124).

Closer to this view, it is Kolb's (2005) proposal of segmenting the consumer of culture according to his level of involvement with the culture form (Table 1).

Table 1: Consumer of Culture. Segmentation according to his level of involvement

Type of Segment	Description
Consumer	Light and generalised culture use
Fan	Use focused on specific stars and shows/events
Cultist	Heavy, specialised use with associated social activities
Enthusiast	Serious interest in entire culture form with structured activities
Petty Producer	Amateur producer of culture form

Source: Adapted after Kolb, 2005, p. 47

The reason for this is Kolb's faith that the new consumer of culture can enjoy both high and popular culture to the same extent, without having to make differences between them or choose among them, regardless of his social status or belonging to a certain social class.

Moreover, consuming both high and popular culture, at the same time, could be interpreted as a form of "edutainment", as the individual entertains himself and learns simultaneously (Addis, 2005, p. 729).

Regarding the Romanian theatre sector, as far as the author knows, there have not been conducted previous researches with the aim of revealing the new trends in theatre audience behaviour. That is why the following research has been undergone – to unleash the discovery of a new theatre consumer behaviour.

3. Methodology

In order to bring into focus the new traits that characterise the nowadays theatre audience, the author considers that an exploratory research may help most as it reveals a large range of insights that may raise questions that have not been raised so far. The author opted for the focus group as method of gathering the needed qualitative data. The arguments for this decision are listed below.

A focus group is qualitative research, which means that the obtained results are not percentages, statistical testing or tables. Instead, this methodology is less structured than surveys or other quantitative research and tends to be more exploratory as well. Rather than providing quantifiable responses to a specific question obtained from a large sampling of the population, focus group participants provide a flow of input and interaction related to the topic or group of topics that the group is centred around. While they appear to be less formal than a survey, focus groups do provide an important source of information for making business decisions, for instance. What focus groups offer is a more in-depth understanding of the target's perspective or opinions and allow researchers to capture subjective comments and evaluate them. To sum up, this methodology is exploratory, its intent being to provide an understanding of perceptions, feelings, attitudes and motivations. (Edmunds, 1999, p. 2-3)

A focus group comprises eight to twelve persons who are led by a moderator in an in-depth discussion on a particular topic or concept. The participants in the group have some common characteristics that relate to the topic discussed in the group (for this particular research all participants should have attended at least once – during the current season, both conventional and underground theatre). A focus group permits free discussion about a problem or topic and, guided by the moderator, participants' minds can range freely. Interaction with each other can produce ideas and suggestions that exhibit synergy. A moderator has to keep a discussion alive and guided it towards a conclusion. Effective guiding, not leading, is what a good moderator must do. Discussion must be kept to the topic of interest. Therefore, the moderator must move the group away from irrelevant discussion that is not helpful and still leave the group free to air valuable ideas. (Proctor, 2005, p. 223-225)

Last but not least, it is important to underline that qualitative research in general, focus groups in particular bear several limitations. Qualitative research does not pick out small differences quite as well as large scale quantitative research. Nevertheless, qualitative research can detect minor problems that are not apparent in a quantitative study. Another limitation is that qualitative studies do not provide samples that are representative of the target population of the research. In terms of the sort of data produced, small sample size and free-flowing discussion can lead qualitative research projects along many different avenues of thought. Influential or dominant characters within a discussion group can also lead the group off on tangential discussions or bias the 'group view'. There is also the problem of the discussion leader's competence. The usefulness of qualitative research depends very much on the skills of the researcher. (Proctor, 2005, p. 222)

4. Research results

The term "theatre" has both rational and emotional connotations for the theatre audience. From the rational point of view, "theatre" means "actors", "stage", "costumes", "directing", "performance". But beyond these first impressions, "theatre" is the synonym of "emotions", "passion", "feelings". Moreover, the conventional theatre is perceived as being "classic" from the actors, plays, stage and auditorium's perspective, while the underground theatre is perceived as "different". It seems that the conventional theatre has among the theatre audience an old and dusty image, totally opposed to the modern and up-to-date image of the underground.

Further, the profile of the conventional theatre audience seems to be outlined by a dull lifestyle ("routine", "quietness"), unlike the active and dynamic lifestyle of the underground audience ready "to meet his friends for a drink on a Saturday night or even during a working week". Fashion style is another coordinate of the profile as it seems to make a difference between the two theatre audiences. For the conventional theatre, certain etiquette needs to be respected, namely "classic jacket and pants", in contrast with the lack of formality for the underground audience ("cut blue jeans", "low waist blue jeans"). However, isolated, it appeared the idea that fashion style has no relevance for theatre audience profile,

this being exclusively linked to someone's personality and his wish of feeling comfortable ("everyone may dress oneself as they wish"). As regarding the age, it seems that people of all ages attend conventional theatre ("both old and young people"), while the underground audience is more likely to be young ("students and young intellectuals").

The reasons why people decide to attend conventional theatre are closely linked to a wide variety of needs as: the curiosity to see how "plays read while in high-school, for instance, are played" or how well-known actors play live on stage; social needs – going out with friends and spending the evening in a pleasant manner; esteem needs – confirming one's status of cultivated person or intellectual; self-actualization needs – reflecting more profoundly over the problems of one's inner world ("a story with a deeper meaning that makes me think at myself").

Attending underground theatre responds to motivations such as: curiosity – still, having a different connotation than in the case of conventional theatre – "I was tempted to go to the underground theatre as well, just to see how it is and which the differences are"; the possibility to find available tickets right before the play; the opportunity to relax and enlighten at the same time "coffee and theatre in the same cup"; and to reflect over one's existence, as an underground play seems to be closer to the one's reality.

Apart from the motivation that may be a trigger of the decision to attend or not conventional or underground theatre, theatre audience usually complete their information from different sources. It seems that personal sources such as family, friends or acquaintances are considered to be the most trustful, due to the reliable information they usually provide and the lack of any hidden intentions unlike advertising. Internet is another useful source of information as the theatre audience may browse the sites of any theatre organization, as well as other people's reviews. Commercial sources such as street posters or advertisements in free publications such as "Sapte Seri" play mainly the role of driving people's attentions over the play and informing them about its existence, rather than being a persuasive source. Although, at a general level there does not seem to be distinctions regarding the manner of informing about conventional or underground theatre, isolated it appeared the idea that the underground theatre may use other ways of informing as well, such as sending SMSs to people from their data base, concerning their weekly programme.

The reasons why theatre audience prefer either of the two theatre forms - conventional or underground lie in the perceived differences regarding mainly the product, price and placement. By product, the author refers to aspects like: the chore play, cast, space, atmosphere and the theatre's staff.

The conventional and underground approach in terms of play themes differ as the underground theatre prefers taboos unlike the classic pieces of the conventional theatre. Still, the plays' relevance for the audience has been put to question: are classic plays more profound due to their time longevity or have the underground ones a greater impact over the audience precisely for their contemporaneity and connection with real life?

Apart from the approached themes, the conventional and the underground plays also differ from each other through their duration as the first ones seem to be long(er) and may include intervals in contrast with the latter ones which are shorter (isolated, perceived as "too short") and do not need intervals. According to the time that the audiences are inclined to spend at theatre (either because of their lack of time or preference for this art), they might prefer one or another from the two choices. However, it should be beard in mind that due to the nowadays lifestyle, always engaged in a race against the clock, the audience might be more prone to target shorter plays in order to save their time – receive maximum of satisfaction in a minimum amount of time.

In terms of cast, conventional plays may imply a large number of actors and, what is more, well-known actors to the large public that have a solid career behind them ("already consecrated actors", "you do recognize them easily"). Underground plays are performed by a small number of actors (sometimes the space itself does not allow large casts) who are generally at the beginning of their career ("very young actors", "actors without experience"). The quality of a theatre play, from the cast perspective, tends to be attributed to consecrated actors as they are seen as a safe choice that will assure the audiences that their decision is the right one. A play performed by young actors brings no guarantee, neither the one that they "will give everything on stage just to gain themselves a name [in the theatre industry]".

Referring to the space, it seems that in the case of the conventional theatre it is perceived as impersonal due to the "great distance" placed between actor's stage and the rest of the auditorium (the audience part). This may lead to a real discomfort for audience ("I could barely see their faces."). Still, in the underground theatre, the actor's stage is synonym with the audience's area, meaning the actor

performs right next to the audience; mixing with it and making it part of the performance as well unlike the conventional theatre where "you can't get up on the stage to say something too". Such an approach favours a closer and deeper relationship between the actor and the audience. Although the distance between the actors and the audience does not seem to be crucial in savouring the performance, the underground closeness facilitates a more direct transfer of emotions and feelings and a way of seeing beyond the actor's mask ("they are more human").

The atmosphere seems to be mainly linked to the degree of comfort that one experiences. In the conventional theatre, the comfort is translated in terms of comfortable seats and lack of smoking inside the auditorium. However, the comfort of the seats depends on the type of ticket one has. Generally, the cheapest tickets are reserved for less comfortable seats like the bracket seats (strapontina) which are far from the stage. In the underground theatre the audience may seat on a wood bench throughout the entire performance, in a smoking place if the play is performed in a bar (this might be a hold-back for non-smokers) and still feeling more at ease regarding their gestures and actions than in the conventional one.

As audiences of a conventional theatre, the contact between them and the theatre's staff is relatively minimal, reduced to the ticket checking and showing one's seats in the auditorium ("a very short interaction", "during the performance the interaction does not exist anymore"). Yet, the underground staff assists the audience during the performance due to the fact that the place is subject to a double consumption – the play and the bar. In addition to this, it was brought into discussion the fact that the conventional theatres try to set up specific areas in which the audience may acquire refreshments, for instance. Still, this seems to bring them closer to the cinema image, resulting in a negative impact over the audience.

The tickets' price seem to be a hot issue as in both cases – conventional and underground theatre, it is perceived as being high. The difference, however, stands in the discounts applied by the conventional theatre for certain categories of audience such as students or retirees. Moreover, the underground prices are thought to have suffered a consistent increase over the past years. Nonetheless, attending the underground theatre does not imply just buying the ticket but also making consumption for the bar's sake. And this aspect is considered to be an extra expense for the audience. Therefore, the existing discounts and the extra underground expense may determine the targeted audience to choose the more affordable option.

Purchasing the tickets is another point of interest and difference. In the case of conventional theatre, it is considered to be difficult to purchase tickets and, so, it is imperative to purchase them with several days before the performance itself or else the audience may not be able to attend it. Yet, for the underground plays, tickets may be bought on the spot, right before the play. The way of purchasing the tickets makes the difference as well. Usually, in order to buy tickets for conventional theatre one has to book them a priori and then purchase them from the box office. As for the underground theatre, the online purchase seems to be a usual thing unlike the conventional case. What should be treated with caution is the increased audience need of purchasing the tickets online in order to save time and avoid the queues from the box office ("I just want two clicks for the tickets.").

The above information represents the results of a qualitative study. Therefore, these should be treated accordingly. In order to validate their relevance and assure the representativeness of these results at national level a quantitative research is recommended to be conducted.

5. Conclusions

Conventional theatre offers the greatness of an auditorium, imposes respect through the stage separated from the audience's place and demands a certain etiquette and behaviour. But the nowadays theatre audience needs more than that. The audience needs a strong connection with the actors, a certain intimacy, closeness, so that emotions and feelings may be transmitted directly, in a personalized manner. Moreover, the audience wants itself to be part of the performance, and not just a simple observer. The audience needs plays that speak about itself. Not about somebody else or another time. The ultimate goal is the understanding of one's self and reality. And all these are more prone to be offered, at the moment, by the underground theatre.

As a final remark, this paper reveals the changes occurred in the theatre audience behaviour and the grounds on which preferences towards conventional or underground theatre are built. Being aware of such information should be of vital importance for any theatre who is really concerned about its audience. Identify the nature, composition and preferences of current and potential audiences, paying attention to any changes in terms of needs, motivation or satisfaction may prevent potential loss of audience or

encourage new audience to attend performances of a certain theatre. Moreover, it may help theatre to target their future programmes, events, fund-raising and advertising more precisely, for a maximal result (Hill, O'Sullivan, O'Sullivan, 2003, p. 70).

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THE CUSTOMER RELATIONSHIPS MANAGEMENT – A NECESSITY FOR THE SMALL AND MEDIUM ENTERPRISES

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Abstract: *Nowadays it is said that marketingismanagingprofitable customerrelationships. In aworld whereproduct lifecyclesare shortening day by day, products beingreplaced faster with others, the marketingparadigmmust changetoo.When the replacement of the products issucceedingat this rate,it was obviousthat theunitvalueremainsthe relationship with the clients.Not incidentallyPhilipKotlersaidthatmodern marketingshould focusonrelationshipsand nottransactions. Therefore, companies must constantly evaluatethe degreeof satisfaction ofcustomersand respondpromptly toanysignsof dissatisfactionfrom them. Firmsshould not forgetthat the sensitive core of their businessis the client, and ifhisinterestsareneglected, businesscan not last.*

Key words: consumer, customer relationship management, SME, marketing.

JEL classification: D 12, D 22, L 22

1. Introduction

Today, the business environment around the globe is going through a period of massive changes, global competition, and significant changes in markets, where the old answers no longer fit with the new realities. The main agents of change for a company are customers. Increasing consumer power in the current context is related to the fact that the greatest majority of products provide an offer that exceeds demand, the competition between manufacturers is the increasing, and the consumer has the opportunity of an extended option. Because he is the one who is choosing, the center of power has shifted from companies to consumer. To survive and progress in business, firms need to establish strategies to cope with customers that are demanding, informed, self-centered, capricious, anxious, more inclined than ever to complain, so much harder to please and difficult to loyal, because they are very unstable and at any time can choose to buy from elsewhere. A recent development in marketing highlights how important is for the business success to focus on building long term profitable relationships with the customers.

The new type of marketing based on relations highlights the importance of the cooperation between the various participants - suppliers, employees, distributors - in order to provide an optimal value to the target customers.

Shifting the company's orientation from one type to another was not an easy task, the companies being "forced" to create a true "customer culture" that emphasizes the maintenance of mutually beneficial long term relationships with the customers, the SMEs being more flexible in the changing process.

2. General aspects regarding the marketing of the relationship with the customer

The intense competition, the rapid changes and the instability of the environment in which SMEs are operating are making the task of finding, attracting and educating a new customer, more difficult and more expensive to accomplish. In this context, the marketing specialists say that currently, the best way to

increase market share is by increasing customer acquisition and by finding more products and services that can be sold to the same customer. Extremely high competition, globalization, technology and the power of the new client are factors that have shaken the traditional way in which firms thought the marketing process. Consumers that are increasingly demanding and difficult require special relationships. Philip Kotler said, "today the focus is on relationships, not transactions." Currently all those involved in marketing agreed that customer relationships are essential for success of the company. Transactional marketing went into obscurity, being replaced by a relational marketing, whose distinctive feature is the creation of mutually beneficial long term with a different group of customers.

The objective of relationship marketing consists in the permanent identification and sustainable value creation for the customer, and this objective is reflected in long term customer satisfaction. Relationship marketing focuses on keeping customers and then on attracting new customers. The way that this can be achieved is the direct involvement of customers in defining and achieving the expected value from the company. The obvious differences between old marketing - transactional and the new one - relational will be revealed as follows:

Table 1: The features of relational marketing - transactional marketing

Transactional marketing	Relational marketing
- Orientation to a single act of purchase;	- Orientation to repeat purchasing by retaining and creating customer loyalty;
- Limited contact between customer and seller;	- Frequent and close contacts between the customer and vendor (ongoing relationship);
- Focus on the benefits of product characteristics;	- Focus on long term performance;
- Focus on short-term performance	- High customer involvement;
- The quality is the responsibility of production processes;	- The quality is everyone's responsibility;
- The goal is customer satisfaction;	- The aim is customer delight;

Source: Danciu Victor, *Marketing strategic competitiv*, Ed. Economică, Bucureşti, 2004, p. 152

Relationalmarketingmakes a differencein the communication process and that is why companiesmust haveas its main subjectof discussion, the client's thoughts, feelings, habits, motivations, desiresand needsin order tounderstand theproductpositioning, asitfallsin the consumerlifeand whatchanges are to be made in order for the results tobefavorable toboth partiesfor discussion.

3. Customer satisfaction - a long term relationship

For customer-oriented firms, the complete satisfaction of the customer is both a goal and an essential factor of success. In defining the term of satisfaction discrepancies are occurring not only in the variables tha toperationalize this concept, but it also refers to the nature of this concept.Thus, the literature talks about satisfaction, customer satisfaction or consumer satisfaction. On this issue said: "Everyone seems to know what customer satisfaction is until it is asked to give a definition. Regarding this issue it is said: “everyone seems to know what consumer satisfaction is until is asked to givea definition. Since then nobody knows anything.” Although sometimes the definition sseem opposed to each other, they sharet hree things that can be identified as follows:

1. Consumer satisfactionisan emotional or cognitive response, with a prevalence of the emotional dimension. The researches established that approximately 77% ofindividuals are using predominantly affective concepts in order to describe the satisfactionon products or services.
2. This response has a certain"direction", intentionality (focus) to a particular reference or target (expectations, product, brand, consumer experience, seller, method of purchaseetc.).
3. The responseoccursat apoint in time (after consumption, after choosing,after purchase, as a result ofexperience, etc.).

Here are some aspects related to the company's ability to satisfy customers and to gain loyalty:

- dissatisfied customers tell on average to 10 to 20 others about their bad experience. Some of them, especially in the digital age of communication, speak to even more peoples;
- the cost of attracting a new customer is at least five times bigger than the cost of maintaining a customer already won;

- up to 93% of dissatisfied customers will not buy from you another time (if they have a choice) - and they will never explain why!
- about 96% of dissatisfied customers do not tell to the companies about the poor services that they received, but they simply leave them preferring the competition. However, 95% of dissatisfied customers become loyal customers if their complaints are taken into account and if they are well and quickly resolved;
- because many companies sell identical or similar products and services, quality is the only variable that can distinguish a company from its competitors;
- by providing those services that gain customer loyalty, a company can obtain both profit growth and costs reduction, as well as increasing productivity per employee;
- customers are willing to pay more to get better service.

The literatureshowsthe variablesthat influence thespeed with whichconsumerschange theirpositionto the product:

- variability ofproductperformance;
- the ease withwhich the productcanbe evaluated;
- the degree ofemotional involvement of theconsumertothe product;
- the accuracy of the information;
- the accuracy with whichmemoryreminds the direct experiencewith the product.

Undoubtedly, during this period and on short-term the guarantee of success in SMEs will be based on complete satisfaction of consumers. The today's consumers trend to project their own dissatisfaction, stress and frustration on the producing companies' brands resulted in reactions that lead to the development of strategies meant to increase satisfaction among consumers. It is interesting to notice that although firms make increased efforts to improve consumer satisfaction, the sense of customer satisfaction has not increased accordingly, and the customers are always waiting for a newer, better, cheaper product that would satisfy the most expectations.

According to most experts there are three levels ofconsumer satisfaction:

1) **The survival level**, in which there is some satisfaction of the customers but there is no guarantee for the firm that those customers will buy withother occasions. Statistics say that those customers who are satisfied will easily change the company when a new better offer will appear on the market. Philip Kotler showedthat 44% of the satisfied customers changed the brand later.

2) **Exceeding expectations**, consumers of a productor service may be satisfied withit and yet to start buying from the competition because they get bored relatively quickly, they want to feel the taste of change, are increasingly eager to test the brands that they are seeing in the commercials, believes that competition's offer is more attractive and more satisfactory. With the continued growth of customer expectations, the company will have to offer more and more in order to support that impression. The stagnation, or worseloss of performance would be fatal for the company on the long term.

3) **Customer excitement**, which in the current situation, it is offering a chance for the companies because, as PhilipKotler noted, it creates an emotional affinity for a productor service, not just a rational preference, and this underlies high customer loyalty, knowing that a very happy and excited customer become less inclined to change the brand in question. Sam Walton, founder ofWal-Mart chain of supermarkets observed, long time ago,that the secret ofbusiness success is: "to make your customer happy. A happy customer is a good thing for any business and customers will return again and again".

BrianTracy, highlight a fourth level in terms of satisfaction, which is reachedin his view only by the most respected and successful companies in the world. This is **the surprise of the customer**, a level where firms exceed customer expectations so much that they will not only buy from them repeatedly, but they will turn into true supporters, followers, advising others to buy from that company, customers behaving like true lawyers. Statistics say that a satisfied customer in such a degree will share its satisfaction with at least five people.

Since there is no better advertising than that made by extremely satisfied customers, companies will spare no effort to increase the number of these customers.

4. How to keep and to loyal the customers

During the boom period nobody was concerned about customer loyalty. The focus was on maximizing profits from each transaction, a policy that led to a sale today and a client lost the next day. But nobody cared, because growing market allowed rapid replacement of lost customers. Profits euphoria blocked thinking ahead. Even today, marketing myopiaas Theodore Levitt called is still present. Contemporary marketing continues to focus on attracting new customers. In a logical way, companies spend most of their budgets (not less than 70%) in order to acquire new customers, despite the fact that the analysis shows that the overwhelming proportion (90%) of income in coming from transactions with the current customers of the company.

Turning a new customer into a loyal one for the company, involves passing through several stages. Always, the loyalty to a productor service was directly linked to consumer satisfaction, by the literature.

The company's benefits that derive from total customers' satisfaction and by default from loyalty and keeping them are endless:

1) A loyal, satisfied customer can be more easily persuaded to buy larger quantities, being much cheaper for the company to sell to an old customer instead of attracting a new one. They are bringing significant revenues, constant over a longer period. Most authors agree that is five times cheaper to keep a customer than to attract a new one, eventually from the competition. And on top of that, the profitability of an old satisfied customer is much higher than a new customer and that is because it takes a long time until the second it reaches the volume purchasing of the first.

2) The loyal customers of a company will be willing to buy other products of the company, as it will introduce new products or to improve the existing ones. And that's because the client and company created a relationship of trust.

3) The loyal customers, satisfied with the products of a company will be less prices sensitive and not easily migrate when a similar product will be available on the market at a lower price. The costs of serving a kept customer are dropping in time, while the profits are increasing. This is because sales relationships become a routine, there is no need for so many papers, documents and things are solved much faster. There is already a relationship of trust which saves time for both parties. So, serving a loyal customer is less expensive than serving a new one.

4)A loyal customer, fully satisfied will advertise for the company he is purchasing from and for its products. Statistics say that a satisfied customer will show its enthusiasm for a production average to five other people.

5)A loyal customeris less inclined to pay attention to the competitors'products and advertising and generally to their offers.

6)Loyal customers save company's time. Once customers have established a relationship with company's personnel will be served more quickly, and being known the preferences.

9)Loyal customers provide the company with ideas for new products/ services.

People stop at some point to buy from a company because they perceive a sense of indifference on its part. Chevrolet motto sums up this idea: "never forget a customer, do not let your client forget you".

5. The SMEs and the customer relationship management

SMEs have different characteristics from those of large companies. In addition to size, there are a number of qualitative characteristics which serve to underline the difference. These attributes are summarized as follows:

- ***Scale of operations***. SMEs serve predominantly a local or regional market rather than a national or an international market. They tend to have a very limited share of a given market. They are relatively small in a given industry.
- ***Ownership***. The equity of SMEs is generally owned by one person, or at most, a very few people. Small firms tend to be managed directly by their owner or owners.
- ***Independence***. SMEs are independent in the sense that they are not part of a complex enterprise system such as a small division of a large enterprise. Independence also means that the firm's owner/managers have ultimate authority and effective control over the business, even though their freedom may be constrained by obligations to financial institutions.

- ***Management style***. Small firms are generally managed in a personalized fashion. Managers of small firms tend to know all the employees personally, they participate in all aspects of managing the business, and there is no general sharing of the decision-making process.

Other characteristics are pointed out from perspective of finance, organization and business operation. Compared with large firms, SMEs generally lack of financial resources which suppresses their potential growth, similarly, they do not have the benefit of a team of specialist experts.

Externally, SMEs have little control of or influence on the environment in which they operate, so they find difficult to position themselves against a strong competitor.

All these characteristics presented above make help the SMEs to have a closer relationship with their customers. They can focus to a narrow market share or even a niche and by serving it very well can protect that market share from the competition.

Even they are small firms the SMEs need to implement a CRM system in order to better serve their clients.

The life cycle of CRM comprises three phases: acquiring, enhancing, and retaining. Each phase supports increased intimacy and understanding between a company and its customers. Theses three phases are:

1. Acquiring new customers: the company acquires customers by promoting product and service leadership.
2. Enhancing the profitability of existing customers: the company enhances the relationship by encouraging excellence in cross selling and up selling, thereby deepening and broadening the relationship.
3. Retaining profitable customers for life: Retention focuses on service adaptability, delivering not what the market wants but what customers want.

Each phase impacts customer relationships in different ways so that focus and strategies vary from phase to phase. They are described in the table below.

Table 2: Focuses and strategies of CRM phases

Phase	Focuses	Strategies
Acquire	Differentiation	▪ Innovation ▪ Convenience
Enhance	Bundling	▪ Reduce cost ▪ Customer service
Retain	Adaptability	▪ Listening ▪ New products

Source: Kalakota Ravin et al (1999), e-Business: roadmap for success. Addison-Wesley Pub Co Addison-Wesley Pub Co.

Based on CRM life cycle the SMEs can implement a CRM system that comprises four steps, namely:

Step 1: The identification of customers. The identification of customers enables the company to select those customers that they regard as being strategically significant and who they believe can contribute to the success of the company. These customers have unique needs and due to their value to the company, will have products developed to meet these needs. It must be possible to identify these customers and so obtain as much detail as possible. This involves collecting as much data as possible in order to obtain as clear a picture as possible of the customer and their profile. This may require the development of a database or the continued maintenance of a database in order to ensure that the data stays as recent as possible. Having this information enables the organization to determine those customers that have been with the organization for a long period and those that have recently started using the products and services of the organization.

Step 2: The differentiation of service. The differentiation of service implies that different customers receive a different level of service and a different product from the company, depending on the value to the company and their specific needs. This requires the organization to identify the top (or most significant) customers and adapt service accordingly. Identification of these top customers takes place using sales figures or by calculating the CLV associated with each customer. As the company is aware of the value of their customers, service levels can be adjusted accordingly.

Step 3: Interaction with customers. This step refers to the importance of interacting with the customer in relationship building efforts through a variety of communication tools and technologies. This

is necessary as the relationship can only develop and be sustained if there is communication with the customers regarding their needs, perceptions and desires. This involves developing methods of communication proactively with customers regarding the organization's products and attempting to initiate dialogue with customers. Use can be made of technology, but this is not essential. The customers with whom communication takes place are not necessarily all the customers, but only those that the organization regards as being strategically significant. This interaction with the organization increases the expectations of the customers regarding the service received as well as the quality of the relationship.

Step 4: Customization of products, services and communication. Customization is carried out by the company in order to ensure that customer needs are met. It requires that the company adapts its product, service or communication in such as way have something unique for each customer. Communication can be customized to address the specific needs and profile the customer, and company also makes use of personalization as part of this process. Products can be customized as to the specific desires that the customer has of the organization. In the case of the financial services, it refers to the product package that is offered to the customer. The purpose of customization is to increase customer satisfaction, and the loyalty that is exhibited by customers.

6. Example from a company's CRM system from Valcea County

Few years ago a SME from Valcea County tried to implement a CRM system and succeeded. The company is producing PVC windows with double and triple glass. The target market for is represented both by individuals and companies who wants to change their windows and doors as well as the new constructions.

Because the company started its activity in 1999 at the time of implementing the CRM system has already a strong database with all the customers served data.

The CRM system focused on two directions:

- finding new customers;
- contacting the served customers in order to see if they are satisfied with the products they bought from the company. The feedback was very good, many customers being surprised that the company is interested about the behavior of its products. The customers were also informed about the new products of the company and the discounts they have if they place a new order or if they bring a new client. For the next six month about 15-20% of the orders came from people that heard about the company's products from the old customers of the company.

Six month after the windows and doors were installed the company send its people to verify if the products are working fine and with the same occasion reestablish the contact with the client and reminds him about the offers.

Due to this system that was implemented in 2009 the company managed to overcome the difficulties caused by the economic crisis and it didn't reduce its activity.

Today the CRM system is working very well generating constant orders from the customers. Asan observation in the last year the old customers become more demanding and required especially roller shutters and painted glass, becoming more obvious for the company that new client segments are emerging.

7. Conclusions

Today, when the existence of a large number of loyal customers is vital for companies, is difficult and risky not to focus on building relationships with customers. Who continues to go on the old marketing line makes it on its own risk.

After EU accession, Romanian SMEs have to face ruthlesscompetition and markets. They need a revolution in how they think business and marketing process in an effort to reduce the distance that separates them from European firms.

The last decades have recognized market and customer orientation as a new business philosophy. Lack of marketing departments and specialists within these companies allow them to suffer from what Theodore Levitt called marketing myopia, demonstrating an exaggerated focus attention on the product instead of the consumers. A good relationship with the customer, the consumer satisfaction on a developed market as the EU, is no longer a differentiator factor, but mandatory for any company, a necessary condition but not sufficient in order to continue business. Customer satisfaction is linked to quality products and services, boosting business competitiveness.

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THE ROLE OF THE DELORS COMMITTEE IN THE PROCESS OF CREATING THE EUROPEAN ECONOMIC AND MONETARY UNION

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Abstract:*The aim of thispaper is tostudy the role ofthe DelorsCommittee (the committee which conducted the Economic and Monetary Union (EMU)project, laterincludedin the Treaty ofMaastricht)in the creationofEMU. The international and institutional contextof the early to mid-1980s, characterized by a European Economic Community (EEC) of 12 Member States, a successful European Monetary System (EMS) and an obvious sign of optimism following the success of the Single European Act and the perspective of achieving the single market isextremelyimportant forunderstandingwhy the DelorsCommittee was entrustedthe task ofproposingconcrete stepsfor completing the creation of EMU at this very moment. The research methodology refers to the analysis of the institutional and international context of the early to mid-1980s, which reveals the concrete role of the Delors Committee, as well as the analysis of the extent to which the Delors Committee meets the conditions of the definition of the concept of epistemic community.*

Key words: committee of experts, European monetary integration, institutional and international context

JEL classification: F 15, F 33

1. Introduction

The Economic and Monetary Unionisa key area where a lot has happened over more than fifty years of European integration. It is true that the 1957 Treaty of Rome does not clearly state the creation of EMU; the concept was not included in a document until the almost final form of the Treaty of Maastricht in1992.What is remarkable is that, although the concept was not included in any document from the very beginning, this form of integration has made considerable progress, becoming what we now call the Euro area. The international and institutional context of the early to mid-1980s, characterized by a European Economic Community (EEC) of 12 Member States, a successful European Monetary System (EMS) and an obvious sign of optimism following the success of the Single European Act and the perspective of achieving the Single Market is extremely important for understanding why the Delors Committee was entrusted the task of proposing concrete steps for completing the creation of EMU at this very moment.

2. The institutional and international context

The EMU project dates since 1970. However, monetary integration did not materialize at that time due to the unfavorable internationalcontext and the divergences regarding the economic and monetary policies of the Member States. The Bretton Woods System, which had provided an international monetary system of stable exchange rates for more than 20 years, fell during the same period. The response of the Member States to the 1973 oil crisis and the recession that followed revealed major differences regarding the economic and monetary policies within theEEC.

One of the lessons learned in the late 1970s was that there is no trade-off between inflation and unemployment. In March 1979, the EMS became operational; the Member States were on the verge of a major change regarding the economic and monetary policy regime. Although the main goal of the monetary policy was that of reducing inflation, during the 1980s not all the central banks achieved this goal with the same success rate. Overall, recurrent inflation was caused by monetary policy easing, which happened when central banks were taught to protect other policy objectives such as stimulating economic growth.Indeed, in most Member States of the EEC, central banks were not independent, with the exception of Germany, Italyand, de facto, the Netherlands (Hasse, 1990).

A significant change in the monetary policy occurred in 1983, when the French government realized that one cannot impose "socialist policies" and other countries, such as Italy, reached the conclusion that reducing inflation should be a very important political objective. However, these changes

were not sufficient for the launching of EMU. The Single Market Program contributed to there new al of the idea of EMU in Europe. As a result ofthe four freedoms-free movement of goods, services, persons and capital, the creation of EMU was now regarded as necessary by the heads of state and government.

The global factors practically forced the companies within the community to militate in favor of EMU. Companies such as Fiat, Philips or Volvo, due to the loss of international competitiveness, understood the need of creating a European market and a single currency. At the same time, politicians from the Member States began to realize the adverse effects of a fluctuating US dollar on the European economy and the need for a response from Europe, especially since the attempts of coordinating the international exchange rates within the G7 meetings had failed in a period of strong fluctuations of the dollar against the German mark. In addition, policy makers realized that economic interdependence, globalization and expanding international capital markets reduced their power of maneuver in this area.

At the same time, during the late 1980s, one could notice a convergence of the policies in the international contextof the EMS, which had successfully developed in the mid 1980s, after as low start. The German mark had become the de facto anchorcurrency and the EU governments had started to practice policies of reducing inflation. The method used was to follow and copy the German monetary policy step by step. Therefore, in the late 1980s, the EMS was seen as a political symbol of successful European integration.

3. The role of the Delors Committee in creating the EMU

The explanations why the EMU was accepted and included in the Maastricht Treaty show little concern for the importance of the Delors Committee of monetary experts in this process. We shall further analyze the role of the Delors Committee (the committee which conducted the European and Monetary Union project, later included in the Treaty of Maastricht) in the creation of EMU.

In June 1988, the European Council mandated the committee headed by Jacques Delors "the task of studying and proposing concrete stages of the EMU" (Delors Report, 1989, p.3). The president of the committee, Jacques Delors, and French president, François Mitterrand, supported the EMU. They were, in turn, supported by the German chancellor Helmut Kohl. A clause regarding the need for EMU had already been included into the Single European Act (Levitt, 1996).

Therefore, the members of the Delors Committee were selected by the European Council during the Hanover summit in June 1988. The council named Jacques Delors the head of the committee and decided that it should be composed of the presidents or governors of the 12 central banks, another member, Frans Andriessen, and three personalities named by common agreement by the heads of state or government (...): Alexandre Lamfalussy, the general manager of the Bank for International Settlements (BIS), Niels Thygesen, professor of Economics (Niels Thygesen had been supporting the European economic and monetary integration for some time. In 1975, he was one of then in eeconomists signing the "Manifest for EuropeanMonetaryUnion", which appeared in"the Economist" on November 1, 1975 and which represented an attempt to re-launch the EMU by introducing a parallel currency) andMiguel Boyer, president of Banco Exterior de España. The rapporteurs, Gunter Baerand TommasoPadoa-Schioppa, were elected by the president of the committee, JacquesDelors(Gunter Baerwas atopofficialof theBundesbankand was elected at German chancellor Helmut Kohl's request; Padoa-Schioppa had been rapporteur for a previous reportin 1987, called the Padoa-SchioppaReport. It analyzed the context of the European Community enlargement through the accession of Spainand Portugal and the prospect of completing the Single Market).

Completed in April 1989, the Delors Report proposed a three-stage process towards the EMU, involving the close coordination of the economic policies, strict rules regarding the financing of budget deficits and setting up an independent community institution which to define and implement the community monetary policy. The first stage envisaged the enhancement of economic policy convergence and removing the control of the exchange in order to ensure the free movement of capital within the European Community. The second stage implied the early establishment of the European Systemof Central Banks(ESCB) andthe completionof economic andmonetaryconvergence. And the third stage involved the replacement of the national central banks with the ESCB, the irrevocable fixing of parities and the introduction of the single currency.

The Delors Reportwas elaboratedina relatively short period of timeand was adopted unanimously. However, the committee had two members dominating the sessions: the president of the committee - Delorsand the president of Bundesbank - KarlOttoPohl. Therefore, hierarchy had been established within the Delors Committee.

Few are those who have noticed that the Delors Report, which was mainly elaborated by the officials of the central banks, strikingly resembles the Maastricht Treaty articles which refer to the EMU.

Dyson, Featherstone and Michalopoulos studied how the central bank officials managed to introduce the principle of central bank independence in the treaty (Dyson et.al., 1995). The key factor explaining the influence of the central bank officials in the creation of the EMU is represented by the "structural changes in the nature and structure of capitalism, in particular the relationship between the EEC Member States and the global financial markets and the inflation phenomenon" (Dyson et.al., 1995, p.484). Therefore,according to these authors, the main determinants of the EMU processare the changes in the global economy, including the changing perceptions regarding the economic and monetary policy objectives.

In 1994, Kenneth Dyson conducted a study on the EMU, written from the perspectiveof the two-level game,which regards the political actors, the negotiation relationships and what he calls "the structural power of the international political economy." According to Dyson, the process of monetary integration is shaped by "the will and power ofthe central actors involved", which are influenced by four factors: first of all, the actors must acton a stage; then, they must have certain economic beliefs; thirdly, the actors are confronted with structural changes of the international political economy; the fourth factoris represented by their experience regarding the process of European economic and monetary integration (Dyson, 1994). By "structural power", Dysonmeans the control over a great numberof factors in the external context, such as: control of the anchorcurrency, control of capital supply and demand and control of the economic principles (Dyson, 1994, p.16).

Immediately after publication, the Delors Reportwas not well received by either the decision makers or the public. The members of the Delors Committee(the official name was "Committee for the Analysis of theEMU") -the 12 presidents of the central banks, the president of the European Committee and another European commissioner-who had prepared the report, unanimously agreed withits contents. The report envisaged the irrevocable fixing of the exchange rates between national currencies and, finally, the introduction of the single currency. In order for these objectives to be achieved, it also stipulated the need for a"common monetary policy" and"a high degree of economic policy compatibility(...) particularly in thefiscal area" (Delors Report, 1989).

The fact that an agreementon the creation ofEMU was reached so quickly surprised the academic community. Even more surprising was the fact that the Treaty of Maastricht encompassed all the recommendations of the Delors Report. By accepting the Treaty, the Member States committed accepted to transfer their sovereignty to the monetary policyat European level. Not only did the MemberStatesagree to institutionalize their monetary policies at European level, but they also decidedto providethe European Systemof Central Banksanindependent status. It is, indeed, intriguing how a monetary arrangement that was going to materialize much later was accepted by the 12 Member States during 1989-1991.According to Rosenthal, the EMU proposals materialized so quickly in the late 1960s and early 1970s because the officials in charge of negotiating theWerner Reporthad known each other and had been cooperating for quite some time. However, the public became really interested in the EMUprojectonly after the Treaty was signed.

4. The role of epistemic community of the Delors Committee

One usually relies one pistemic communities in order to solve certain international problems when unilateral or bilateral agreements fail. Ruggie does not provide a clear definition of the epistemic community; he only states that they can play roles that influence the members' perception of the social reality (Ruggie, 1975, p.570).

An epistemic community can arise when the national governments aim at coordinating policies at international level.Policy choices involve a number of consequences, which can only be estimated partly; hence, the need for information. Epistemic communities, whether national or transnational, area potential supplier of the information needed by policy makers.

Adler and Haasidentified fourmechanismsthrough whichepistemiccommunitiesexert their influence: first, policyinnovation (they decide upon the nature ofthe problem, policy objectives and at what level the problem shouldbesolved). In fact, theseinitialchoicesdefine the nationalinterests; second, policy diffusion, which refers tothe mechanism through which the community memberscommunicate in order tomaketheir views known;third, policy selectioncantake place. Inthis case, the decision makers ask for the help of aselectedepistemiccommunity, whichthey know willsupportthe respective policy. Thisapproach allows the legitimization ofpoliticalelectionsby appealing tocommunitiesofexperts; fourth

of all, policypersistence - sharing the same ideas, beliefsandgoalsover timeincreases the credibilityand authority of the members of the epistemic community; finally, policy evolution as knowledge. Epistemic communities can contribute decisively to knowledge, which is extremely important because the final understanding of a policy issue determines the outcome of the respective policy (Adler and Haas, 1992).

Peter Haas, studying "the role of epistemic communities (in understanding thecause-effect relationships in the case of complex problems) of helping countries identify their own interests, proposing certain policies and identifying certain issues that are to be put under negotiation"(Haas, 1992, p.2), defines the concept as follows: "An epistemic community is a network of professionals from various fields, who 1. Share the same beliefs(...), 2. Share the same causal beliefs derived from the analysis of the practices that cause certain problems and serve as a basis for elucidating the multiple link ages between the possible policies and the expected earnings, 3. Share the same notion of validity– in order to validate knowledge in their field and 4. Share a common policy initiative-a set of practices as sociated with certain problems towards which professional competence is directed, out of the belief that this will lead to welfare". The author identifies some more characteristics as well: "the members of the epistemic community have an inter-subjective logic, share the same way of thinking,the same reasoning and the same beliefs and use the same discursive practices; they also share the same responsibility regarding the production and implementation of knowledge"(Haas, 1992, p.5).

The members of the epistemic community distinguish from other members of the scientific community by the fact that they try to accomplish a goal that they believe in: "The members of the epistemic communities try to engage in activities which be streflect the beliefs of the community and tend to identify themselves with the groups that seek to promote these beliefs". However, the author argues that themembers of asub-domain ofa discipline can form an epistemic community. This means that a certain category of economists, the Keynesians for example, could be considered an epistemic community if they share the samebeliefs, ideas or goals. Guided by the same reasoning, the central bank of ficials can not form an epistemic community. Instead, the central bank officials that support the EMU can be regarded as forming such a community.

We shall further analyze the extent to whichthe Delors Committee meets the four conditions of the definition of the concept of epistemic community proposed by PeterHaas. First, the committee members shared the same normative beliefs, meaning that they believed that enhancing economic and monetary integration will have positive effects on the European Community, provided that it is based on certain principles. Second, they shared the same causal beliefs, based on the EMS experience and the monetary policy ingeneral. They were convinced that inflation is harmful to economic growth. Then, they admitted the need for exchange rate stability in order to ensure the proper functioning of the Internal Market. Moreover, the de facto domination of the German markas the anchorcurrency and therefore the primacy of the Bundesbank in determining monetary policies was not a politically satisfactory scenario. At the same time, although the creation of a new European institution was favored, the Delors Committeedid not consider the existence of an economic supranational authority to be appropriate, because the participating governments would have no longer been fully responsible for the national macroeconomic and fiscal policies.

The third condition, sharing the same notion of validity, is very similar to the second one, which is why we find it to be met.It isdifficult to accurately determine the difference between conditions two and three because, for example, the fact that the committee members were convinced that inflation hampers economic growth applies for both the first and the second condition.

The fourth condition, a common policy initiative, is clearly satisfied, since the members of the committee were selected precisely because they had been given "the task of studying and proposing concrete stagesfor creating the EMU" (Delors Report, 1989).

How did the national governments benefit from consulting the Delors Committee? When the European Council asked the committee to analyze the possibility of an economic and monetary union, not all EU governments were enthusiastic about this idea. The English government even vehemently opposed the project. Given this context, it seems incredible that the British agreed, however, to consider a possible EMU. Their explanation was that the report would not require the acceptance of its recommendations, being merely an exercise. In fact, the main reason why the British did not oppose the EMU was their fear that West Germany, France and Benelux could create an EMU, thereby eliminating the influence of England on the creation process of the monetary arrangement.

Secondly, the governments of the Member States were aware that the introduction of the single currency was questionable as it involved institutionalizing a monetary regime that had been de facto

dominated by the German monetary policies and, thus, the supremacy of the German mark. The governments' anticipations regarding the possibility that the German monetary regime to become the center of the European monetary policy prove that they were also aware that if a European central bank was to be created, then it would take the Bundesbank model, namely it would be politically independent.

In the absence of any prohibitive agreement, countries could form a multilateral monetary area outside the European Community. The idea of having a word to say in this scheme and the risk of being excluded were major concerns for countries like Spain or England. Moreover, the fact that the project of EMU was to be elaborated by the Delors Committee explains why these countries accepted the type of EMU largely based on the German model.

Thus, it was convenient for all the Member States to assign the task of initiating policies to a group of central bankers and independent experts and to make sure that they suggested the independence of the European central bank. This was a very important step considering that most of the national central banks were still taking instructions from their national governments. Also, no political agreement regarding the acceptance of a macroeconomic or fiscal authority for defending the monetary institution had been signed.

5. Conclusions

The Delors Committee was not a mere actor, which had no connection with the political struggle of the states. It was asked for advice namely because national decision makers needed legitimacy and know-how for the next step in international cooperation.

In addition, central bankers had to be trained in terms ofmonetary policies, which meant that they could also give their consent regarding the single monetary policy. The global factors and the perception of the global economy made national governments skeptical regarding the uncoordinated independent political decisions, and, as a consequence, they became increasingly interested in the idea of a common policy.

Thus, central bankers became very important actors mainly because the Member States realized that the interdependence of their economies means limiting their possibilities of maneuver in solving internal problems in an isolated manner, without coordinating their policies with those of other countries.

The Delors Committee functioned exactly as the definition of an epistemic community suggests. The national governments looked for a group of experts that they knew would support their political choices and, more over, they could use the knowledge, experience and advice of the experts in order to base their decisions. Without the report of these experts, the national governments would have been suspicious of the reasons and purposes of the other governments.

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ACTUALITIES AND ASPECTS OF THE BUSINESS TRAVEL IN ROMANIA

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Abstract: *Loosely, the term business travel refers to the people's journeys concerning their jobs, precisely to their official meetings, or commercial or others such as the participation to the different events organized by the economic enterprise, institutions or administrative agencies for their representatives in order to diversify and grow the quality of the economic goods, materials or services, for which they have specialized. Even though, mostly, these facts involve the ongoing of a paid activity, being incorporated in the tourism, because the organization and the accomplishment of these implies the usage of the facility of housing, food, recreation, as well as the services typical for the travel agents. So far, much more from now on, business travel is the privilege for the developed countries, having an established, original market economy. Yet, business travel is the most important niche for Romania through which she can enter in the run of the international tourism, with great advantages for the social-economic future of the national community.*

Key words: business travel, fair trade and exhibition, market of business travel.

Jel Classification: L 83

1. Theoretical aspects concerning business travel

Business travel – part of the tourism – is the most dynamic form of tourism, quoting circa 20% of all the international travels and almost 24% of the touristic profits, being at the same time one of the most grandiose and expensive activities (Minciu R., 2004).

Conceptually, business travel refers to the movement in another city, at a length bigger than 50km from the original city of the traveler, and this travel must be determined by a business, an event or a purpose concerning education.

There are several types of business travel: individual trips/travels, group trips/travels, travels determined by different events (MICE domain- Meetings, Incentives, Conventions, Exhibitions), team-buildings, and training travels (Pârvulescu M., 2008).

Practically, business travel takes different forms:

- *The assembly*, as an event organized in multiple ways (assembly, colloquy, conclave, conference, congress, union, meeting, reception, gathering, seminar, symposium, summit, workshop) for discussing common problems (commercial or non-commercial), consisting of even hundreds of persons, lasting for a couple of hours or even a week, using services of tourism and even relying on the premises of organization which justify the affiliation to business travel (Davidson R., 1994);
- *Exhibitions and trade fairs*, mean that there are presented products and services to a target public having as purpose the promotion of sales and the guests information; this organizational form of business travel stimulates journeys of exhibitors and guests, planning several touristic services, such as catering and accommodation of the guests;
- *Internal training*, where all the participants belong to the same company or 'open'events, where the host institution offers programs for all those interested in them;
- *Products launching*, meaning that they are specialized events used at the moment by many companies as a way of promoting their products and services before launching them on the market; they usually have a diversified audience including media, suppliers and consumers, and the time allocated is quite short (sometimes only a few minutes) but with a relatively high budget;
- *Cordial travels* were defined in 1998 by the 'Society of Incentive Travel Executives'(SITE), as a management tool which , by offering exceptional travels, are meant to incentives or to admit the high level of the participant's performance while accomplishing the tasks within the organization;

- *Individual business travels*, which are initiated by entrepreneurs who want to include in their strategy of developing their firms -to a national or international area (multinational, transnational)- actions that imply all basic and complementary services of tourism , including loisir tourism;
- *Travelling for business*, of the office holders, national or international, a chance through which the interests of the local and national communities are promoted on various areas (economic, social etc.). However, through their complex content, business travel can have lots of definitions and classification, literature and the practical reality is that it is evolving more and more lately.

2. Particularities, extents and advantages for the destination of the business travel

The main characteristics of business travel may be the following:

- It represents the form of tourism which maintains a high level of the quality of services;
- It reaches the highest level during spring and autumn, but it also has activity during winter and summer;
- It represents a complementary part of loisir tourism (for free time or holiday);
- Many of the investments for infrastructure are especially dedicated to business travel (hotels, restaurants, facilities concerning transport and traffic) and offer advantages which can be used by typical tourists and also by the people living in that area;
- Business tourism has less negative effects on the environment than does the classic tourism;
- Statistics show that almost 40% of the business tourists return to the same places along with their families.

Business travels may have an internal or an external character depending on the direct user and their results.

The internal form of the business travel addresses to the employees of a company and has as purpose the impulse of the staff so that labor productivity and the performances could be improved.

They take the shape of:

- *Seminars or assemblies of the leaders of the company and the employees* (in order to detect and solve problems and to share experiences);
- *Staff training and updating the training* usually go off in special institutions (universities, research institutes, training centers), in adequate hotels or in a touristic framework, not in firms;
- *Rewarded travels* (incentive).

The external form pursues the good evolution of the activities and the prosperity of the firms as a whole. It consists of:

- *Professional travel* (work on field, market research, administration/ supervising works, assisting);
- *Participation to the fairs, exhibitions, congresses, colloquies.*

Actually, the economic reports which are generated by this branch determine the market of business travel, namely the meeting point of the providers of these specialized services with their customers.

The main *providers* of the branch of gatherings and conferences are those who can assure all the facilities of this market. Big conference centers are the most appropriate place for meetings, but museums, theaters, castles, ships and even parks can be a perfect place for events that require a memorable location in order to be outstanding. Hotels have as well an important role for business travel, due to their ability of hosting a great number of big or middle events. The domination of hotels in this field is being disputed by other types of location such as conference centers which consists of public funds, and whenever there are delegations for several days these centers contribute to the local economy. Universities may also be included, because they have invested in hosting and meetings, in order to raise their own budget.

On the other side, there are the customers. They can be included in three categories: corporate sector, associations and the public sector (Rogers T., 2003):

a. **Corporate sector** is represented by the companies which have like main purpose organizing commercial meetings: conferences to discuss strategies, launching new products and

organizing training for employees. The leisure activities which often accompany these conferences allow the participants to improve their team spirit.

b. **Associations** (the second biggest category of customers) divide intro two types: professional, when the reason of the meeting is strictly related to work and voluntary. There are local, regional, national and international associations. Although its members are much dispersed, they have to meet regularly in order to catch up with the latest news and updates in their field of research. The battle between destinations is big because it implies the organization of conferences of the international associations which imply a great number of delegates; it takes longer and as a general rule is less frequent. Fortunately for tourism agencies which are involved in this program, the number of international associations is getting bigger due to the growth of professional training.
c. **The public sector – the local and central authorities** usually 'buy' the services offered by the organizers of business travel, for delegations, as well as for organizing events at a local, national or international level. The educational and health system are the most important factors, but also organizers of such activities.

Business travel has developed as one of the most dynamic sector of economy, tending to evolve more due to the spread of international relations in every branch, especially as a result of globalization of economic life.

Taking into account the truth of this statistics, according to the report of the Union of International Association (UIA), published in 2011, in 2010 there have been 359.673 meetings in 256 countries, more detailed 11.047 towns. The balance on each continent showing the number of organized meetings is as following:

Table 1: Market share upon the organizing of meetings in 2010

Continent	2006	2007	2008	2009	2010
Total	100	100	100	100	100
Europe	56,8	58,3	56,7	57,66	56,19
North America	13,9	14,9	16,5	15,96	17,17
Asia	14,9	12,9	13,7	12,8	13,08
South America	6,4	6,00	4,71	5,19	5,12
Africa	4,8	4,8	4,6	4,25	4,03
Australia and Pacific	3,2	3,1	3,8	4,14	4,41

Source: Press Release June 2011- Union of International Associations International Meeting Statistics for the year 2010.

Comparing to year 2009 (when the number of meetings was the highest) the number of meetings has declined with 12% (1.253 meetings). Analyzing the regions, the number of meetings has declined with 11% in Africa, 11% in Europe, 6% in North America, 16% in South America, 2% in Australia and Pacific, but only in Asia it has grown with 14,9%.

In terms of competition between countries, here is the hierarchy of the first ten countries which organized international meetings:

Table 2: Top international meeting countries in 2010

Country	Number of meetings	Percentage of all meetings
1. USA	936	8,1
2. Japan	741	6,5
3. Singapore	725	6,4
4. France	686	6,0
5. Belgium	597	5,2
6. Spain	572	5,0
7. Germany	499	4,3
8. Korea Rep	464	4,0

9. UK	375	3,3
10. Austria	362	3,1

Source : www.uia.org

The first ten countries in the statistics, gather ca. 60% of the total of international meetings, and the rest belonging to the majority of the countries of the contemporary world; this shows the differences between the levels of development and also the capacity of organizing such events.

Here are the statistics of the organizing ability of the first ten cities which were ranked as destinations for international meetings:

Table 3: Top international meeting cities in 2010

Country	Number of meetings	Percentage of all meetings
1. Singapore	725	6,5
2. Brussels	486	4,4
3. Paris	394	3,6
4. Vienna	257	2,3
5. Seoul	201	1,8
6. Barcelona	193	1,7
7. Tokyo	190	1,7
8. Geneva	189	1,7
9. Madrid	175	1,6
10. Berlin	165	1,5

Source: www.uia.org

It can be seen that these ten cities gather ca. 27% of the total of international meetings, proving that there is a great interest of the organizers, and that they fulfill all the requirements and the background of the meetings in relation to the external part of the chosen destinations for such meetings of a great range.

The meetings taken into account in this hierarchy fulfill the criteria imposed by UIA (Union of International Associations): they are organized or sponsored by international organizations which appear in 'Yearbook of International Organizations' and in 'International Congress Calendar'; or there are national meetings to which will participate international guests, and they are organized by the national branch of an international association.

Basic tourist services and many of those supplementary and complementary serve the business travel as well as the leisure or the one in the free time, but active by their nature. Transport, housing, food supplies, information and promotion services, or the activities of the tourism agents and even the tourist attractions are presented on both markets, even if the offered services may be different. Moreover, the motivations of the customer regarding the two forms of tourism (business and leisure) find each other in perfect relation, hence the requirement in choosing the destination of business travel.

That's why 'Great Hotels of the World' (a worldwide alliance of the independent luxurious hotels) have published in 2011 their predictions for the 10 most popular destinations all over the world for business travel and also active tourism. It is noticeable the fact that in the survey made by Great Hotels of the World the European destinations are more, and they took over the American ones. These are the most favorable places in the world for business meetings, conferences, congresses but also for leisure and active tourism.

1. *Montenegro* – after registering lately a significant growth in leisure tourism, Montenegro develops rapidly as a common destination for meetings and conferences. Montenegro, located on the Adriatic coast, offers unique experiences for active tourism but also for teambuilding activities. The facilities for meeting and conferences offered here are excellent. The hotel industry is expanding, and there is a lot of investment in building hotels and in infrastructure.
2. *Croatia* – known also as 'Adriatic Pearl' thanks to its high standards regarding tourism, Croatia has a lot to give to business travel and more. Croatia has tempting destinations such as Dubrovnik, Zagreb, Split and Hvar, and excellent connections due to its 9 international airports; due to these things, Croatia becomes an attractive option for congresses, meetings and trips.
3. *South Africa*- South Africa becomes more attractive through its gorgeous landscapes, its sunny climate, multiculturalism and the fact that they consider money very important. World

Cup was the best opportunity for South Africa to show its great infrastructure. Johannesburg and Cape Town have become very popular destinations among the customers, due to their capacity to host events for different capacity and prices. Many hotels and conference centers are being built, and the existent facilities are being renewed.

4. *India*- India is considered to be an ideal destination for meetings and congresses due to its new technology and facilities, for its known hospitality, rich heritage and natural beauties. She also represents an exotic destination where active tourism is present.
5. *Lisbon Portugal*- Lisbon is ranked as one of the best destinations for meeting in Europe due to its geographical position, its modern infrastructure, mild climate and the great variety of places. Lisbon's reputation as an international business destination will enhance in 2011.
6. *Turkey* – Turkey, having excellent transport links, represents a good meeting point for Europeans and Asians and has a variety of locations for conferences and for hosting. The luxurious resorts from Turkey, the boutique hotels, conference centers perfectly supplied with services and hospitality at the highest standard.
7. *Greek Islands*- the multitude of hotels with good facilities for meetings and conferences combined with a mild climate during the year, with better infrastructure and frequent flights, make these islands a popular destination. Crete, Rhodes and Mykonos have registered a growth of 20% in year 2011, comparing to year 2010.
8. *Island* – Island offers unique places for active tourism and also excellent facilities for business meetings and conferences. The proposal for leisure tourism is worldwide known: thermal springs, volcanoes, icebergs, cannons, etc. The demands for leisure trips have doubled during the last 6 months in Island because of the request of unique and memorable destinations.
9. *Sardinia*- Sardinia is s perfect destination for any kind of events including business meetings, conferences and congresses. The main companies worldwide choose Sardinia as destination due to its good connections with the major European cities as well as for the multitude of hosting places and good facilities.
10. *Seoul, North Korea*- Seoul, the second biggest city in the world, has a rich culture, history, technology and good and always ready to give something new to everyone. The Tourism Organization in Seoul wanted to place the city, regarding business meetings, among the top five cities in the world.

So here the already known destinations are ready for another top, top ten destinations for business meetings and leisure, in 2011, having remarkable material, natural and organizational resources in order to enter the competition, in the near future.

As well as does loisir tourism, business travel has lots of advantages which benefit the local communities and also the countries which host such great events. Moreover, business travel improves the profit, as well as he brings a decline of season.

The duration of a season impose a major problem to the tourism, but business travel has an important role in solving this problem.

The importance of this market (besides being very profitable) reflects in the ascension of the occupied places outside the season, which is admitted by many organizers countries and cities. The months registering the maximum of international gatherings, are October, respectively September.

Another major advantage of the business travel is the high benefit. This new form of tourism implies relatively high costs, but due to the socio-economic profile of the travelers (medium and superior management class), tend to benefit the providers offering superior quality services: over three-star hotels, first-class transport, the rooms of the conference centers, restaurants, touristic and cultural activities, local transport, guides and shops.

Business travel has as well a positive impact upon the environment. Although the number of delegates in a place at a conference is big, they spend their most time in conference rooms, and when they go out in the evenings they don't appear to be a stressful factor for citizens. Also, they travel by train or plane, so that they don't cause any pollution or overcrowd.

The chance of promotion is another advantage. Therefore, a guest who leaves the conference with a good impression, he will definitely recommend to others. That is the reason why the local authorities make a great effort to impress the business tourists. These tourists are usually influent people, whose opinions are taken into account and may use the destination for a future event. These efforts vary: a speech of the mayor at the beginning of a conference, a documentary about the local places to visit, a

private tour to see the city and its surroundings, a traditional meal. No matter which option is chosen, the aim is still that to form a good image in order to be transmitted to others, but also for future events of loisir tourism in the area.

3. Strategic points in business travel in Romania

The general positive evolution of the Romanian market has as effect a growing of the business. As a consequence of these positive trends, business travel may evolve, although until present moment this modern form of tourism had not had a development.

Before 1990, Romanian business travel had little development. The only events were those organized by Expositional Complex Romexpo. However, the lack of experience in the field of organizing big congresses and international conferences has been felt after 1989, due to which not even now Romania is implied in organizing such events.

At the moment, business travel is the most stable branch of the Romanian tourism, having developed in the late two-three years a constant growth. According to the information offered to mass-media, it can be seen that it is registered a permanently growth in this branch, with more than 20% a year, starting from 2005 until now.

Business travel registered a development in our country due to the investment of the great international hotel chains (Sofitel, Crowne Plaza, Best Western, Hilton, Marriott), developing the offer of hosting for business travel and adjusting it to the international requirements (4-5 star-hotels, typical facilities for business travel- conference rooms, improvements).

A series of conference centers and exhibitions have also been built, making Romexpo's offer larger, and have developed a material basis for this branch of tourism.

Almost two thirds of the total of the 2 million tourists in Romania in 2010, have visited this country for participation to conferences, team-buildings and trainings. These visits have been mostly in cities, Bucharest representing the main location for business travel, where almost 80% of the total number of people hosted in hotels were last year just because of the work. Also in big cities, such as Timișoara, Cluj-Napoca, Sibiu, Iași or Constanța the required MICE (Meetings, Incentives, Conventions and Exhibitions) branch of infrastructure is developing, due to the presence of international airports and the development of new accommodation at a very high level. Therefore, the number of arrivals at borders is bigger with more than 25% in 2010, than in 2009.

At national level, the business travel market represents 64% of the total tourism industry. Moreover, only 23% of those visiting Bucharest do it just for visiting the place, and comparing to the classic tourism, those visiting Romania for business issues spend almost double than the first category.

In the late two years, Romania has developed a lot business travel. Foreign companies choose cities from Romania in order to organize congresses and conferences, to which even hundreds of people can participate. One of the main reasons for which Romania is preferable by these is the low prices. The prices are lower than in other countries. This is due to the lower level of management price, of the translating services, of technical services and sometimes of the chosen halls for the events. For the first three elements mentioned above, the costs are from three to ten times lower than in other countries from West Europe.

The customer has included, beside the organization of the congress or conference, a full package for a year. The service package is complex: firstly, they are hosted in luxurious hotels, and the transfers from the airport to the hotel, plane tickets and secretarial services are included in the package. Also a series of visits, leisure activities and meals are organized for the participants.

Business travel is the only branch of tourism industry in Romania which has an efficient effect and is somehow growing bigger. This can be proved by the incomes of the urban hotels, which confirm that, the level of business travel has risen up to 65 and 85%. This tendency of growth was registered during 1997-1998, grew bigger after year 2000, and after 2004 it has begun to emphasize. It has been growing a lot until the end of 2008, along with the emergence of economic crisis which has reduced the number of tourists planning a business trip; therefore, since 2008 there has been a decline of the business travel in Romania. Even with this decline of business travel, this branch still remains one of the most profitable among the Romanian tourism.

Another trend in this field is the rising of the medium sum spent during the staying in Romania, from 160-180 Euros a day up to 300 Euros a day.

In Romania the number of hotels fitted in this standard has lately grown. We can exemplify by hotels such as- Park Hotels and Marriott in Bucharest, Ibis Hotels in Constanța, Bucharest and Sibiu,

Eden Hotels in Predeal and many others. Business travel is the one which launches the accommodation. In order to cover the business field, hotels are required to have a series of facilities and services in concordance with the requirements of this branch. These hotels must be provided with conference rooms, equipped with special and performing audio-visual technology, adequate light sources and air-conditioned, internet and the possibility of broadcasting the meetings and conferences.

Business travel is therefore considered to be the main income source for hotel industry in Bucharest and the other important cities. The majority of the tourism agents have seen the profitability of business travel and therefore they have adapted their services to the requirement of this branch. The proposal of the tourism agents include services for organizing congresses, conferences, symposiums, gatherings and other events belonging to this branch. Some of the agencies which have developed their services for this branch are: Marshall Tourism, Țiriac Travel, Happy Business Travel and Conference Agency, Eurotravel TGV, Global Business Travel, International Olympic.

The organizing of conferences and gatherings represent the reference point for business travel, meaning that, according to hotel managers, it is the most profitable and efficient part of the entire industry. The companies specialized in this field and not only they offer within the resorts in Bucharest, a series of halls, with a capacity of 50 up to 1000 places, and all the audio-visual technology, light sources and a pleasant environment in concordance with the standards imposed.

Table 6: Number of conference halls according to the capacity

Continent	The capacity of the halls				
	1-50	51-100	101-200	201-500	500+
Bucharest	82	51	37	24	14
Rest of the country	323	150	110	34	10
Total	405	201	147	58	24

Source: The National Association of the Professional Organizers of Fairs and Exhibitions

In the wake of the evaluation, it has been revealed the lack of location hosting a big number of participants, counting 5.000 places. Perhaps, one of these types of hall is at the present the Sala Palatului, also known as the Big Hall, having a capacity of 4060 places and which will be shortly used for these purposes.

The House of Parliament, the second biggest building in the world, after Pentagon, has built in 1994 the International Center of Conferences, which offers 12 spacious halls, the biggest being called The Uniting Hall and which can offer almost 1000 places. It is a modern conference center (which hosted Crans-Montana FORUM, OSCE ministerial in 2001, Francophone Summit in 2006 and other major events), Museum of Contemporary Art.

Moreover, the Conference Center of the Chamber of Commerce and Industry or the Expositional Complex Romexpo offer to business branch a series of important locations serving as halls for gatherings, exhibitions and training. We cannot exclude the business centers developed at the seaside or in the mountains.

The development of the air transport has contributed a lot to the emergence of the business travel. Beside the national flight company Tarom, there are other great flight companies such as: Air France, KLM, Alitalia, Malev, Carpatair, LUFTHANSA, BRITISH AIRWAYS, CZECH AIRLINES, SWISS AIR LINES and low cost companies: SkyEurope, Wizzair, BlueAir.

At the moment in our country there are 16 commercial airports from which 11 are part of the trans-Europe network. The biggest Romanian airport, due to the great number of tourists, is Otopeni with nearly 3 million passengers in 2010, as it can be seen in the label:

Table 7: Airports in Romania

City	Airport	Custom-house	Passengers 2010 (*2009)	Length of raceway (foots)
Arad	Arad	Yes	1,758	6.500
Bacău	Bacău	No	44,847	8.200
Baia Mare	Tauții Magherăuș	No	6,309	5.900
Bucharest	Aurel Vlaicu	Yes	385,759	10.400
Bucharest	Henri Coandă	Yes	3,035,511	11.400
Caransebeș	Caransebeș	No	73	6.500
Cluj-Napoca	Someșeni	Yes	244,366	6.000

Constanța	M. Kogălniceanu	Yes	111,142	11.400
Craiova	Craiova	When required	1,557	8.200
Iași	Iași	When required	41,959	5.900
Oradea	Oradea	Yes	37,891	5.900
Satu Mare	Satu Mare	No	9,276	8.200
Sibiu	Sibiu	Yes	60,475	6.500
Suceava	Salcea	When required	12,766	5.900
Târgu Mureș	Vidrasau	Yes	4,215	8.500
Timișoara	Traian Vuia	Yes	608,212	11.400
Tulcea	Cataloi	No	29,054	6.500

Source: The Guide of world's airports

The income source for air companies in Romania and a great part of the tourism agencies is produced from the selling of tickets, which in 2010 registered 350 million Euros.

Business travel also offers the possibility of renting a car (known as rent-a-car). These services began to be active in Romania in 1975, when ONT Carpati opens the first office. After 1990, big rent-a-car companies have opened branch offices: Avis, Hertz, Europcar, Budget, Eurodolar but also local companies began to develop and offer quite good services

It must be mentioned that it has been an important factor the introduction of online reservation systems (Amadeus, Worldspan), both for tickets and the rent of cars or reservation at hotels. It must be appreciated the activity of tourism agents who gained the IATA license, being specialized in producing air tickets. The ability in Romania to expand this sector is weak.

The International Congresses and Conferences Agency (ICCA) identified 5315 international conferences in almost 100 countries, after an analysis regarding the international conference organized by its members in 2010.

Table 8: Meetings of International Association in 2006-2010

Country	2006	2007	2008	2009	2010	Place
Hungary	51	76	75	94	97	20
Romania	16	1	12	17	12	53
Serbia and Montenegro	1	0	3	12	10	58
Bulgaria	3	12	5	11	6	67
Total	4.468	4.981	5.315	5.497	5.315	-

Source: International Congress and Conference Association ICCA 2006-2010

There are two reasons for this weak performance. Firstly, Romania doesn't have many conference centers fulfilling the requirements on the international market of conferences and exhibitions – both on the associations group and the governmental and business one.

The second reason is that, despite the great efforts of the ICCA, there is a lack of studies on the market and also a lack of promotion in order to assure international conferences.

Under the strategic intents, business travel has become the most important niche which assures Romania a place on the international tourism scene. It is necessary that Romania, The National Authority of Tourism and private companies to take part to the International Specialized Fairs.

The infrastructure for business travel is very high (conferences centers, hotels), and gatherings at a European level can be organized here. The International Conference Centre at the House of Parliament is one of the potential options for Europe because it is good provided with the latest technology.

If for loisir tourism it takes a brand name, namely an image of Romania, a thing which is very hard to get, business travel represents the niche which ANT can create an image and a different brand.

This implies that ANT to realize, firstly, a market research in order to answer the following questions:

a. Why in Romania?
b. From the point of view of the business travel, how is Romania seen worldwide (to start in Europe)
c. A presentation of the infrastructure in Romania and of all the conference centers. After researching these, it is necessary to emerge a development strategy and to promote business travel, as well as participating to the specialized fairs, etc.

In order to be ranked as one of the destinations for international conferences and gatherings, according to the European Union, and also for a decline of the seasonal character of the tourism, Romania has to take into account:

- The establishment of the size and format of the conference centers with multiple uses in Bucharest and Constanta in order to fulfill the request of the potential market;
- Development of the conference centers with multiple uses in Bucharest and Constanta in public-private partnership;
- The promotion of Romania as touristic destination for international meetings in collaboration of ONT with The National Association of the Professional Organizers of Fairs and Exhibitions in Romania.

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WAYS TO SHAPE THE CONSUMPTION BEHAVIOR IN THE SPIRIT OF ECOLOGICAL MARKETING

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Abstract: *Green customers (buyers) gather way on the market through their ecological concerns and principles. These ones influence the selection systems and decisional processes used when purchasing goods. The reactions of green customers on the market, resulted in actions towards products, brands and firms, influenced by internal and external factors represent the environmental behaviour of purchase. Environmental reasons act as incentives derived from ecological consciousness.*

Those persons that possess an ecological consciousness will purchase goods that satisfy diverse needs, from the biogenic (hunger, thirst, cold etc) to the psychogenic ones (membership, safety, affection, esteem etc), that have a null impact on environment and health. The safety of green customers will be provided by pets in case of animal lovers, the latter ones representing the sub-segment of the toughest green customers. The need of esteem will be satisfied by the use of luxury clothes and shoes made of ecological materials. The ecological reason is the result of selection, systematization, processing and interpretation of information regarding the ecological products, processes, manufacturers and traders. As the informing process aims to increase awareness and to facilitate the understanding, the green customers will have a positive perception of those products, brands and firms that match the criteria referring to environment protection and life quality.

In order to emphasize this behaviour, a study was conducted with the view to determining the knowledge level of the students from the Faculty of Economic Sciences - Valahia University from Targoviste in the field of ecological nutrition and, based on the results, some directions to follow were determined. The thematic goal of the present research was the knowledge of students' interest for getting ecological education and for ecologic products consumption.

Key words: ecologic marketing, green customers (buyers), ecological reason, environment protection

JEL classification: M 31

1. Introduction

Green buyers manifest on market through their concerns and beliefs of the ecology. They influence the selection and decision making systems used in the purchase. Reactions and ways to react on market of green buyers, materialized in actions to products, brands and companies, under the influence of internal and external factors, is to compare the ecological behavior (Danciu, Victor, 2006, 55).

Manifestations of consumers towards organic products and companies can vary because of different pressures of the many factors that can affect the whole decision making process. Various factors (Danciu, Victor, 2006, 56) exercising influence on buying behavior of green consumers have their origin, on the one hand, inside or personal psychic (psychological factors) and the external environment (environmental factors), on the other hand.

Ecological reasons acts as incentives arising from ecological consciousness. People who have environmental conscience will consider as reasons to buy products that satisfy different needs, from biogenic (hunger, thirst, cold, hot, etc.) to the psychogenic (belonging, security, affection, esteem, etc.) in ecological key so if they have zero impact on the environment and health. Green consumer safety will be ensured by pets if animal lovers, which is the toughest green subsegment. The need for esteem will be satisfied with luxury clothes and shoes for which manufacturing were not used leather and fur animals.

Ecological motivation is the result of selection, grouping, processing and interpreting information about products, processes, organic producers and retailers. Since the information to process aims to

recognize and especially to facilitate understanding, green consumers will perceive favorable those products, brands and companies that meet criteria related to environmental protection and quality of life.

Consumers are environmental because of successive accumulation of information and knowledge that takes time. They are not born with experience of environmentalists, but must "learn" many things about the environment, health and what quality and their deterioration mean and how to preserve and improve them. Consumers who accept ecologic products, brands and companies prefer to go green as a result of several acquisitions that enable them to acquire knowledge and experience about the environment, health and protection.

Ecological attitude is the result of learning based on ecological experience ecological features and profiles of individuals, targeted on the environment and their interactions with other people, organizations and regulations, usually green. Green Consumers will have a favourable attitude toward products, brands, prices and promotional activities of firms ecological oriented, which through the work and their results have a minimum impact on the environment.

As the result of learning, attitudes may change. In terms of potential consumer attitudes green, this has two connotations. One may be favourable for the purposes of changing the attitude of a large number of consumers in favour of more and more products, promotional messages etc., ecologically oriented. The other may be unfavourable, if companies are not careful and do not maintain consistent and convincing efforts to protect the environment and health.

Personality is the sum defining characteristics of each individual that make him unique as a result of heredity and experience. Green consumers buy products that fit their personality. By their nature, most organic consumers are proactive, educated, extroverted and ambitious. Although "personal ego" is richly drawn, in case of green consumers it is doubled by "social ego". They are involved public and it is important how they are seen by other members of society.

Legislation of "green" marketing is part of the ecological regulations. Ecological connotations of legislation for environmental protection lead countries to use economic incentives that can take the form of tax cuts or subsidies for the use of green technology or environmental conduct. Regulations are directly turning to the products and logistics. Political will is important for consumers because it gives a signal of official concerns. Political signals can result in supplementary regulations on waste, ensure environmental protection, legal standards and exhaust gas emissions, regulations concerning the prohibition or supervise the use of raw materials or products (E, cereals and meat from the bodies genetic modified).

Education, occupationand social classplay an important role in shaping onsume rawareness and environmental action. Greenconsumershavea good and highereducation, are mostlywomenandgoodprofessional positions.

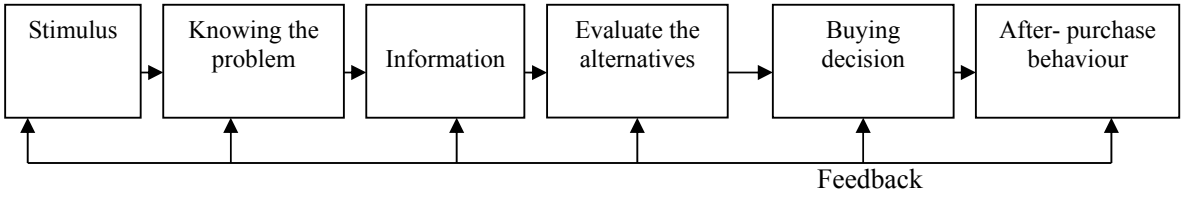
Consumerbehaviourislearned, above all, ofculture. Thecultureandtraditions are those that determine, inlarge part, inclinationsandpractices of green consumers. Asgroup normsorsharedbeliefs and treated by individuals,thevaluesare inthefundamentalbeliefsof themarketsin generaland consumersin particular.Attitude towardsnew, change, more favourablein developed countries, explainsin largepart, why green consumers in these countries are more numerous and are at the fore front of the environmental movement.

Economic factors, incomesarealwaysone of thedeterminants ofconsumption patterns. Organic productsare generally moreexpensive and topurchase andconsumethem, people whoacceptand prefer must havemoney. People whohaveenvironmentalbeliefsare more willing topay extra forgreenproductsandtohelpwithmoney environmental groups.

Greenmarketingmix and organicofferson the marketplays animportant role inbuying behaviour. Organic productshelpgreenconsumers to decide by quality,content, packagingand environmental benefits promised or provided. Environmental communication act to facilitate environmental behaviour if that is credible, persuasive and has transparent character.

The decision topurchaseorganic productsisthe result ofanalysisandsubsequentdecisions, known as thecomparingprocess (Ristea, AL, John-Franc, V., Tanasescu, D., Thomas, A., melted, M., 2002, 201)(Figure 1).

Figure 1: Ecologic buying process



2. Organic consumers' purchasing strategies

Depending on identified needs, green consumers develop and use purchasing strategies that rely on ways of satisfying their needs.

Regarding the control strategy, green consumer put familiar products under scrutiny to ecological and demanding expressions (buzzwords) describing the compatibility with the environment. Green Consumers use specific environmental expressions to strategically address the green purchases in all links of the chain value.

An important control strategy is relating to health and is best described by the revolution in food tastes which are moving increasingly toward "clean food". Described as "a new standard of health and confidence" clean foods contains no artificial preservatives, irradiation, dyes and synthetic pesticides, fungicides, ripening agents, growth hormones or medical residues and exclude those which are processed, packaged, transported and stored to retain maximum nutritional value.

Attractiveness of clean food is motivated in part by lack of confidence in the capacity to keep food clean. The consequence is reflected in sales of organic products, bottled water, alternative medical treatments and nutritional supplements.

In terms of differentiation strategy, green consumers want to feel that they are different. Generally, they are considered to be more active and efficient in solving environmental problems than companies.

Organic consumers are, by definition, very sure of their intentions. As they want to do something today, their knowledge and involvement increase, they become more aware that they can do something else. The gap between what they feel must do and what they do makes them feel guilty and sometimes defensive. Buying green products and environmental activities around the house remount them mentally, helping to harmonize environmental beliefs with actions.

Interms of strategy information, consumersseekingorganicproductsmust be able todistinguish"green" productsofthe"brown" (inorganic), in which magazinesandcatalogstheyfind itsandhow toidentifyproductsandpacks. It isa difficult task, because the identificationand differentiationarenotalways easy. Alkaline batteries are made from recycled paper products, for example, areeasilydistinguished from"brown". Some green products with limited appeal, such as shower heads with low jet and cleaning products based on lime, are often placed in stores and catalogs in areas difficult to identify. Others, such as soda, usedas an alternative for cleaning and disinfection, orwhitevinegarareeasy to findinstores, butnotnecessarilylabeled as"green".

Interms of maintaining the lifestyle strategy, many consumers are too reluctant tochange theirhabitsand lifestyle. Evenif asmall number ofconsumersstrongly committedtoenvironmental issueswill besacrificedinthe name ofaltruism, most consumers are not ready togive up theproductswithattributessuch asquality, performance, convenience orprice.To becomeattractive,organic products should stil lwork at and they must have competitive pricesandoffersuperior benefitsto attractbuyers.

3. Consumer environmental behaviour of students from the Faculty of Economics, Valahia University of Targoviste

The study aimed to establish the level of knowledge held by students of the Faculty of Economics, University "Valahia " of Targoviste on nutrition and on its results were outlined some potential courses of action on ecological consumer behaviour modelling. Researched community was represented by the students of the Faculty of Economics, University " Valahia " in Targoviste, date form of research (1856 students). The research objectives were:

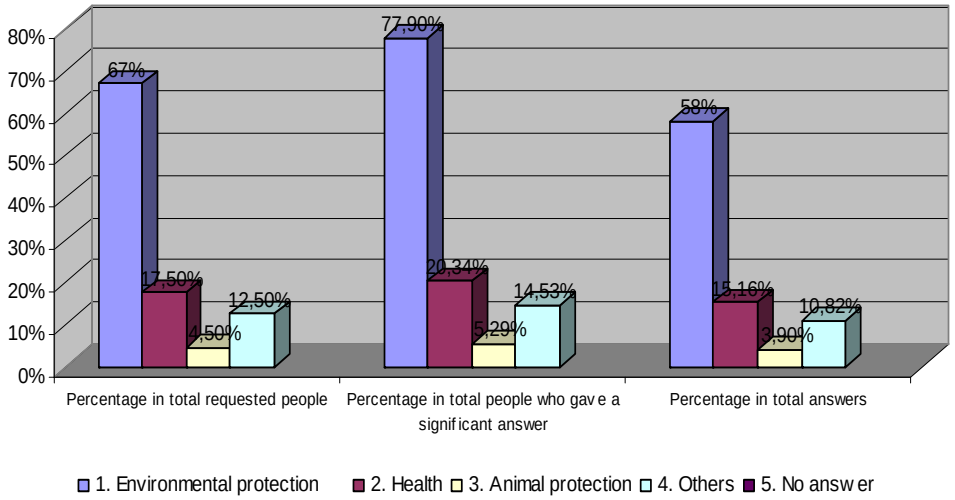
- determine the difference between the concept of "ecology" and the "environmental protection" because the notion of ecology is often limited to the environmental protection;
- find out the awareness about the content of "green products";

- determining the degree to which respondents have the information necessary to identify an organic product and distinguish it from non-organic one;
- determining motivations to buy organic products;
- consumers' willingness to pay more to purchase a green product;
- Knowledge of the training conditions of behaviour.

Sampling method used was not chosen, so sampling by quotas. Sample reproducing the community structure had a size of 200 people. For sampling were used statistics such as: total number of students enrolled at the Faculty of Economics from Targoviste and their distribution per year of study, specialization and sex, and data were collected between 13 to 23rd April, 2011. Below are outlined the main conclusions drawn from the statistics of every question.

Regarding the first question: What do you suggest the word "ecology"?, were obtained quite varied responses, depending on the similarities between them, the answers were grouped into five categories.

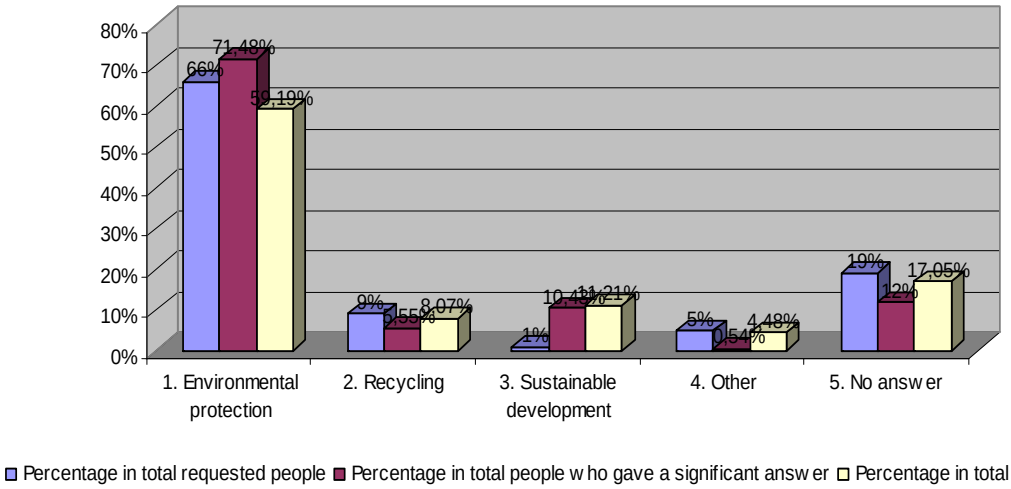
Figure 2: The meaning of "ecology" word



The answerwith the highestpercentagereferred to"environmental protection", resulting thatstudentsfrom the Facultyof Economicsdoes not make any differencebetween the terms"ecology" and"environmental protection", most of them reducingterm "ecology" tothe"environmental protection".

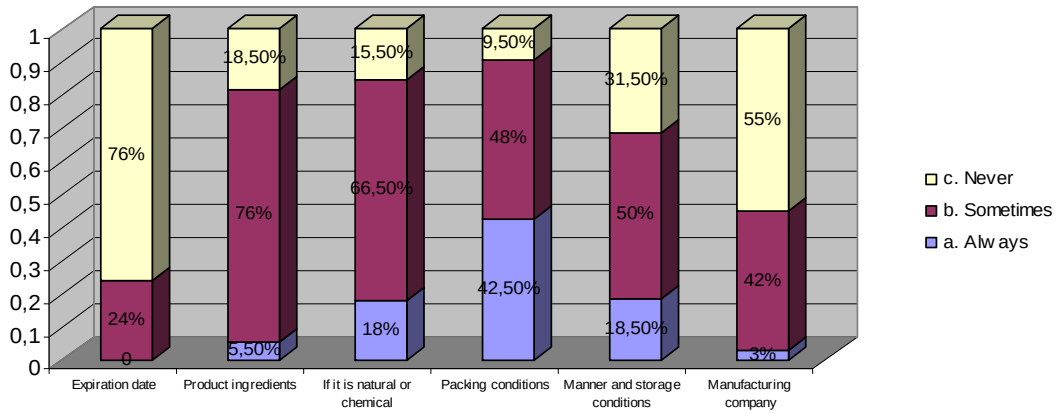
On the second question, How would you define the term "environmental protection"? are identified five possible answers. The version with the largest weight is the"nature protection", students associating the of term "environmental protection" on the healthy nature, clean, decreasing human action on nature. Other identified versions were the terms of "recycling" and"sustainable development", but they having a much lower share.

Figure 3: Definitions of environmental protection term

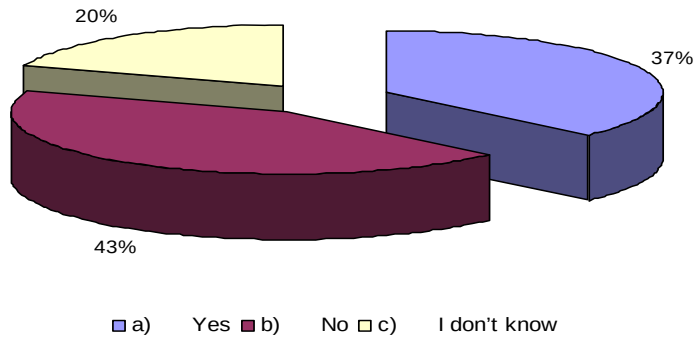


On questiont three,How often you read the following information on a product label? From the analysis of answers of six questions about a product label results that respondents regularly read on the label products purchased only information as expiry date and manufacturing company. Read information with a much lower frequency are on the product's ingredients, its chemical composition conditions in which it has been packed and manne rand storage conditions, the negative aspects on lack of interest of interviewed people for a healthy diet.

Figure 4: Information read on a product label

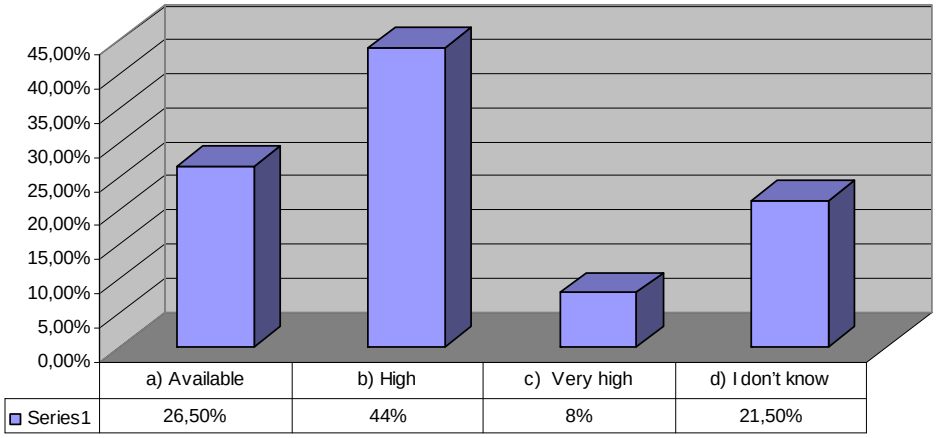


On question four, Have you ever bought an organic food? Approximately 37% of respondents answered that"yes" have bought organic products, 19.5% have everbought, and43.5%werenotable to comment. From the correlation of responses to"Question 5" with the"Question 3", result the following values:



Type of answer	Number of people	On percentage (%)
a) Have correctly identified the word that defines a green product	45	61
b) Have not correctly identified the word that defines a green product.	29	39
Total people who bought an organic food	74	100

Analyzing these results shows that 39% of those who said they purchased an organic productin fact did not, they mistaking organic products with products that have only one or two of the characteristics of products certified as organic.



On question five, How do you considerare the prices for organic products. From the analysis of global environmental score(1.76) results that respondents consider that prices for organic products are quite large. Analysing percentages shows that 44% of respondents consider prices as high,26.5% consider them accessible, 21.5% cannot pronounce and only 8% consider being very large.

4. Conclusions

This study shows that students from the Facultyof Economics, University "Valahia" of Targoviste not have enough information on the environmental field, most of them not doing the distinction between the terms "ecology" and "environmental protection".

In terms of ecological nutrition, most respondents were unaware of the existence of organic food, only 13% of them could correctly identify a green product.

At least in words, this subject shows interest, approx. 73% of respondents said they do not have enough information in the field, also respondents do not refuse the idea to pay more for buying organic products, being necessary a correct and fully information regarding the benefits of these products, they to be accepted and consumed.

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EMPIRICAL RESEARCH ON COMPLEMENTARY SERVICES IN ROMANIAN GROCERY RETAILING

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Abstract: *The attaining of an adequate market positioning requires from the retail company not only a thorough study of consumers' needs and desires, but also an attentive differentiation of its customer service. The creation of comparative competitive advantages takes place/ occurs in grocery retailing not only through the operated retail format (supermarket, hypermarket, etc.) or retailer's own brands, but also through the customer service being performed.*

After a succinct review of theoretical concepts assumed by retail service, the present article presents a classification of complementary retail services provided by grocery retailers in Romania. An empirical research carried out in two different periods in Romanian grocery retailing highlights the evolution of consumers' perception of the existence of two complementary services provided by the analysed stores – loyalty programmes and merchandise return policy.

Key words: Complementary services, retail marketing, grocery retailing

Jel classification*:* M 30, M 31

1. Introduction

Within service policy, the retailer may focus on two main vectors – personnel and complementary services accompanyingthe main activity. While personnel's qualification and training and retailer's care for their adequate knowledge/ competence in counselling clients represent an essential goal for any retail chain, the inclusion of an assortment of complementary services represents a much greater challenge. Thus, it is difficult to anticipate which of the complementary services will attract consumers and retain them. On the other hand, their inclusion in the global offer may incur significant extra costs. As a consequence, finding those complementary services that are best suited for the consolidation and development of the store image represent a real challenge for any retailer.

Certain authors consider customer service policy to be the third important factor of retailers' success, after the assortment and price policies (Mattmüller, Tunder, 2004, p.290). Although the retailer may formally be considered a service provider from the point of view of customer service, financial and merchandise handling processes, from the institutional point of view, it cannot be included among typical service providers, but, instead, must be approached differently (Homburg, Krohmer, 2009, pp.964-1000; Müller-Hagedorn, Natter, 2011, pp.420-412).

Service policy is tightly connected to service characteristics, meaning service intangibility, perishability or impossibility for service storage, integration of external factor, be it client, material good or information (highlighting the process characteristic), service variability or the existence of an associated risk (service quality varies depending on the degree of implication from human factor in the service accomplishment), inseparability of service delivery from its use, and more individuality of services (compared to consumer goods), which is increased adaptability to customers' needs and expectations (Zeithaml, Parasuraman, Berry, 1985, pp.33-46).

2. Customer service policy goals and classification

In customer service management, the retailer will also operate depending on the goals it can achieve through the service. Overall, the retailer establishes economic goals (revenue, profit/ return, profitability, market share, etc.) and customer-related psychographic goals which naturally contribute to the fulfilment of the economic ones. Among psychographic goals there are: the improvement of retailer's image, the increase in the customers' satisfaction and gratification level, the creation of a positive image in consumer's mind or the enhancement of service quality (Liebmann, Zentes, Swoboda, 2008, p.526).

Although it is rather difficult to classify service, in the literature there are several attempts to create a typology of services depending on their specific characteristics. Thus, the authors consider clients' expectations, the delivery output, the type of delivery attributes or the moment when the service is being delivered (Liebmann, Zentes, Swoboda, 2008, pp.527-528; Berekoven, 1995, p.166; Fassnacht, 2000, p.89).

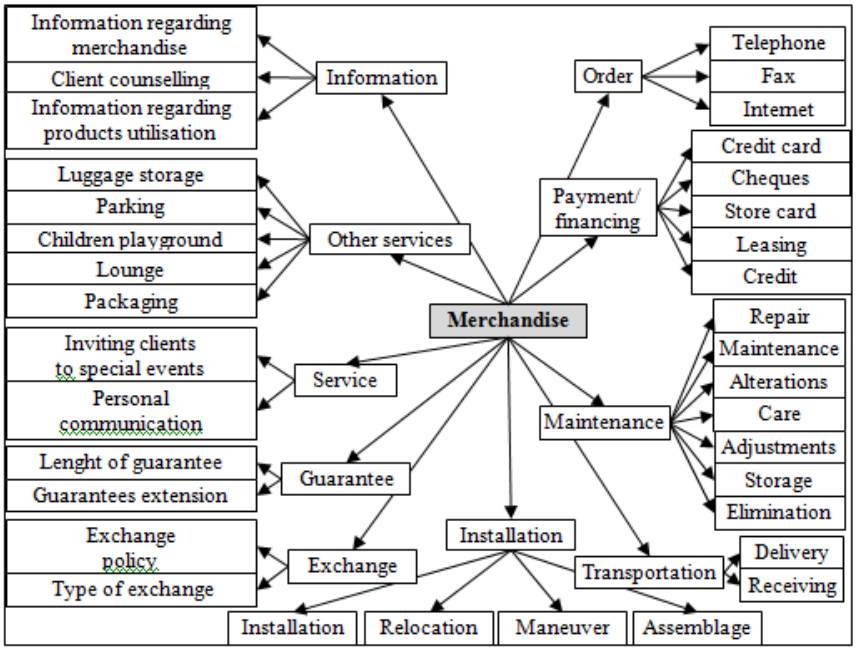
In implementing and controlling service, the retail management must take into account the consumer target segments (the entire population or just certain groups – employees, students, retirees, etc.). Meanwhile, it must be taken into consideration an adaptation of service content to operated format, to delivery frequency (permanently, seasonally, only once) and distribution channels (direct, indirect or online), to communication means and techniques being utilized, and to overall costs. Last but not least, service quality will also be considered which may differ from one retail format or distribution channel to another (Berekoven, 1995, p.175; Liebmann, Zentes, Swoboda, 2008, pp.531-534).

It will be important for each retailer to become aware of the future service development trends. Some of these are foreseeable – reduced merchandise delivery time, increase in customer involvement in the retail service and the necessity of personnel's better knowledge of the products offered, offering of a larger assortment of products and services under one roof ("one-stop-shopping"), together with future possibility of article rental (such as household or gardening tools, etc.) (Liebmann, Zentes, Swoboda, 2008, p.537).

3. Complementary services

In order to attract and retain clients to a store, more and more retailers decide to include in their offer complementary, extra or add-on services. Although the possibility to use a shopping basket, the cash or card payment, or product weighting may, in some cases, be thought of as fundamental services, absolutely necessary for the retail service, and not complementary ones, many retailers underline these facilities that they seem to provide to consumers. Even personal selling and clients' counselling are sometimes considered special services, being underlined at retailers' entrance. Figure 1 presents a comprehensive classification of most complementary services that may be delivered in retail units.

Figure 1: Potential complementary services in retail units



Source : Homburg, Krohmer, 2009, p.976.

Offering all these potential complementary services is not an easy task. For this reason, retail management must decide the number and types of services that must or may be offered to customers, the number of target segments that may be approached through the use of these services, but also the frequency of their provision (Homburg, Hoyer, Fassnacht, 2002, pp.86-101). Nevertheless, the decision regarding the array of such services must be correlated with the specific format of the retail enterprise (cash & carry units will provide various counselling, finance and maintenance service for their institutional clients), with the peculiarities of the retail chain, with the necessities imposed by a certain

location (creating a bus line to ensure customer transportation to and from retailers), or with the specific legislation of a state (prohibition to offer living animals for sale in most European countries, situation that is not encountered in Asian countries).

Several studies prove the increased importance of service policy in retail. The addition of complementary services to a retailer's offer leads to increased satisfaction and loyalty among their customers. A more generous offer of complementary services exerts positive effects on both retail image and turnover (Homburg, Hoyer, Fassnacht, 2002, pp.86-101). Personal selling and complementary services play an important part in both food or non-food (daily goods) retailing and textiles or specialised products (do-it-yourself stores, electronic and household goods stores). Even in the case of furniture stores (Ikea), the quality/ price ratio is on a par with services (Swoboda, Hälsig, 2007).

4. Research methodology

In order to highlight the complementary services provided by Romanian retailers, an analysis of secondary data (retailers own web sites, printed catalogues of retail chains), and a survey among retailers' customers regarding two main complementary services (loyalty programmes and merchandise return) were conducted. The field research, carried out in two different intervals, reveals aspects of the evolution of consumers' perception of the complementary services provided by the various retail brands. The exploratory research employed the use of an operator administered questionnaire and referred to large retail chains, subsidiaries of Western retail enterprises, and to some national (regional or local) chains which broke into the Romanian market. The selection of respondents was made according to sex and age groups as presented in Romania's Statistical Yearbook of 2010. The face-to-face interviews were conducted in the second largest city in Romania, where the majority of the 30 identified food retailers are subsidiaries of Western Europe large retailers. These have penetrated the Romanian market 16 years ago, due to the growth opportunity in this sector.

In fact, two studies have been carried out at two different moments (t_1 and t_2), using a similar questionnaire, adapted to food retailing. It was not our intention to focus on a specific retail format, thus the number of questionnaires varied among the formats (hypermarket, supermarket, etc.). Classification of retail formats (hypermarket, supermarket, discount, etc.) has not been introduced to respondents, but it has been carried out by the authors (Barth, 1999, p.88; Dabija, 2010, p.77; Liebmann, Zentes, Swoboda, 2008, pp.394-419).

Thus, the retail formats investigated were the two cash & carry units (Metro and Selgros), which, although should hold a distinct position in wholesale trade, on the Romanian market are very active on the retail trade market; discounters Lidl, MiniMax Discount, Penny and Profi; Auchan, Carrefour, Cora and Real hypermarkets, proximity chain CBA and a series of independent proximity units; Billa, Carrefour Express, Carrefour Market, Oncos and Unicarm supermarkets, and the "category killer" retail format. Kaufland is the only unit included in this category, because the unit offers on a large surface (a characteristic of super- and hypermarkets) a large assortment of food and non-food products at everyday low prices (peculiarity of discounters). According to field literature, "category killers" will, in time, lead to the extinction of discounters, hyper- or supermarkets (Gilbert, 2003, p.248).

5. Secondary observation

5.1. General considerations regarding complementary services

Thus, Romanian retail brands, for instance, use a fairly wide range of complementary services. Besides customer services department located near the entrance (Cora, Kaufland, etc.), clients have the possibility to call, usually toll-free, during the store's working hours, a call centre department that provides them with information on the retail unit, the services available, the assortment of products, stores location, etc.. Customers may receive information from the information boards placed near store entrance regarding new products, special offers or promotional items. Another service that is available is free transportation for products purchased. This service usually accompanies large non-food goods that exceed a minimum value. This service is quite often not readily available, the delivery being made subsequently, following the purchase. Retailers also propose to their customers various payment facilities - cash, meal or gift tickets, debit or credit cards. Granting credits are also possible, retail brands cooperating with banks, financial institutions or credit cooperatives. The customers that are unable to identify the price of a certain item may resort to automated price readers located in most of the store departments. Disabled customers, pregnant women or parents with small children have access to priority cash registers. People pressed with time and those who do not cook may place orders for sweets, cakes, salads and other various

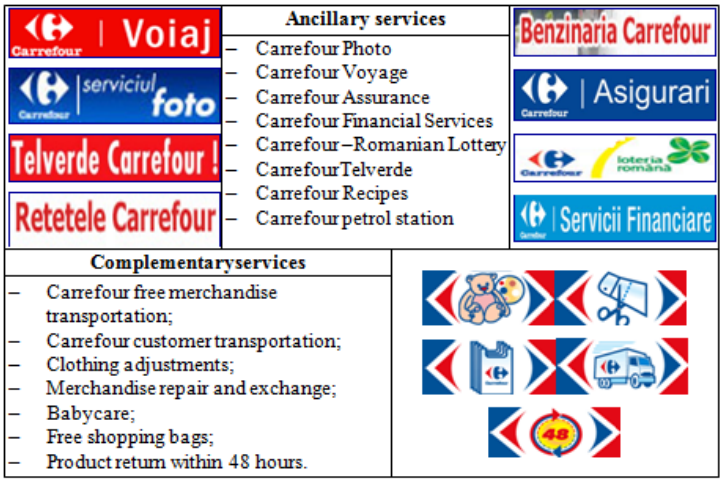
dishes. Other retailers include among additional services free shopping bags, shopping carts, special bags for frozen products, scaling and packaging of products, free testing of non-food items. Other retailers add services such as documents photocopying, announcement boards, music, products sampling, sales personnel assistance, invoice issuing, credit, exchange machine, ATMs, desk for issuing veterinary certificates, adjustments of clothing products, fitting rooms, etc.

5.2. Research findings detailed on retail formats

The services that are provided by all major retailers: cash & carry (Metro and Selgros), hypermarkets (Auchan, Carrefour, Cora and Real), supermarkets (Billa, Carrefour Market, Oncos and Unicarm), discounters (Lidl, MiniMax Discount, Penny, Profi) category killers (Kaufland) and proximity units (CBA and Carrefour Express) are the acceptance of debit cards, meal tickets besides cash as means of payment, the offering of shopping bags, website with location finder for all chain units and contact information.

Generally speaking, most additional services are provided by **hypermarkets**. All of them provide product testing and information desks, ATMs, co-branded credit cards, scales and price tellers, freshly cooked products, departments assisted by store personnel, free parking and electronic newsletter, dedicated cash registers for disabled customers, pregnant women or purchases of few items, customer telephone line, electronic newsletter, merchandise return. Some of them ensure food recipes, postal services, dry cleaning and washing, barbershops, beauty salons, tourism agencies, pharmacies, packaging (Cora and Real), insurance (Carrefour and Auchan), petrol station (Carrefour), documents copying (Real) and electronic payment of utilities (Cora and Carrefour), trust contract, water dispenser, etc . Among the hypermarkets, it is Cora that has the largest number of available customer unique services: medical assistance, loyalty card, Facebook account, online shopping, PrePay recharge. Auchan and Real are the hypermarkets with the fewest number of services. Figure 2 presents a comparison of complementary and ancillary services made available by the Carrefour hypermarket.

Figure 2: Complementary and ancillary services at the Carrefour Romania



Source: www.carrefour.ro

The smallest number of additional services is provided by the small **proximity unit formats, Oncos and Unicarm supermarkets and discounters**. The assortment of discounters' services is slightly wider, all of them offering free parking on the site and online catalogues. Among the discounters, Profi has the greatest number of additional services – loyalty cards, freshly cooked products, personnel assisted departments, Facebook account, online radio, cooking receipts on company's website, while MiniMax discount has the least (dedicated customer telephone line).

Supermarkets (Billa, Carrefour Market, Oncos and Unicarm) provide a wider range of services (except for Oncos and Unicarm , as it has been mentioned above). The difference between the two groups of supermarkets seems to be created by the origins of the supermarket chains – international or local. Both Billa and Carrefour Express offer scales, departments assisted by personnel, customer information desk, recycling facilities, customer telephone line, merchandise return and the possibility to pay utilities. Carrefour Express, in addition, has Carrefour photo service, co-branded card and satisfaction guarantee and sells Romanian lottery tickets. Billa designated special cash registers for purchasers of few articles

and for disabled customers, online catalogues, freshly prepared food products, parking and PrePay accounts recharge.

Kaufland chain is the **"category killer"** of the category, which positions itself as the discounter with the widest assortments of products and also of complementary services. Its stores offer free parking, recycling facilities, ATM machines, co-branded card, information desk, the opportunity to check the prices and the weight of the products, freshly baked products, personnel assisted service for some departments, various guarantees, such as that of the waiting in checkout queues and of finding expired products, home delivered catalogue, merchandise return and customer telephone line. Its website offers promotions catalogue, the possibility to create an online shopping list and culinary recipes.

Cash & carry units (Metro and Selgros) provide a similar range of additional services (product testing desk, fitting rooms, scales, co-branded credit card, online catalogues, freshly baked products and personnel assisted service for some departments, counselling, courses for their clients, information desk, free delivery, free parking, recycling box, merchandise return, price tellers, socializing networks accounts, online shopping list, online shopping, electronic newsletter. Selgros has included among its services money exchange machines and ATMs.

6. Field research's findings

Overall, the two pieces of research being carried out highlighted a positive image of the two additional services that are being studied. The customers' average evaluation is rather favourable (the evaluation was carried out on a scale from 1 to 7) for all retail formats and brands. Consumer satisfaction with loyalty programmes employed by the retail units recorded a slight decrease from 4.79 to 4.74 between the two moments of research, while customers' perceptions of merchandise return increased from 4.61 to 4.76.

As it may be seen in Table 1, the respondents' average satisfaction level with the loyalty actions of proximity units decreases between the two moments of study, all the while being attracted to Kaufland, which, although does not feature customer cards and loyalty programmes, it succeeds in creating loyalty in the minds of its consumers. Customers react in a favourable manner as a consequence of the satisfaction brought by overall activity of this retailer. Kaufland also succeeds in improving its merchandise return policy, its customers indicating a superior degree of satisfaction (4.93 as opposed to 5.69).

Table 1 : Average values for overall research, proximity and category killer formats

Retail format	Convenience		Category Killer		Overall research	
Period	t_1	t_2	t_1	t_2	t_1	t_2
CRM	4.73	4.40	4.60	4.84	4.79	4.74
Return policy	4.56	4.49	4.69	4.93	4.61	4.76

Source: own research

Customers' perceptions of the two additional services provided by the cash & carry units records a substantial augmentation between the two periods, both overall and for each cash & carrier. Thus, Metro customers are more pleased with the return possibility (5.29) than are those of Selgros (4.88), both values being higher compared to the previous period (table 2). The reason thereof lies probably in the existence of customer cards that entitle individual consumers to make acquisitions at cash & carry units and which determines the respondents to assimilate them to loyalty programmes. Consumers have a more favourable perception towards these cards than towards Cora's loyalty cards, which are, indeed, loyalty cards (table 4).

Table 2: Average of customers' responses for cash & carry units

Cash & Carry	Metro		Selgros		Global	
Period	t_1	t_2	t_1	t_2	t_1	t_2
CRM	4.79	5.55	4.95	6.00	4.86	5.59
Return policy	4.84	5.29	4.73	4.88	4.79	5.22

Source: own research

The global level of satisfaction with discounters is on a positive trend as well, owing to the increase in satisfaction for both types of additional services of Penny Market, while for Lidl the satisfaction degree between the two moments decreases.

Table 3: Average of customers' responses for discounters

Discount	Lidl		Penny		Global	
Period	t_1	t_2	t_1	t_2	t_1	t_2
CRM	4.90	4.68	4.57	5.04	4.63	4.81
Return	4.90	4.88	4.28	4.60	4.54	4.81

Source: own research

The most spectacular evolution in the perception of loyalty programmes for hypermarkets is recorder for Real, which improved consumers' perception of both loyalty programmes and return policy. All the other hypermarkets face a reduction in satisfaction levels for their customer relationship management. However, it seems that Auchan and Carrefour improved between the two moments of time their return policies, since consumers are more satisfied with this policy at the second moment of time.

Table 4: Average of customers' responses for hypermarkets

Hypermarket	Auchan		Carrefour		Cora		Real		Global	
Period	t_1	t_2	t_1	t_2	t_1	t_2	t_1	t_2	t_1	t_2
CRM	4.74	4.57	4.84	4.80	5.48	4.97	4.99	5.18	5.01	4.83
Return	4.63	4.92	4.70	4.86	4.73	4.68	4.54	4.95	4.65	4.87

Source: own research

An interesting situation may be noticed in the case of supermarkets. Thus, while consumers' perception of loyalty programmes of Billa, Carrefour Express, Oncos and Unicarm recorded a moderate or abrupt decrease, Profi recorded a slight increase, from 4.45 to 4.48. This situation may be explained by the fact that this chain has continuously strived lately to widen its assortment and even introduced a customer card. As far as return policy is concerned, all supermarkets are faced with a deterioration of consumers' perception of thud service. The only exception is Billa, where consumers believe that this chain has succeeded in improving this service between the two analysed moments.

Table 5: Average of customers' responses for supermarkets

Supermarket	Billa		Carrefour express		Oncos		Profi		Unicarm		Global	
Period	t_1	t_2	t_1	t_2	t_1	t_2	t_1	t_2	t_1	t_2	t_1	t_2
CRM	4.75	4.63	4.75	3.00	4.75	4.48	4.45	4.48	4.74	4.03	4.68	4.42
Return	4.51	4.54	4.67	2.50	4.76	4.55	4.48	4.36	4.61	4.22	4.59	4.41

Source: own research

Therefore, the research as a whole reveals that the retail chains featuring customer cards register a lower level of satisfaction as compared to those that do not feature this tool, but, instead, use their overall customer service to attract and retain their customers.

7. Conclusions

As the research indicates, not all of the complementary services are in direct relationship with the retail chain's core activity. However, retailers' management continue to provide them. Their aims are to achieve better differentiation from their competitors, to attract a larger number of customers who, upon coming to buy a lottery ticket, decide to spend some time in the store to study its offer, the new items and, no doubt, to make purchases.

8. Acknowledgments

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SENSORY DIMENSIONS OF THE DESTINATION BUCHAREST FROM THE POINT OF VIEW OF YOUNG PEOPLE

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Abstract: *For a marketer, any destination that has the objective of connecting the consumer's emotions with the location's elements must surprise the tourist by stimulating all his senses. Although this leads to an efficient positioning and creates a competitive advantage, marketers have focused primarily on the visual and auditory senses, neglecting the other three senses of the consumer. Thus, instead of having brands with five sensory dimensions, today we have two-dimensional brands. This study's objective is to identify those sensory dimensions of the destination Bucharest perceived by internal tourists, starting from the destination's forms of tourism and appealing elements.*

Key words: sensory dimensions, destination, forms of tourism, sensogram

JEL classification: M 31

1. Introduction

According to World Tourism Organization & European Travel Commission (2009, p. 17) in a globalizing world it is important that every town and every country obtain as many competitive advantages as they can, starting from a distinct location experience (sense of the place) that must be present not only in the feelings of the residents, but in the image perceived by those that do not inhabit that particular place as well. As a rule, tourists choose to visit certain places based on the analysis of the images representing that destination, images that have been created in time by different media forms under the influence of other tourists(Urry, 2002, p. 7).

Continuingly evolving, tourism marketing had initially taken into consideration the product, but today it increasingly shifts its focus on the consumer. Although it is known that information reaches the consumer through all of his senses, marketers have mainly been addressing sight and hearing, thus creating two-dimensional brands, flat, much more difficult to position in a space that is oversaturated by visual and auditory forms of communication, and neglecting in this manner the other three senses. By addressing all the senses it is possible to create five-dimensional brands (5 D) that would focus on the consumer and would thus provide him with a complete experience.

Sensory marketing starts by comprehending the consumer's perceptions, it starts from those stimuli that affect the senses and it arrives at the consumer's answers by interpreting those stimuli (Amorntatkul & Pahome, 2011, p. 1). The sensory marketing plan makes sure that the strategies which have as objective to create multi-sensory experiences about products, events, places and communication, influence the consumer's behaviour in a different way from transactional or relationship marketing (Rodrigues, et al., 2011).

In tourism, communication should make use of an interactiv media mix which should stimulate all the tourist's senses, therefore making it possible to obtain an awareness of the wanted motivation (Isacsson, et al., 2009, p. 167) and even more to obtain the manifestation of the authenticity or experience of the location, wich are phisically linked to the perceived sensations (Markwell, 2001). Because perception represents the state of being aware or of comprehending the sensorial information (Krishna, 2011, p. 3), the tourist's senses are stimulated as he interacts with the surroundings, and by analysing the relationship between tourist's senses and the visited place, the organisations that deal with destination marketing can find the solutions for obtaining the desired experience (Pan & Ryan, 2009, p. 631). Their

objective is to create in "the perceptual reality of a person", a structure that is characterised "first of all by harmony, a perceptual image of the product that would represent for that subject the sum of his optimal sensations" (Trevisani, 2007, p. 80-81).

The human brain represents the brand's goal, the brain being also the place where an image is created as a result of individual experiences with a certain brand or company (Hultén, et al., 2009, p. 6), the human senses playing an important role in the process of making services become tangible (Goldkuhl & Styven, 2007).

Before developing a marketing plan for a specific tourist destination, it is necessary that the sensory dimensionsperceived by the tourists in relation to its image be measured, and based on their intensity, it can be created a sensory profile of the destinationwhich points out the main forms of tourism that can help marketers create specific tourist products.

2. The framework

The objective of this study is to identify some sensory dimensions of the destinationBucharest that are perceived by internal tourists, starting with the analysis of those forms of tourism and tourist attractions that are associated with the destination, and then moving on to measuring the image of the destination Bucharest from a sensory point of view.

The study was conducted between February and April 2012 on a number of 636 respondents-young people aged 20 to 24 years holding university degrees or that were still undergoing university programs. The structure of the sample was composed of 76% women and 24% men, coming both from an urban (84%), as well as a rural environment (16%). They had the following places of origin: Bucharest – 36,3%, Muntenia - 34,1%, Moldova - 12,3%, Oltenia - 9,7%, Dobrogea - 5,2%, Transilvania - 2%, Maramureș - 0,2% and Banat-Crișana - 0,2%.Data was collected using a questionnaire. The following sensory research represents the follow-up of another study that had as objective the identification of the main forms of tourism and of tourist attractions that are associated with Bucharest by young people with ages ranging from 20 to 24, coming from different parts of the country. The first study was conducted between October 2010 - January 2011 on a sample of 1887 young people, holding a university degree or students, and it used as method - the statistical sampling and as an instrument to collect data - the questionnaire (Stăncioiu, et al., 2011, p. 143-144). The sensory dimensions of the destination Bucharest have been identified based on the forms of tourism and on a part of the tourist attractions identified in the first study, according to the respondent's opinions.

In order to measure the level of interaction between the senses in terms of the indicators of performance of a certain brand, in the holistic model,which has five sensory dimensions, it is necessary to represent them under the form of a sensory model – a sensogram (Lindstrom, 2009, p. 103).

The answers provided by the subjects proved to be relevant from this point of view because 98% of them had visited Bucharest. The main motives of the responds for visiting the destination are the following: business tourism and job-related motives - 29%, tourism designed for loisir, relaxation and rest - 27%, visiting relatives or friends - 19%, another form of tourism - 14% and cultural tourism - 11%. Out of all the people that had visited Bucharest, only 7% of them had reported that they would prefer not to visit it again. The reasons why 2% of subjects have not visited Bucharest so far are the following: 54% - insufficient time, 23% - do not know, 15% - lack of financial resources, 8% - insufficient information about the rest/relaxation/recreational/entertainment possibilities.

The respondents considered that the appropriate advertising methods are: the mix between the traditional form and the online one (67,9%), the online one (26,6%) and the traditional one (5,5%). As for their trust in the sources of information, the highest levels of thrust are represented in a decreasing order by the following: 1. Sites, 2. Guide books, 3. Trade journals, and 4. Socializing networks, (where 1= the source that ranked the highest in terms of trust-value and 4= the source with the lowest level of trust).

Table 1: The sensory dimensions of the main forms of tourism particular for the destination Bucharest

Form of tourism	**The visual dimension** (%)	**The auditory dimension** (%)	**The olfactory dimension** (%)	**The gustatory dimension** (%)	**The tactile dimension** (%)
Business and job-related tourism	74,8	46,9	16,7	15,2	24,8

Visiting relatives or friends	63,5	44,5	42,9	53,9	23,7
Cultural tourism	84,9	54,1	29,2	26,4	26,7

Source: research processed data

According to the previous study, the forms of tourism associated with Bucharest are business and job-related tourism, visits to relatives or friends and cultural tourism. For these forms of tourism, the sensory dimensions perceived by the tourists have been identified (Table 1).

The proximate percentages of the five sensory dimensions in the case of the tourism form "Visiting relatives and friends" denote a sensory equilibrium that can be explained by the purely subjective character of this form of tourism. Whereas cultural tourism offers a high sensory potential for development when it is taken into consideration the visual dimension which has the highest percentage from them all, an aspect considered to be normal by the marketers, in the case of the "Business and job-related" form of tourism, it is surprising the high percentage scored by the visual dimension (74,8%).

During the initial study, the tourist elements associated with Bucharest have also been identified.

Table 2: The sensory dimensions perceived in the case of the main tourist attractions associated with the destination Bucharest

Tourist attractions	**The visual dimension** (%)	**The auditory dimension** (%)	**The olfactory dimension** (%)	**The gustatory dimension** (%)	**The tactile dimension** (%)
Dâmbovița	79,5	30	48,7	2,3	15,7
Herăstrău Park	82,3	47	63,4	8,9	24,1
The Palace of Parliament	96,4	13,2	8,3	0,9	10,4
The Arch of Triumph	95,9	14,5	6	1,2	8,5
Cotroceni Palace	94,3	15,7	6,3	5,3	5,3
Șuțu Palace	94,8	12,3	6,4	2,2	6,4
The Old Court	88,8	16,8	12,3	6,9	11,2
Ghika Palace	93,1	13	8,5	4,9	7,9
Casa Scânteii	93,7	13	5,3	4,2	7,9
Old Historical Centre of Bucharest (Lipscani District)	77,7	56,4	45	41,8	20,9
Village Museum	91	27,7	25,8	8,6	16
National Museum of Natural History "Grigore Antipa"	94,5	26,7	11,5	3,3	15,2
Museum of the Romanian Peasant	93,5	22,2	13,8	8	14,6
National History Museum	93,1	18,1	7,5	1,2	9,6
National Art Museum	92,8	18,4	6,8	1,7	10
The Romanian Athenaeum	75,8	54,5	5	7,4	6,9
The National Opera	71,4	80	5,8	1,7	5,8
Theatres (The National Theatre, "Țăndărică" Theatre , The National Operetta Theatre "Ion Dacian")	78,1	73,3	10,5	3	10
Royal Palace Great Concert Hall	84,7	54,2	6,9	3	6,8
The Patriarchal Cathedral	82,7	55	17,6	3	12,7
Monasteries ("Radu Vodă" Monastery)	88,4	45,1	15,9	3,8	10,2
Universities (The Bucharest University of Economic Studies, The University "Politehnica" of Bucharest, The University of Bucharest)	93,2	37,3	10,8	7,2	17,3
Luxury hotels (The	80,8	21,4	23	28	28,3

InterContinental Hotel, J.W. Marriot, Howard Johnson, Pullman, Radisson, Hilton, Rin Grand Hotel, Capşa)					
Nicolae Ceauşescu	73,9	38	4,1	1,9	3,6

Source: research processed data

Out of all these tourist attractions, Table 2 presents not only the ones that obtained a high percentage according to the subject's opinions, but also those touristic attractions which are present in guide books as well and that are considered to be representatives by the authors. It was highlighted the sensory potential of the tourist attractions presented earlier. Thus, from a visual point of view, "The People's House" (The Parliament Palace) is the central element of focus when taking the destination Bucharest into consideration, from an aural point of view - The Romanian Opera, the olfactory aspect is highly represented by Herăstrău Park, the gustatory analysis reveals that The Old Historical Centre of Bucharest (Lipscani District) is on the top of the list, and the tactile dimension is mainly dominated by luxury hotels. Lipscani District is the most sensory balanced tourist element, but luxury hotels or Herăstrău Park also has sensory potential.

By assessing these results, in which the most appealing touristic elements are known, and by correlating them with those forms of tourism for which the destination Bucharest is well-known, it can be developed 5D products and brands, precisely by embedding in the product's platform, as well as in the forms of communication, those sensory dimensions that have market potential. At the same time it is tried achieving excellence in the sensory dimension for which the product/brand is already known. These products subsequently lead to the creation of a complete, synesthetic experience of the destination and to the forming of a distinct image.

From a sensory point of view, the image of the destination Bucharest is measured by correlating the five dimensions in different combinations the way the tourists perceive it. Table 3 presents the sensory combinations perceived by the tourists in the case of Bucharest.

Table 3: The sensory dimensions perceived by the tourists in the case of Bucharest

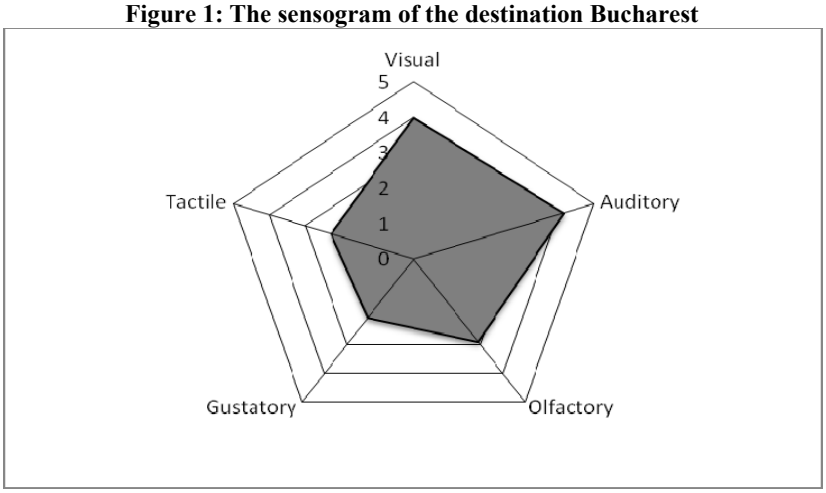
The visual dimension	The auditory dimension	The olfactory dimension	The gustatory dimension	The tactile dimension	Choices (%)
x	x	x	x	x	23,7
x	x	x			19
x	x				17,6
x	x	x		x	6,3
x	x			x	6,3
x					6,3
	x				6,1
x	x	x	x		4,2
	x	x		x	3
x	x		x	x	2
x		x			1,3
x	x		x		0,8
x		x		x	0,6
		x			0,6
x				x	0,5
x		x	x		0,3
x			x	x	0,3
	x		x		0,3
		x		x	0,3
				x	0,3

Source: research processed data

Although it can be observed that the visual and aural dimensions are the most strongly represented ones, it can be seen that nevertheless, in the case of the destination, a certain amount of perception is present at the level of every sense, a perception for which most of the respondents have opted (23,7%). The emergence of the olfactory dimension in the combination ranked as second, after visual and auditory dimensions, is surprising. The gustatory dimension comes off least in what concerns the perception of the destination.

By measuring every sensory dimension perceived by the tourist and the interaction between the senses related to the intensity felt by the consumer, it can be created the sensory profile of the destination Bucharest. This profile appears under the form of a sensogram (Figure 1), a sensory model like Lindstrom (2009) uses. It can be seen that the destination does not excel at any sensory dimension, the highest intensity being perceived on the level of the aural dimension, and the lowest one at the level of the gustatory dimension. In this sense, in order to expand the sensory experience in the case of the destination Bucharest it is recommended that the aural dimension be maximized by associating the city with various musical events, such as The "George Enescu" Festival, or taking it a step further and obtaining a specific aural "signature". At the same time it is necessary to improve the other four dimensions as well, focusing especially on the gustatory one, a poorly represented dimension in the case of the destination Bucharest.

Figure 1: The sensogram of the destination Bucharest



Source: research processed data

Hence, depending on the percentage obtained by each sensory dimension, the marketer will have to establish for each touristic attraction those appealing components of the touristic product that better correspond with the consumer's intentions. Seeing as the attraction elements of a specific destination are very complex, this assignment becomes even more difficult to fulfill, as the research study must be continued in order to cover the other segments (the segment chosen and presented in this article corresponds to the new positioning for Bucharest - "Europe is younger in Bucharest").

3. Conclusion

The consumer receives information through all fivesenses, an aspect that the marketer cannot neglect any more, especially in the case of the field of tourism that can thus become "tangible". A man's senses create in this manner a link in order for the product to reach the memory and emotions of the consumer. This might be a solution to obtain destination brands, clear images backed by complex identities that can form a certain world for every tourist, just as it is perceived by him ("everyone feels differently").

It can be identified the sensory potential of a certain place starting from those touristic attractions that are representative for that destination and from the forms of tourism that make the touristic destination visible to the world. Depending on the results of the sensogram, it can be chosen those products that will then be developed according to the identified sensory directions, in such a manner as to obtain a unique experience for the tourist by way of his interaction with the destination's contact points. If the destination meets tourist's expectations, or better yet, surpasses them, the impact in choosing the destination is very important. In the case of such experiences, multiple sequences of memories are created

by stimulating all the senses and these sequences of memories will help create the desired image, which is a favorable one for the destination.

The fact that each consumer perceives the location differently represents an advantage from the point of view of segmentation, but this can also be a source for error. Practically, the scales must be calibratedby correlating every sense with the other and analyzing the impact that senses would have on the consumer. Taking into consideration the factors that form perception as well, the most important one is the factor related to the physiological characteristics of the sensory channels, as well as the ones related to the distortions of perception, respectively, the influencing of expectations, selective display, selective attention and selective interpretation (Datculescu, 2006, p. 36-38).

The objective of every touristic destination that seeks to obtain a privileged position in the mind of the consumer and to interconnect his emotions with the specific elements of the place should be to create harmonized experiences by stimulating every one of his senses.

In order to be considered a competitive destination, research must be continued in the sense of developing the instruments needed to make a full assessment of its profile by using the interconnection between the senses, as a result of the multi-sensory experience.

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CULTURAL HERITAGE, TRAVEL AND TOURISM, AND SUSTAINABLE DEVELOPMENT: AN EXPLORATORY ASSESSMENT OF THEIR CURRENT RELATIONSHIPS

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Abstract: *The cultural heritage represents animportantasset that can be engagedand capitalized in order to support the sustainable development of the local communities. Turning to the best account of the cultural heritage represents also an important driver for the sustainable development of the travel and tourism industry. The paper explores the connections between the cultural heritage, travel and tourism industry and the sustainable development based on the related indicators expressing the extent of the cultural heritage, the development of the travel and tourism industry, and the level of sustainable development in ten member countries of the European Union.*

Key words: cultural heritage, travel and tourism, sustainable development, European Union

JEL classification: M 83

1. Introduction

The cultural heritage, is defined by UNESCO as an assembly of monuments (including architectural works, works of monumental sculpture and painting, elements or structures of an architectural nature, inscriptions, cave dwellings and combination of features), groups of buildings (groups of separate or connected buildings which, because of their architecture, their homogeneity or their place in the landscape, are of outstanding universal value from the point of view of history, art or science), and sites (works of man or the combined works of nature and man, and areas including archaeological sites) which are of outstanding universal value from the historical, aesthetic, ethnological or anthropological point of view (UNESCO, 1972).

Together with other forms of capital –physical, natural, economic, human, social, and organizational, the cultural heritage represents one of the major resources that can be employed in order to support the sustainable development (Svendsen and Sørensen, 2007). The capitalization of the cultural heritagerepresents an important driver for development, including here the tourism activitiesin a specific area: when properly managed, it can enhance the livability of their surrounding areas and sustain productivity in a changing global environment (Pereira Roders & van Oers, 2011). Culture, cultural heritage and development have been making an incalculable contribution toward improving human livelihoods and well-being in lasting and sustainable ways (Bandarin et al., 2011).

According to the Leask and Rihova (2010), the heritage contribution in tourism development, based on the capitalization of the available cultural resources, can be enhanced through (1) implementing strategies of sustainable growth and effective diversification of the local economy, (2) developing heritage tourism policies and products that meet the needs of community, policy-makers and tourists, (3) improving the stakeholder communication and participation in the creation of the authentic and individual visitor experiences, and (4) connecting the sustainable tourism development with the heritage conservation, community integration, and stakeholders.

The most frequently quoted definition given to the sustainabledevelopment is that provided by the United Nation's World Commission on Environment and Development in the Brundtland Report (1987), stating that it refers to the development meeting theneeds of the present without compromising the ability of future generations to meet their own needs.The European Union (2010) views the sustainable development standing for meeting theneeds of present generations

without jeopardizing the ability of futures generations to meet theirown needs, providing a better quality of life for everyone, now and for generations to come.

At the intersection of the travel and tourism industry and the sustainable development stands the sustainable tourism, which, according to UNESCO should: (1) make optimal use of environmental resources that constitute a key element in tourism development, maintaining essential ecological processes and helping to conserve natural heritage and biodiversity; (2) respect the socio-cultural authenticity of host communities, conserve their built and living cultural heritage and traditional values, and contribute to inter-cultural understanding and tolerance; and (3) ensure viable, long-term economic operations, providing socio-economic benefits to all stakeholders that are fairly distributed, including stable employment and income-earning opportunities and social services to host communities, and contributing to poverty alleviation (UNWTO sustainable tourism development conceptual definition in Pomering et al., 2011).

2. Methodological Notes

In this context, the assessment of the relationships between the cultural heritage, travel and tourism industry, and the sustainable development aims to provide answers to the following questions, that can be seen in this context as ***research objectives***: (1) How significant is the relationship between the cultural heritage and the development of the travel and tourism industry? (2) Is there a noteworthy connection between the cultural heritage and the sustainable development? (3) What is the contribution of the travel and tourism industry to the sustainable development?

The ***research hypotheses*** associated to these objectives state that: (1) there must be a significant relationship between the cultural heritage and the development of the travel and tourism industry; (2) the contribution of the cultural heritage (mainly through its capitalization) to the sustainable development is rather moderate; and (3) the contribution of the travel and tourism industry to the sustainable development is rather moderate.

The exploration of the connections between the cultural heritage, travel and tourism industry and the sustainable development has been conducted at the level of ten member countries of the European Union selected taking into consideration the volumes of the international tourist arrivals and international tourism receipts. The selection aimed to identify and build a group of ***observation units*** representing European countries holding top positions as tourist destinations in terms of the international arrivals and tourism receipts. The availability of the statistical data was a supplementary criterion of selection that accompanied the previous mentioned ones. The employment of these criteria led to the following list of countries: France, Italy, United Kingdom, Austria, Greece, Netherlands, Denmark, Belgium, Portugal, and Sweden. Unfortunately, the lack of data regarding the cultural heritage have excluded from the list major tourist destinations – such as Spain and Germany, or tourist destinations from the Central and Eastern Europe – such as Poland and Hungary. Still, the quality of the research sample including the selected countries can be assessed, in terms of the representativeness, as good: together, at the level of the year 2010, these countries attracted 224.6 millions of international tourists (representing 61.9 % of the total international tourists of the European Union, respectively 47.1 % of the total international tourists in Europe) and accounted for 196.9 billions of US$ in international tourism receipts (representing 59.3 % of the total international receipts of the European Union, respectively 48.5 % of the total international receipts in Europe).

The selection of the ***statisticalindicators*** expressing the extent of the cultural heritage, the development of the travel and tourism industry, and the level of sustainable development in the European Union's countries has provided the following results:

- the*cultural heritage*: the number of the cultural sites on the UNESCO World Heritage List and the total number of admissions in the five most visited museums in the selected countries. The identification and selection of the indicators related to the cultural heritage represented a relatively difficult to accomplish task: the limited number of these indicators (cultural statistics continuing to be an "under construction" field of the EU statistics) and the lack of those directly related to the content of the cultural heritage were the main causes in this respect;
- the*travel and tourism industry*: the international tourist arrivals, the international tourism receipts, the contribution of the travel and tourism industry, respectively the travel and tourism economy, to the formation of GDP, respectively in generating employment;
- the*sustainable development*: GDP per capita, the share of GDP that is used for gross investment by the government, business, and household sectors, the energy intensity of the economy, and the

employment rate of the population of 20-64 years old.The European Union employs a system of more than 100 sustainable development indicatorsto provide an overall picture of progresses achieved towards sustainable development in terms of the objectives and targets defined in the European Union Sustainable Development Strategy. Theindicators are organized in ten themes: socio-economic development, sustainable consumption and production, social inclusion, demographic changes, public health, climate change and energy, sustainable transport, natural resources, global partnership, and good governance. The selection of the appropriate indicators of sustainable development represented a challenge in the context of this research as an important number of them refer to the aspects that are, at least apparently, less connected to the cultural heritage and the travel and tourism industry. For the purpose of this study, only the above-mentioned indicators, related to the socio-economic development theme, have been selected.

Pearson correlation coefficients have been calculated in order to assess the relationships between the cultural heritage and the travel and tourism industry, the cultural heritage and the sustainable development, respectively the travel and tourism industry and the sustainable development.

3. Main Findings

Values of the considered indicators related to the cultural heritage extent, travel and tourism development, and the state of the sustainable development in the selected countries are presented in the table below. They suggest the diversity of the countries included in the research sample, the existing differences illustrating, in fact the dissimilarity of these countries' profiles as tourist destinations.

Table 1: Values of the cultural heritage, travel and tourism, and sustainable development considered indicators for the selected countries in 2010

Countries	ITA	ITR	T&TI GDP	T&TI Emp	T&TE GDP	T&TE Emp	GDP/cap	Inv	EnergInt	EmpRate	WHS	V5M
France	76.8	46.3	107.6	1095	284.6	2847	27400	19.31	166.66	69.1	32	22.1
Italy	43.6	38.8	89.8	1018	217.1	2478	23500	19.45	143.73	61.1	42	10.2
Great Britain	28.1	30.4	89.0	1391	231.2	3144	30200	14.91	115.47	73.6	24	23.8
Austria	22.0	18.7	17.2	187	52.1	559	31400	20.49	143.26	74.9	8	3.1
Greece	15.0	12.7	22.8	418	50.2	785	17300	16.62	165.47	64.0	17	2.6
Netherlands	10.9	13.1	23.2	211	62.1	549	33200	18.22	181.96	76.8	8	4.4
Denmark	9.1	5.5	9.8	84	26.0	227	37200	17.23	104.05	75.8	3	1.9
Belgium	7.2	10.3	12.4	115	42.2	393	29500	20.20	212.61	67.6	11	1.8
Portugal	6.9	10.1	14.4	377	35.8	943	14800	18.97	179.66	70.5	12	2.4
Sweden	4.9	11.1	13.3	117	38.9	335	34300	17.81	156.67	78.7	13	3.9

Notes: ITA – International Tourist Arrivals (2010; millions); ITR – International Tourism Receipts (2010; US$ billions); T&TI GDP – Travel & Tourism Industry contribution to the formation of GDP (2010; US$ billions); T&TI Emp – Travel & Tourism Industry contribution in terms of employment (2010; thousand jobs); T&TE GDP – Travel & Tourism Economy contribution to the formation of GDP (2010; US$ billions); T&TE Emp – Travel & Tourism Economy contribution in terms of employment (2010; thousand jobs); GDP / cap – Gross Domestic Product per capita (2010; €/capita); Inv – Share of the total investments of the government, businesses, and households in the GDP (2010; % in GDP); EnergInt - |Energy Intensity of the Economy (2010; in Kilograms Oil Equivalent /thousand €); EmpRate – Employment Rate of the population aged 20-64 (%); WHS – Number of the cultural sites on the UNESCO World Heritage List (2010); V5M – Total number of the Visitors of the top 5 Museums (2010; millions).

The assessment of the relationships between the extent of the *cultural heritage* and the development of the *travel and tourism industry* reveal the strong connections between the specific

research variables: for all of these variables, the bivariate correlations proved to be significant at 0.05 or even 0.01 level of significance (2-tailed), as the results presented in the Table 2 reveal.

Thus, the number of the cultural heritage sites included on the UNESCO World Heritage List correlated significantly with the international tourism receipts and the international arrivals, which suggests that, on the one hand, these sites represent important attractions (and motivators) for the tourists visiting different destinations, and, on the other hand, they contribute to the revenues generated by the travel and tourism industry.

The correlation between the number of the cultural heritage sites and the total number of the visitors of the five most visited museums, although significant (at a 0.05 level, 2-tailed), suggest that, although the most of the tourists visit both cultural sites and museums, there is a segment of cultural tourists that do not associate these objects of their holidays. More, the comparative analysis of the correlations between the number of the cultural heritage sites, respectively the number of visitors of the five most visited museums, and the travel and tourism related indicators reveals that there appears to be a stronger connection between visiting museums (than cultural heritage sites) and the overall performances of the industry.

Table 2: Correlations of the cultural heritage and the travel and tourism indicators

Correlations

		Number of World Heritage Sites	Number of Visitors of Top 5 Museums	International Tourist Arrivals	International Tourist Receipts	Travel & Tourism Industry and GDP	Travel & Tourism Industry and Employment	Travel & Tourism Economy and GDP	Travel & Tourism Economy and Employment
Number of World Heritage Sites	Pearson Correlation	1	.670*	.776**	.892**	.888**	.830**	.863**	.847**
	Sig. (2-tailed)	.	.034	.008	.001	.001	.003	.001	.002
	N	10	10	10	10	10	10	10	10
Number of Visitors of Top 5 Museums	Pearson Correlation	.670*	1	.771**	.840**	.918**	.924**	.934**	.935**
	Sig. (2-tailed)	.034	.	.009	.002	.000	.000	.000	.000
	N	10	10	10	10	10	10	10	10
International Tourist Arrivals	Pearson Correlation	.776**	.771**	1	.948**	.891**	.741*	.899**	.796**
	Sig. (2-tailed)	.008	.009	.	.000	.001	.014	.000	.006
	N	10	10	10	10	10	10	10	10
International Tourist Receipts	Pearson Correlation	.892**	.840**	.948**	1	.966**	.865**	.967**	.906**
	Sig. (2-tailed)	.001	.002	.000	.	.000	.001	.000	.000
	N	10	10	10	10	10	10	10	10
Travel & Tourism Industry and GDP	Pearson Correlation	.888**	.918**	.891**	.966**	1	.948**	.997**	.970**
	Sig. (2-tailed)	.001	.000	.001	.000	.	.000	.000	.000
	N	10	10	10	10	10	10	10	10
Travel & Tourism Industry and Employment	Pearson Correlation	.830**	.924**	.741*	.865**	.948**	1	.939**	.993**
	Sig. (2-tailed)	.003	.000	.014	.001	.000	.	.000	.000
	N	10	10	10	10	10	10	10	10
Travel & Tourism Economy and GDP	Pearson Correlation	.863**	.934**	.899**	.967**	.997**	.939**	1	.966**
	Sig. (2-tailed)	.001	.000	.000	.000	.000	.000	.	.000
	N	10	10	10	10	10	10	10	10
Travel & Tourism Economy and Employment	Pearson Correlation	.847**	.935**	.796**	.906**	.970**	.993**	.966**	1
	Sig. (2-tailed)	.002	.000	.006	.000	.000	.000	.000	.
	N	10	10	10	10	10	10	10	10

*. Correlation is significant at the 0.05 level (2-tailed).

**. Correlation is significant at the 0.01 level (2-tailed).

The appropriate capitalization of the cultural heritage seems to determine improvements of the performances of the travel and tourism industry, in terms of the international arrivals and receipts, and supports the overall contribution of the travel and tourism industry to the formation of the GDP and to the creation and maintaining of the direct and indirect workplaces.

The analysis of the associations between the extent of the cultural heritage and the selected indicators of sustainable development corresponding to the socio-economic theme reveals the lack of connections: only one bivariate correlation, between the number of the cultural sites on the UNESCO World Heritage List and the employment rate of the population aged 20-64, proved to be significant (at 0.05 level, 2-tailed). No correlation of the number of visitors of the five most visited museums and the sustainable indicators proved to be significant.

Table 3: Correlations of the cultural heritage and the sustainable development indicators

Correlations

		Number of World Heritage Sites	Number of Visitors of Top 5 Museums	GDP per capita	Share of Total Investments in GDP	Energy Intensity of the Economy	Employment rate (20-64)
Number of World Heritage Sites	Pearson Correlation	1	.670*	-.351	.018	-.080	-.664*
	Sig. (2-tailed)	.	.034	.320	.961	.825	.036
	N	10	10	10	10	10	10
Number of Visitors of Top 5 Museums	Pearson Correlation	.670*	1	.039	-.341	-.313	-.105
	Sig. (2-tailed)	.034	.	.915	.334	.379	.774
	N	10	10	10	10	10	10
GDP per capita	Pearson Correlation	-.351	.039	1	-.063	-.355	.697*
	Sig. (2-tailed)	.320	.915	.	.863	.313	.025
	N	10	10	10	10	10	10
Share of Total Investments in GDP	Pearson Correlation	.018	-.341	-.063	1	.533	-.201
	Sig. (2-tailed)	.961	.334	.863	.	.112	.578
	N	10	10	10	10	10	10
Energy Intensity of the Economy	Pearson Correlation	-.080	-.313	-.355	.533	1	-.252
	Sig. (2-tailed)	.825	.379	.313	.112	.	.483
	N	10	10	10	10	10	10
Employment rate (20-64)	Pearson Correlation	-.664*	-.105	.697*	-.201	-.252	1
	Sig. (2-tailed)	.036	.774	.025	.578	.483	.
	N	10	10	10	10	10	10

*. Correlation is significant at the 0.05 level (2-tailed).

The single correlation that proved to be significant has registered a negative value of the Pearson's coefficient, according to which a higher number of the cultural sites inscribed on the UNESCO World Heritage List appears to be associated to a lower employment of the population aged 20-64. Also, the higher number of the cultural heritage sites seems to associate, even if in a less significant manner, to a lower GDP per capita. The associations reveal, although at a very low level of significance, relationships determining a favorable impact over the investments made by the government, businesses, and household, respectively the energy intensity of the economy.

Visiting museums does not appear as a cultural activity producing significant effects in terms of the sustainable development. An increased number of visitors can be associated, in a positive manner, to a very modest increase of the GDP per capita and to a visible decrease of the energy intensity of the economy, and in a negative manner, to a decrease of the employment rate of the population aged 20-64 and of the investments made by the government, business and households.

The capitalization of the cultural heritage appears to have a rather modest contribution to the sustainable development. Although the literature approaching the topics of cultural heritage and sustainable development has identified ideas, examples, or even good practices, mainly at the level of the local communities, of how an appropriate capitalization could improve the development of these communities, the exploratory analysis of the associations between the related indicators denotes that connections between the cultural heritage and the sustainable development are rather poor.

The analysis of the associations of the travel and tourism and the sustainable development related indicators reveals that there is not at least a single significant correlation between them. Apparently, the travel and tourism produces performances that do not contribute or have a limited contribution to the sustainable development of the economies of the selected countries.

Table 4: Correlations of the travel and tourism and the sustainable development indicators

Correlations

		International Tourist Arrivals	International Tourist Receipts	Travel & Tourism Industry and GDP	Travel & Tourism Industry and Employment	Travel & Tourism Economy and GDP	Travel & Tourism Economy and Employment	GDP per capita	Share of Total Investments in GDP	Energy Intensity of the Economy	Employment rate (20-64)
International Tourist Arrivals	Pearson Correlation	1	.948**	.891**	.741*	.899**	.796**	-.100	.159	-.126	-.387
	Sig. (2-tailed)	.	.000	.001	.014	.000	.006	.784	.660	.728	.269
	N	10	10	10	10	10	10	10	10	10	10
International Tourist Receipts	Pearson Correlation	.948**	1	.966**	.865**	.967**	.906**	-.125	.082	-.158	-.420
	Sig. (2-tailed)	.000	.	.000	.001	.000	.000	.730	.823	.662	.227
	N	10	10	10	10	10	10	10	10	10	10
Travel & Tourism Industry and GDP	Pearson Correlation	.891**	.966**	1	.948**	.997**	.970**	-.113	-.139	-.249	-.398
	Sig. (2-tailed)	.001	.000	.	.000	.000	.000	.757	.701	.488	.254
	N	10	10	10	10	10	10	10	10	10	10
Travel & Tourism Industry and Employment	Pearson Correlation	.741*	.865**	.948**	1	.939**	.993**	-.241	-.338	-.314	-.393
	Sig. (2-tailed)	.014	.001	.000	.	.000	.000	.503	.340	.376	.261
	N	10	10	10	10	10	10	10	10	10	10
Travel & Tourism Economy and GDP	Pearson Correlation	.899**	.967**	.997**	.939**	1	.966**	-.074	-.121	-.233	-.357
	Sig. (2-tailed)	.000	.000	.000	.000	.	.000	.840	.739	.517	.311
	N	10	10	10	10	10	10	10	10	10	10
Travel & Tourism Economy and Employment	Pearson Correlation	.796**	.906**	.970**	.993**	.966**	1	-.212	-.247	-.280	-.384
	Sig. (2-tailed)	.006	.000	.000	.000	.000	.	.556	.491	.433	.273
	N	10	10	10	10	10	10	10	10	10	10
GDP per capita	Pearson Correlation	-.100	-.125	-.113	-.241	-.074	-.212	1	-.063	-.355	.697*
	Sig. (2-tailed)	.784	.730	.757	.503	.840	.556	.	.863	.313	.025
	N	10	10	10	10	10	10	10	10	10	10
Share of Total Investments in GDP	Pearson Correlation	.159	.082	-.139	-.338	-.121	-.247	-.063	1	.533	-.201
	Sig. (2-tailed)	.660	.823	.701	.340	.739	.491	.863	.	.112	.578
	N	10	10	10	10	10	10	10	10	10	10
Energy Intensity of the Economy	Pearson Correlation	-.126	-.158	-.249	-.314	-.233	-.280	-.355	.533	1	-.252
	Sig. (2-tailed)	.728	.662	.488	.376	.517	.433	.313	.112	.	.483
	N	10	10	10	10	10	10	10	10	10	10
Employment rate (20-64)	Pearson Correlation	-.387	-.420	-.398	-.393	-.357	-.384	.697*	-.201	-.252	1
	Sig. (2-tailed)	.269	.227	.254	.261	.311	.273	.025	.578	.483	.
	N	10	10	10	10	10	10	10	10	10	10

**. Correlation is significant at the 0.01 level (2-tailed).

*. Correlation is significant at the 0.05 level (2-tailed).

The performances of the travel and tourism industry generate the most favorable effects, although not at a significant level, on the energy intensity of the economy, as the increases in these performances appear to be associated to the lower levels of the intensity. Also, increases in the international tourist arrivals and the international tourism receipts seem to associate to the increases in the investments made by the governments, businesses and households. Instead, the performances of the travel and tourism industry seem to produce rather unfavorable effects over the GDP per capita and the employment rate of the population aged 20-64, the increases in these performances appearing to be associated to the decreases of both the indicators.

4. Conclusions and limits of the research

The exploratory assessment of the relationships between the cultural heritage extent, the travel and tourism development, and the state of the sustainable development has been conducted at a level of sample including countries with significantly different profiles as tourist destinations. The indicators used in the assessment, although relevant, are obviously not sufficient to allow drawing consistent conclusions about the relationships between the cultural heritage and travel and tourism, cultural heritage and sustainable development, and travel and tourism and sustainable development.

Still, the measured correlations of the related indicators have led to the following conclusions:

- there are significant relationships between the cultural heritage and the travel and tourism industry. The appropriate capitalization of the cultural heritage may determine improvements of the performances of the travel and tourism industry and supports the overall contribution of the industry in terms of the GDP formation and of the employment;
- the relationships between the cultural heritage and the sustainable development are rather poor, which suggests that, on the one hand, the cultural heritage is an asset less turned to the best account, and, on the other hand, that capitalization of the cultural heritage, where conducted, generates a rather modest contribution to the sustainable development;
- finally, the relationships between the travel and tourism and the sustainable development are also poor as, apparently, the travel and tourism produces performances that do not contribute or have a limited contribution to the sustainable development of the economies of the selected countries.

These results should be considered in the context of the two obvious limits of this exploratory research. The first refers to the limited number of variables considered in the assessment of the relationships between the cultural heritage and the travel and tourism industry, the cultural heritage and the sustainable development, respectively the travel and tourism industry and the sustainable

development. Obviously, a set of twelve variables, although relevant for the scope of the research, could not provide a solid basis for the analysis of these relationships. Further improvements should be made consisting in the increase of the number of research variables by including more indicators regarding the extent of the cultural heritage, the level of development of the travel and tourism, and the state of the sustainable development.

The second refers to the limited number of observation units considered in the assessment of the relationships between the cultural heritage and the travel and tourism industry, the cultural heritage and the sustainable development, respectively the travel and tourism industry and the sustainable development. The list of the European Union's member countries has been established only after the assessment of the availability of the data for the selected indicators. Unfortunately, some European countries representing significant tourist destinations – such as Spain and Germany – were not included in this analysis as there were not available data for the indicator regarding the total number of visitors of the five most visited museums. Further improvements in this respect depend significantly on the existence of the statistical data for the considered indicators for the countries to be involved in the research process.

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KNOWING EMPLOYEES' PERCEPTIONS – DETERMINANT IN CREATING A SUCCESSFUL ORGANIZATIONAL CULTURE

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Abstract: *The basis of internal marketing is treating employees as customers. The employees' satisfaction level is linked to the company's offer, being also bound to the way the employees perceive the offer as reflected by the organizational culture. Besides the existing structures and systems within the company, the organizational culture has a fundamental role in the implementation of employee orientation. In order to be successful, the organizational culture is constantly subject to a conscious and strictly conducted process of change.*

This paper aims to underline the importance of knowing the employees' perceptions in order to build a culture of success, as well as how to acquire this knowledge. By researching the employees' perceptions, the companies can establish what their current organizational culture is and how to improve their old policies without losing the spirit of tradition.

Key words: internal marketing, organizational culture, employees' feedback, customer orientation

JEL classification: M 31, G 21

1. Introduction

Practicing an internal marketing which assures a motivating organizational climate, reflected in a successful organizational culture, is the companies' unique option (Dumitrescu, Apostu, 2009, p. 333).

The organizational culture represents all the strategies, techniques and means by which the management wants to inform the employees about the rules, boundaries and values that must be implemented within the company. Thus, the organizational culture is the result of a unitary process implying all employees and concerning the internal aspects of the company (Schneider, 1988, pp. 352-353).

In order to achieve an organizational culture of success, the top management of the company has to be aware of this concept and of all the necessary steps of the process of change, as well as how to manage effectively the employees' perceptions regarding the existing organizational climate. It is possible that the employees' perception on the organizational climate to differ from the reality. Nevertheless, even if so, for the employee him/herself what he/she perceives represents the truth.

2. Organizational culture – key of the company's success on the market

The organizational culture does not only mean leadership and power, it also represents a determinant factor for the quality of the employees' work, having an important influence on it (Dygert, Jacobs, 2006, p. 21).

It is obvious that a successful organizational culture is the result of the way the old practices are improved, without losing the specific traditions within the company (rituals, symbols, stories associated with some types of employees, etc).

Regarding the content of the organizational culture, the definition proposed by Bruhn is relevant, according to which the organizational culture represents "the assembly of common values and rules and their representation, as well as thought and behaviour models which influence the decisions, activities and behaviour of the employees" (Bruhn, 2001, p. 276).

Not only the research, but also the day-to-day activities of the successful companies show that in order to improve the results and quality of work, as well as to create a competitive work environment, the analysis of the organizational culture within the company is necessary. Even if specialists sustain it, the full understanding of the role the organizational culture has within the success of the company is more

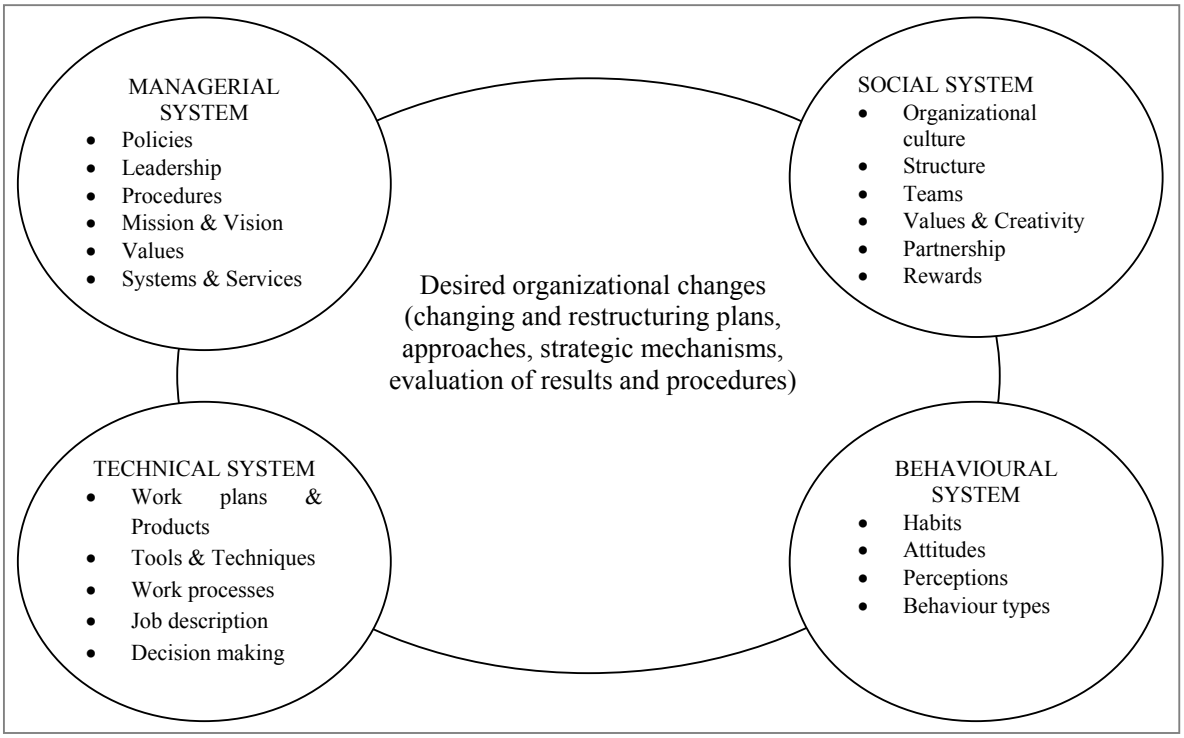
difficult, because as Dygert (2006) says "the culture of an organization is like the climate: even though it is everywhere it usually passes unnoticed until the bad weather catches everyone's attention".

The main components of a successful organizational culture are:

a) mutual trust among the employees;
b) personal integrity proved by the employees;
c) the need that all employees engage to the principle of shared fate.

Based on the "The Model of organizational and process transformations" proposed by Dr. Johnson Edosomwan (Edosomwan, 1995), the desired organisational changes are being influenced by four systems, the organisational culture being part of the social system (fig. 1).

Figure 1: Edosomwan Model of organizational and process transformations



A short analysis of the Edosomwan Model highlights the fact that management leads culture and culture leads behaviour.

Building an organizational culture of success depends on the way the company succeeds to coordinate the following vital elements:

a) change;
b) competition;
c) cooperation;
d) control.

From this perspective, a culture of success is a means of cooperation through which everybody is interested in the success of the others (Dygert, Jacobs, 2006, p. 37). A culture of success is mainly characterised by a trust based communication.

3. Studying the employees' perceptions

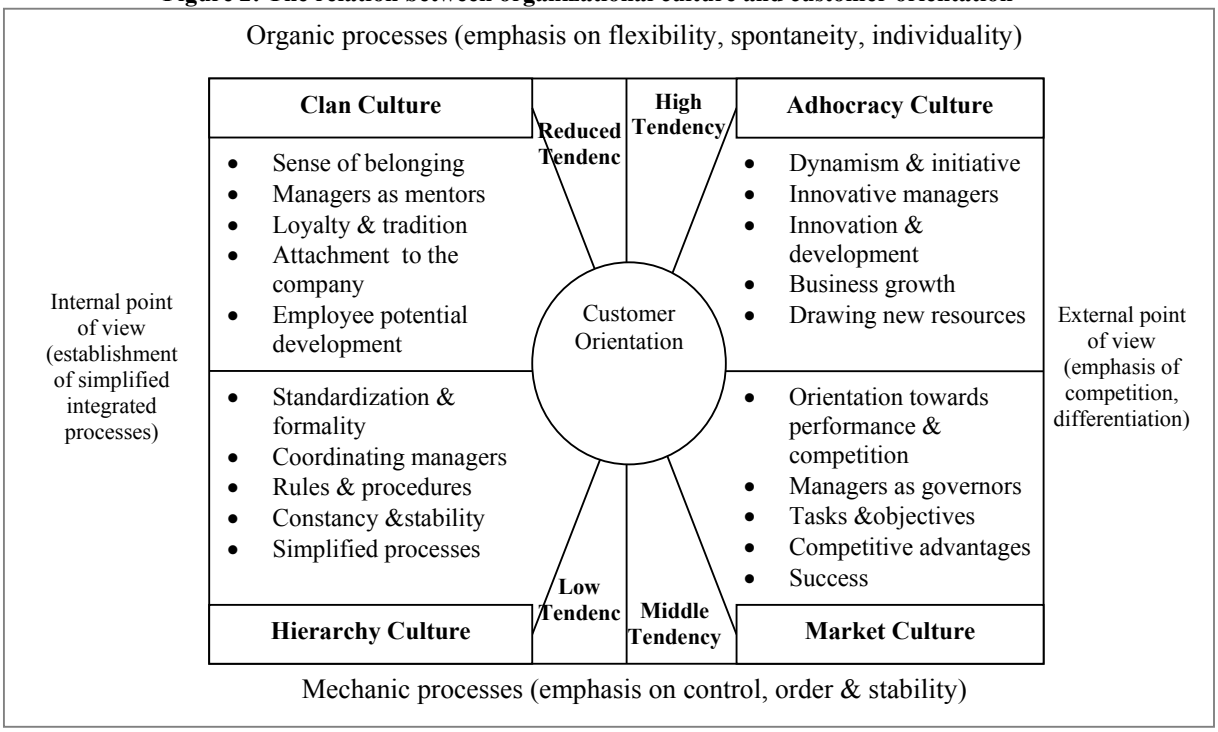
The aware and guided (with certain limitations) process of changing the organizational culture contains following steps:

a) identifying the current culture of the company;
b) modifying the existing culture;
c) controlling the changes within the organizational culture.

Identifying the current organizational culture is the first step in the changing process of the company's culture. The aim of this step is to see what type of culture the company is currently adopting:

clan, adhocracy, hierarchy, market (fig. 2). The information needed in this process is obtained from employee feedback. This feedback reflects the employee's perceptions toward different cultural aspects, specific to the organizational climate in which they work.

Figure 2: The relation between organizational culture and customer orientation



Source: Bruhn, M. (2001) *Customer Orientation – Base for a Successful Business*, Bucharest: Economica Publishing, p. 279

The employees' feedback enables to constantly incorporate their opinion in the organizational culture, thereby it triggers and leads to changes and improvement. Being aware of the employees' perceptions, the company can focus its efforts on what is really important for them and for the business.

The employees' perceptions regarding the different cultural aspects of the company are influenced by following factors:

- employees' trust in the company – the employees' credibility is influenced by the manner in which the promises, made at corporative as well as individual level, are being kept;
- expedience – is determined by the company's availability to help employees' satisfy their needs;
- certainty – the extent to which the employees' are being guaranteed that the information they receive is true;
- empathy – whether managers see things from the employees' perspective.

The fusion of these factors determines the employees' perception, and for them their perception is reality. In this context, the company must coordinate these factors in order to obtain the desired perception.

4. Using marketing research in order to study the employees' perceptions

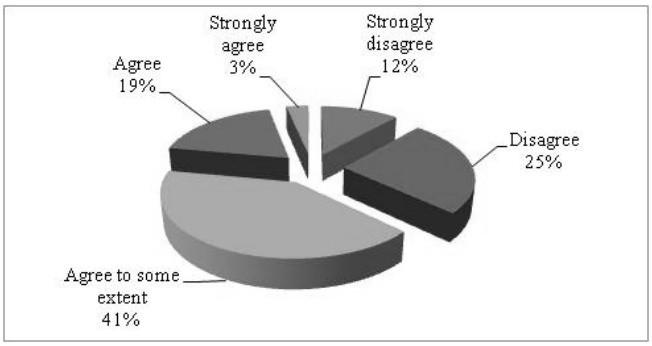
Alongside other methods, marketing research enables the obtaining of employee feedback towards the organizational climate they work in.

A valid example is the marketing research conducted on 400 employees of the most important commercial banks of Sibiu. One of the objectives of this direct, selective marketing research, which took place between 20 January - 20 March, is to get to know the employees' perceptions toward certain cultural aspects, like beliefs, values, behavioural rules, roles etc.

The research was conducted according to the marketing research process content (Balaure, 2002, p. 132). For the information's preparation and processing we used IBM SPSS Statistics.

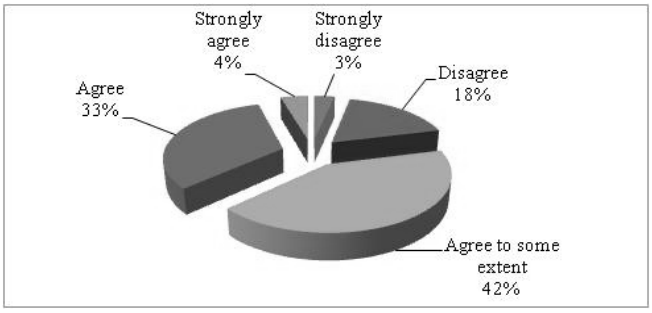
The results of the research are: of 400 respondents (representing 100%), 3% strongly agree with the statement "Within the department I work in, I can criticize without any disadvantage", 19% agree, 41% agree only to some extent, 25% disagree and 12% strongly disagree with this statement (fig. 3).

Figure 3: Respondents' opinion regarding the possibility to criticize without any disadvantage



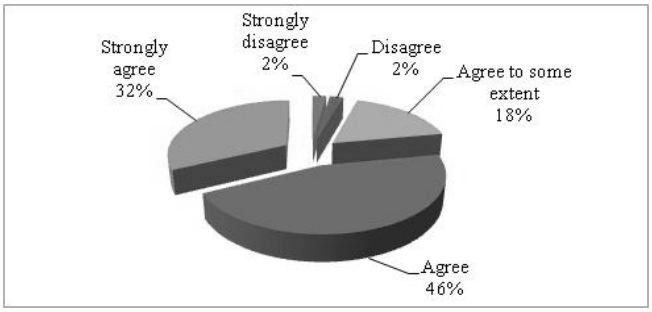
Moreover, 79% of the respondents express their agreement towards the promptitude of decision making within the company, while 21% express their disagreement about this matter (fig. 4).

Figure 4: Respondents' opinion regarding the promptitude of decision making



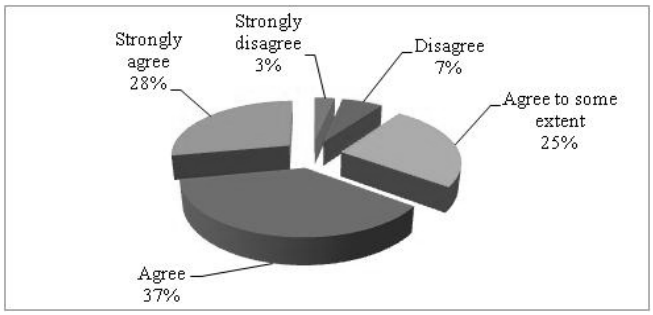
Regarding the relationship with the manager, of the 400 respondents (representing 100%), 32% strongly agree about the tasks clarity, 46% agree, 18% agree only to some extent, 2% disagree and 2% strongly disagree (fig. 5).

Figure 5: Respondents' opinion regarding the tasks clarity



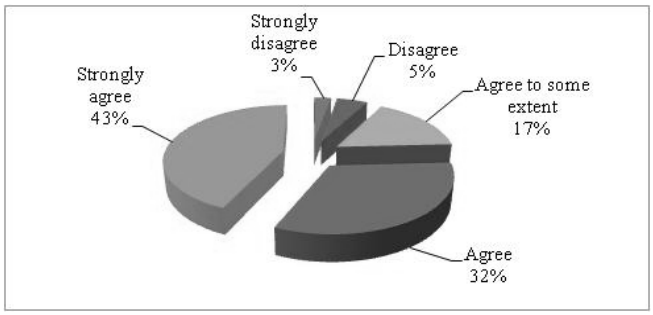
Furthermore, 28% of the respondents strongly agree with the statement "I'm satisfied with the manager's reaction to feedback", 37% agree, 25% agree only to some extent, 7 disagree and 3% strongly disagree with the above mentioned statement (fig. 6).

Figure 6: Respondents' opinion regarding with the manager's reaction to feedback



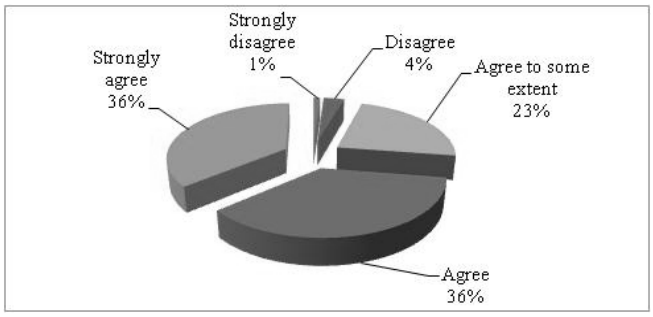
Of the 400 respondents (representing 100%), 43% strongly agree about the accessibility to the manager, 32% agree, 17% agree only to some extent, 5% disagree and 3% strongly disagree (fig. 7).

Figure 7: Respondents' opinion regarding the accessibility to the manager



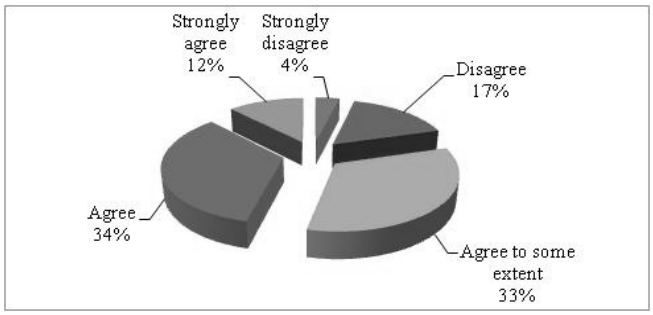
Regarding the respect and appreciation received from the manager, 95% of the respondents express their agreement, while 5% express their disagreement about this matter (fig. 8).

Figure 8: Respondents' opinion regarding the respect and appreciation received from the manager



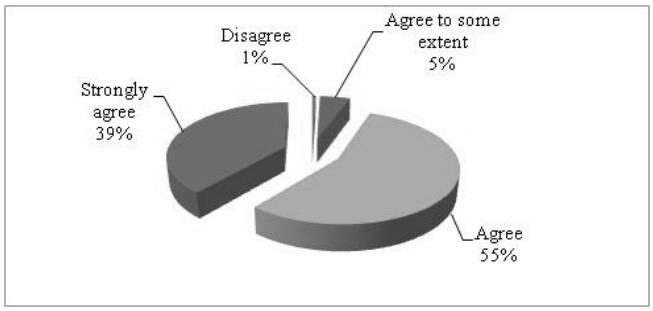
Furthermore, 12% of the respondents strongly agree about their participation in the decision making process, 34% agree, 33% agree only to some extent, 17% disagree and 4% strongly disagree (fig. 9).

Figure 9: Respondents' opinion regarding their participation in the decision making



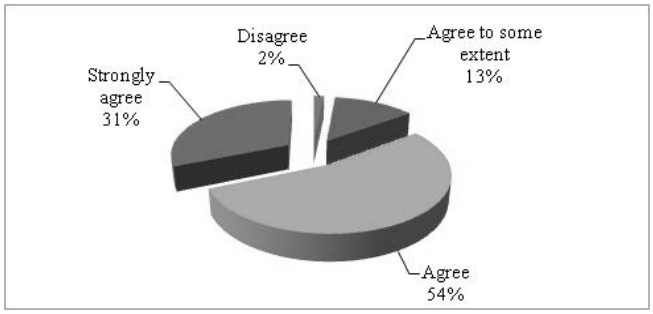
Moreover, 99% of the respondents consider knowing very precise their tasks and the objectives (fig. 10).

Figure 10: Respondents' opinion regarding their tasks and the objectives



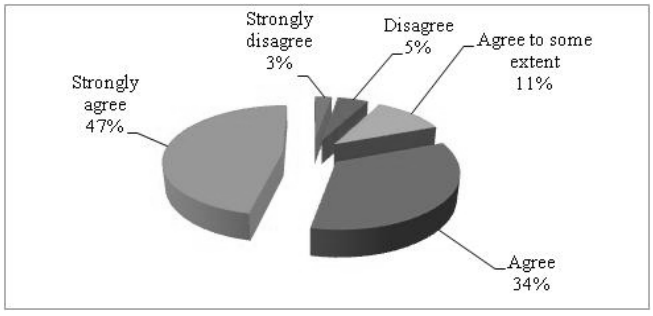
As for the statement "I'm sufficiently trained for the work that I do", 31% of the respondents strongly agree with this statement, 54% agree, 13% agree only to some extent and 2% disagree (fig. 11).

Figure 11: Respondents' opinion regarding their proper qualification for the job



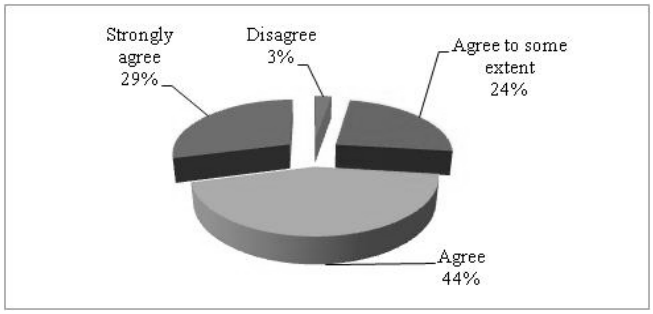
47% of the respondents strongly agree with the statement "Women and men have equal chances of development within the company", 34% agree, 11% agree only to some extent, 5% disagree and 3% strongly disagree with the above mentioned statement (fig. 12).

Figure 12: Respondents' opinion regarding the gender discrimination



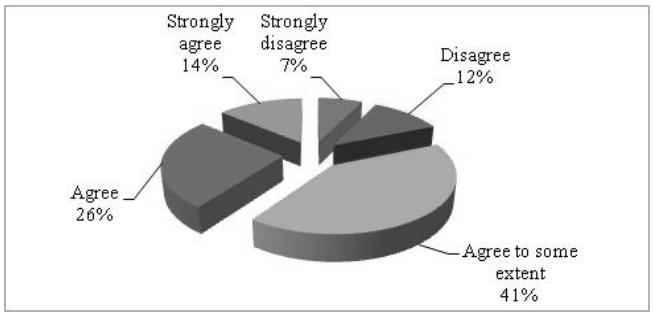
In terms of the degree of satisfaction with the work conditions, of the 400 respondents (representing 100%), 97% are satisfied with the work conditions within the company, while 3% are unsatisfied (fig 13).

Figure 13: Respondents' opinion regarding their degree of satisfaction with the work conditions



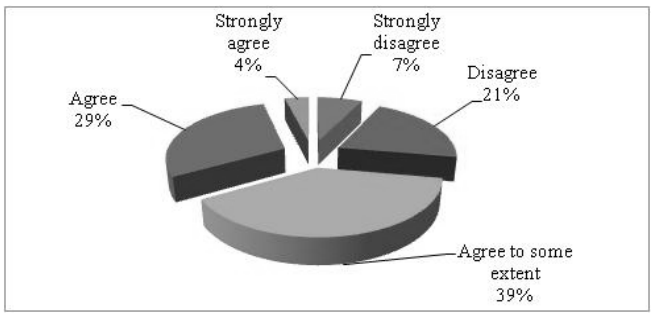
Moreover, 81% of the respondents are satisfied with the career advancement possibilities (fig. 14).

Figure 14: Respondents' opinion regarding their degree of satisfaction with the advancement possibilities



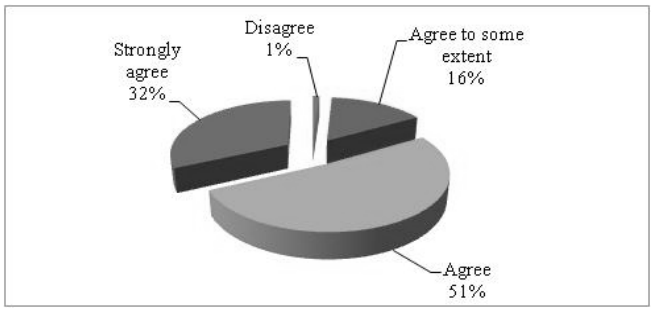
Of the 400 respondents (representing 100%), 72% are satisfied with salary, while 28% are unsatisfied (fig. 15).

Figure 15: Respondents' opinion regarding their degree of satisfaction with the salary



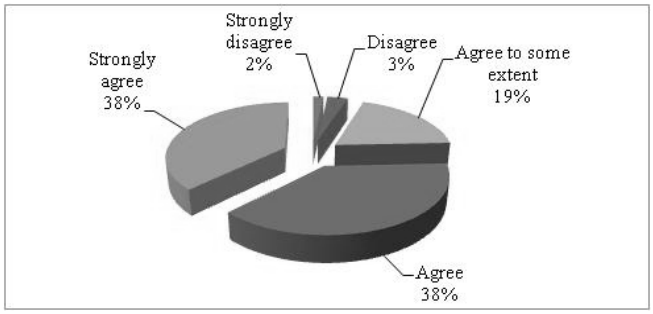
In terms of the degree of satisfaction with peer collaboration, 99% of the respondents are satisfied with their colleagues (fig. 16).

Figure 16: Respondents' opinion regarding their degree of satisfaction with the peer collaboration



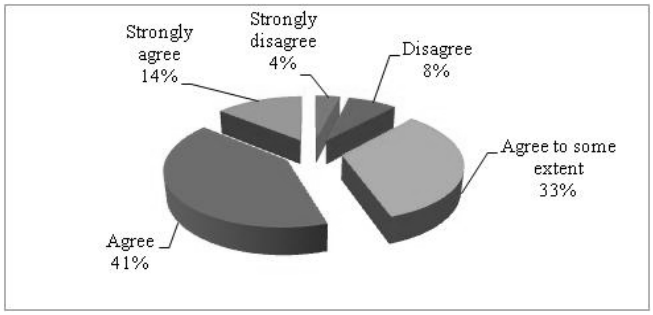
As for the degree of satisfaction with the manager, just 5% of the respondents are unsatisfied (fig. 17).

Figure 17: Respondents' opinion regarding their degree of satisfaction with the manager



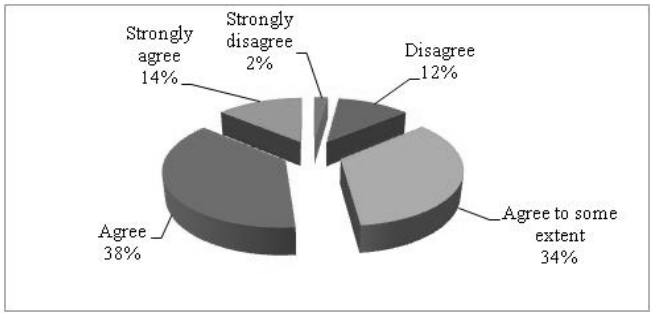
Of the 400 respondents (representing 100%), 88% are satisfied with the top management, while 12% of the respondents are unsatisfied (fig. 18).

Figure 18: Respondents' opinion regarding their degree of satisfaction with the top management



Furthermore, 86% of the respondents are satisfied the communication and information within the company (fig. 19).

Figure 19: Respondents' opinion regarding their degree of satisfaction with the internal communication



In conclusion, most employees work within a commercial bank for 1 to 4 years (51% of the respondents), are aged between 26 and 40 years (59% of the respondents), have a master degree (49% of the respondents), are female (78% of the respondents) and come from urban areas (85% of the respondents).

5. Conclusions

The conducted research revealed that, in terms of employees' perceptions, the commercial banks of Sibiu have a hierarchy organizational culture, being formal and highly structured organizations with well-established procedures. Within these organizations,the leader is seen as a coordinator, organizer or administrator. The bond that provides the cohesion of the commercial banks consists in the compliance with the established rules and policies, only effective operations being important.

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DISCOVERING SOCIAL MEDIA BEHAVIOR PATTERNS IN ORDER TO IMPROVE THE MARKETING STRATEGY IN THE CURRENT CHAOTIC ENVIRONMENT

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Abstract: *Marketing used to imply paying for your target audience's attention. Nowadays, with the development of inbound marketing, marketers have to attract customers with valuable and useful information that will make them eager to buy. The ever-evolving technology has led to an intense focus on inbound marketing, in its many forms, in order to lower marketing costs and gain a position in the social web. In this context, this paper explores how companies can benefit from social media marketing by understanding how much of their time customers spend on social media, and which platforms do they find the most engaging.*

Key words: consumer behavior, social media marketing, inbound marketing, online marketing.

JEL classification: M 31

1. Introduction

A great marketing challenge is to see the full experience of a customer online, a holistic perspective. To best tailor marketing strategies marketers need to see the customer in a full context and fully comprehend his/ her behavior as it happens. After this first step, marketers have to use this invaluable knowledge in order to trigger the best opportunities for them and hopefully lead to a sale.

Some companies see customers as isolated transactions, but that is not how customer behavior happens in general, and especially in the online environment where people spend a lot of their time and ask for interaction and engagement from the companies they intent to buy or are loyal to.

However, to best study the online behavior, the first thing is important to research and study is how much of their time is spent on these social media sites because this timeframe can provide insights regarding general involvement in social networking and availability for potential brand engagement. Therefore, social media can be used for marketing opportunities.

2. Inbound Marketing and Online Behavior

The ever-evolving internet has caused many changes in marketing. Now, there is search engine marketing (SEM), email marketing, blog marketing, viral marketing, social marketing and so many more. These, however, can be encompassed under one concept – inbound marketing.

In its most basic form, inbound marketing represents the marketing focused on getting found by prospects and customers. In a more expanded form, inbound marketing has 3 main components: content creation, search engine optimization and social media.

Needless to say, inbound marketing is the opposite of outbound marketing, or traditional marketing, where a marketer would push his/her message to poorly targeted audiences without regard of whether that particular message interrupted their activities. For example, instead of inconveniencing people with a television ad, marketers can create a viral video or an informative video that potential customers want to see and hopefully share with their friends leading to electronic-word-of-mouth (eWOM).

This point of sharing is where inbound marketing gets enhanced through social media marketing. Social media amplifies the content and the process of any business. When anything related to a particular business gets distributed and discussed on social networking sites, that is when a company becomes authentic in their messaging and it attracts the right customers and draws their attention in a valuable way.

Social media is about the shift of power to consumers. More than ever, companies are feeling the power of social media in developing and reliably delivering on a compelling brand promise (Barwise, Meehan, 2010).

3. Using Social Media Marketing in a Chaotic Environment

Today's chaotic environment if filled with an uncertainty that covers everything from the economy's trend to the loyalty of customers and brand reputation. Companies are turning to social media marketing because it represents a smarter and more efficient way of allocating marketing resources. Basically, a social media marketing strategy is better in this chaotic environment because of three main aspects:

- *Higher marketing ROI* – The return on investments is considerably higher because it costs far less to create content and promote it by sharing in on different social platforms.
- *Customer interaction* – Social media marketing is re-writing relationship marketing and companies should get involved in order to create a long lasting engagement through interactions, valuable information, promotions, contests and dealing quickly with complaints.
- *Customer service* – Using social media marketing, any complaint or negative comment can be addressed in a rewarding manner for the person who expressed dissatisfaction. A prompt response and a solution to the problem can provide an opportunity for connecting, helping. In the online environment, customers want to see that they matter, they are heard and their problems are fixed by the company they trusted by purchasing a product or service. If these conditions are met, the person who first complaint may further develop positive word-of-mouth
- *Targeted visits to company websites* – Social networks are a very important tool in driving targeted prospects on company website that can further lead to sales.

4. Researching Online Consumer Behavior Patterns on Social Media

In order to study the online behavior in an appropriate and rewarding manner, the first thing that is important to research is how much of their time is spent on social media sites. Social login patterns can represent a marketing multiplier because every business has two main tasks: to acquire customers and to sell them products and services. Therefore, the purpose of the present research is to identify the applicability of the corresponding analysis regarding the amount of time spent on social networking sites and discover which social media websites are most engaging for the respondents. These two aspects are critically important to study in order to fully comprehend the social media behavior and develop a successful marketing strategy accordingly. To fulfill the main purpose of this exploratory research, the following objectives and hypotheses were established:

Objective 1: Determining dimensions that reflect a pattern of the time spent on social media.

Hypothesis 1: At least one dimension is identified.

Objective 2: Determining which social media websites are the ones respondents frequent the most.

Hypothesis 2: Facebook and YouTube are favored by the respondents.

For this study, a survey was used as research method and a questionnaire as research instrument. The data was gathered online from individuals, namely from the students of the "Lucian Blaga" University of Sibiu, Romania, studying for a Bachelor, Master or Ph.D. Degree.

As a sampling technique, we used the convenience sampling which implies a non-probability sampling. The sample size was represented by students of the "Lucian Blaga" University of Sibiu, Romania in the following proportions: 26.69% (Bachelor degree, first year of study), 18.22% (Bachelor degree, second year of study), 31.36% (Bachelor degree, third year of study), 7.2% (Master degree, first year of study),15.25% (Master degree, second year of study), 0.42% (Ph.D. degree, first year of study) and 0.85% (Ph.D. degree, second year of study).

The sample size was computed by the formula $n = \frac{z^2 \cdot s^2}{e^2}$, where z is a known tabular value for a specific level of significance, s represents the sample standard deviation of the selection variable (number of students by their year of study and study cycle) and e is the standard error. A confidence level of 95% was chosen, therefore the $z_{0.95}$ is 1.96 and the sample standard deviation is s = 28.65 students by their year of study and study cycle. The chosen sampling standard error is e = 3.66 students by their year of study and study cycle. By applying the formula, we have determined a sample size of n = 235.51 = 236 students. The sampling process was executed by applying an online questionnaire to these 236 students.

The data was collected using a primary research, which involved getting original data by conducting a field research. For this research, the information was collected directly from respondents via the internet, from September 17 to November 18, 2011. Also, this paper is based on an exploratory research whose primary objective is to provide insights into and an understanding of marketing phenomena; therefore a exploratory statistical technique was used for this study, namely correspondence analysis.

Correspondence analysis is a multidimensional scaling technique used for scaling qualitative data that scales the rows and columns of the input contingency table in corresponding units so that each can be displayed in the same low-dimensional space (Malhotra, Birks, 2007). The results of this analysis provide information that is similar to the results produced by Factor Analysis, only by exploring the structure of categorical variables as opposed to scale variables. The normalization method used for this procedure was symmetrical.

Table 1: Summary of correspondence analysis

Dimension	**Singular Value**	**Inertia**	**Chi Square**	**Sig.**	**Proportion of Inertia**	
					Accounted for	Cumulative
1	,429	,184			,702	,702
2	,236	,056			,213	,914
3	,150	,022			,086	1,000
4	,000	,000			,000	1,000
Total		,262	62,020	,000	1,000	1,000

The correspondence analysis solution that represents the relationship between the row and column variables should imply as few dimensions as possible. In this case, the maximum number of dimensions should be min(number of rows, number of columns) – 1= min(5,5) – 1 = 4.

In this first table (Table 1) that characterizes correspondence analysis, the singular values can be viewed as the correlation between the row and column scores. They are equivalent to the Pearson correlation coefficient in correlation analysis. For each dimension, the eigenvalue represents the inertia and thus denotes the measure of the importance of that dimension.

The term inertia in correspondence analysis is used by analogy with the definition in applied mathematics of "moment of inertia," which stands for the integral of mass times the squared distance to the centroid (Greenacre, 2007). Inertia is a measure of the variation in the data

As observed, the first dimension displays the highest inertia whereasthe second is orthogonal to the first and displays as much of the remaining inertia, and so on. Also, the inertia of any dimension can be evaluated by comparing it to the total inertia. For instance, the first dimension shows 70.2% (0.184/0.262) of the total inertia, while the second dimension displays only 21.3% (0.056/0.262).

In this procedure, the chi-square is not a model fit statistic and is not used in its traditional way of comparing models with different variables. In this case, chi-square tests the hypothesis whether or not the total inertia value is different than zero. In this model, the significance value is smaller than 0.05 which indicates that the inertia of the model is significantly different than zero.

The Correspondence Analysis further explains the dimensions that account for most of the variation, namely in this model there are two such dimensions, since the third dimension only accounted for 8.6% of the inertia.

Table 2: Overview row points

Log in pattern		**Score in Dimension**			**Contribution**		**Contribution**		
		1	2		Of Point to Inertia of Dimension		Of Dimension to Inertia of Point		
	Mass			**Inertia**	1	2	1	2	Total
Always connected	,110	-1,790	-,358	,155	**,822**	,060	,978	,022	**,999**
Several times a day	,636	,118	,324	,021	,020	,282	,184	,767	**,950**
Every three days	,157	,335	-,424	,016	,041	,119	,465	,410	,876
Once a week	,021	,683	-,073	,021	,023	,000	,202	,001	,203
Occasionally	,076	,727	-1,292	,050	,094	,538	,346	,602	**,947**
Active Total	1,000			,263	1,000	1,000			

Table 3: Overview column points

Time spent per log in session		**Score in Dimension**			**Contribution**		**Contribution**		
					Of Point to Inertia of Dimension		Of Dimension to Inertia of Point		
	Mass	1	2	**Inertia**	1	2	1	2	Total
Less than 5 minutes	,097	,306	-1,054	,034	,021	,458	,115	,751	**,866**
5 – 15 minutes	,356	,270	,028	,023	,060	,001	,490	,003	,493
16 – 29 minutes	,208	,386	-,199	,016	,072	,035	,839	,123	**,962**
30 – 60 minutes	,186	,150	,797	,036	,010	,500	,051	,786	**,837**
More than 61 minutes	,153	-1,535	-,095	,155	**,836**	,006	,998	,002	**1**
Active Total	1			,263	1	1			

As a statistical method, correspondence analysis decomposes the overall Chi-square statistic as Inertia = $\frac{\text{Chi-square}}{\text{Total N}}$, leading to the discovery of a smaller number of dimensions so that the deviations from the expected values can be represented visually. This technique resembles Factor Analysis because the total variance is decomposed in order to arrive at a lower-dimensional representation of the variables that allows the reconstruction of most of the variance or covariance of the matrix of interval or ratio variables.

For correspondence analysis, each row and column point contributes to the inertia observed, but the points that contribute the most to the inertia of a dimension are the highly important to that particular dimension. A point's contribution to a dimension's inertia is the weighted squared distance from the projected point to the origin divided by the inertia for the dimension.

For example, always connected students are dominant points in the first dimension, contributing 82% of the inertia (Table 2). Among the column points (Table 3), the students who spend more than one hour per session contribute 83.6% of the inertia for the first dimension alone.

In addition to examining the contribution of the points to the inertia per dimension, the final part of the tables examines how the inertia of a point is spread over the dimensions by computing the percentage of the point inertia contributed by each dimension.The first two dimensions contribute virtually all of the inertia for students who are always connected, log in several times a day or occasionally. However, the inertia for users who log in once a week is not contributed by the first two dimensions. (Table 2).

Similar results occur for the column points (Table 3). The first two dimensions contribute all of the inertia for more than an hour spent on social media sites. For every active column point, two dimensions contribute at least 86.6% of the inertia. The third and forth dimensions contribute very little to these points, however they do contribute to the timeframe of 5 to 15 minutes log in.

The row and column scores are the coordinates of the row and column points in the bi-plot (Figure 1). The symmetrical normalization helps the interpretation of this figure as the row and column point that are close together are more similar than the points that are apart.

The second dimension separates the respondents who are always connected, and as a consequence spend more than one hour per session on social media sites. The first dimension separates the students with different log in and time spent patterns, while still providing an examination of the relationship between these two variables, as a result of the symmetrical normalization. For instance, the respondents who engage in social media several times a day are more likely to spend from 5 to 15 minutes per session (Figure 1).

However, those who only get online once a week are just as likely to spend from 5 to 15 minutes or from 16 to 29 minutes per session. The students who log in every three days are near the 16 to 29 minutes per session, while the ones who are not frequent users (less than once a week) seem to stay on such sites less than 5 minutes. Interestingly, the 30 to 60 minutes timeframe spent per session is not strongly associated with any particular log in behavior.

Giving the results discovered after performing the correspondence analysis, we proceeded to discover on which social media sites they spend time and which one of these platforms are most frequently accessed by the respondents of this research. We studied how many respondents just view

social media, and how many actually have accounts on these social media websites. The results are displayed in the figure below.

Figure 1: Row and column points with symmetrical normalization

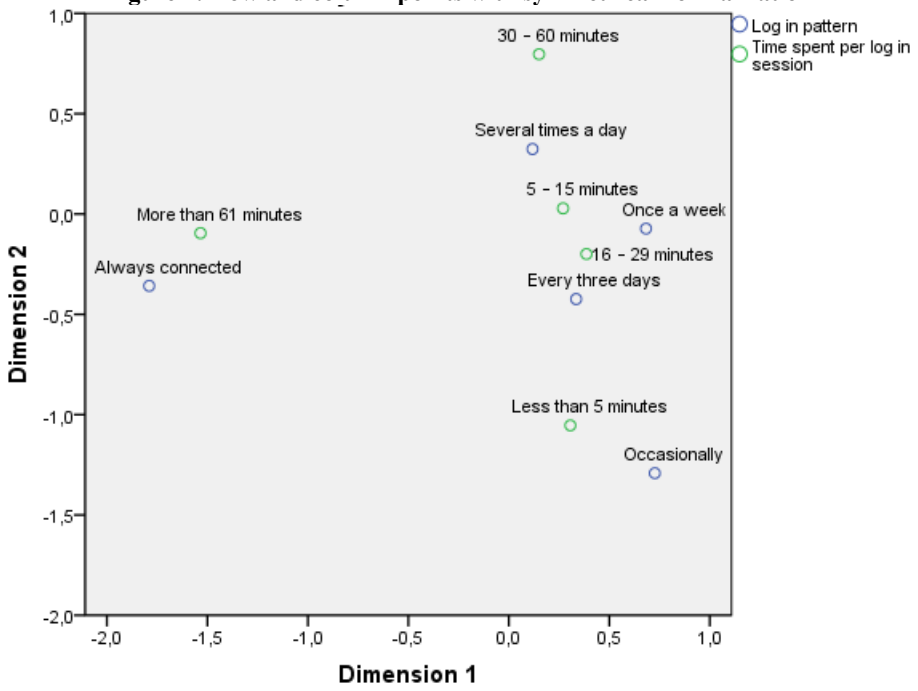
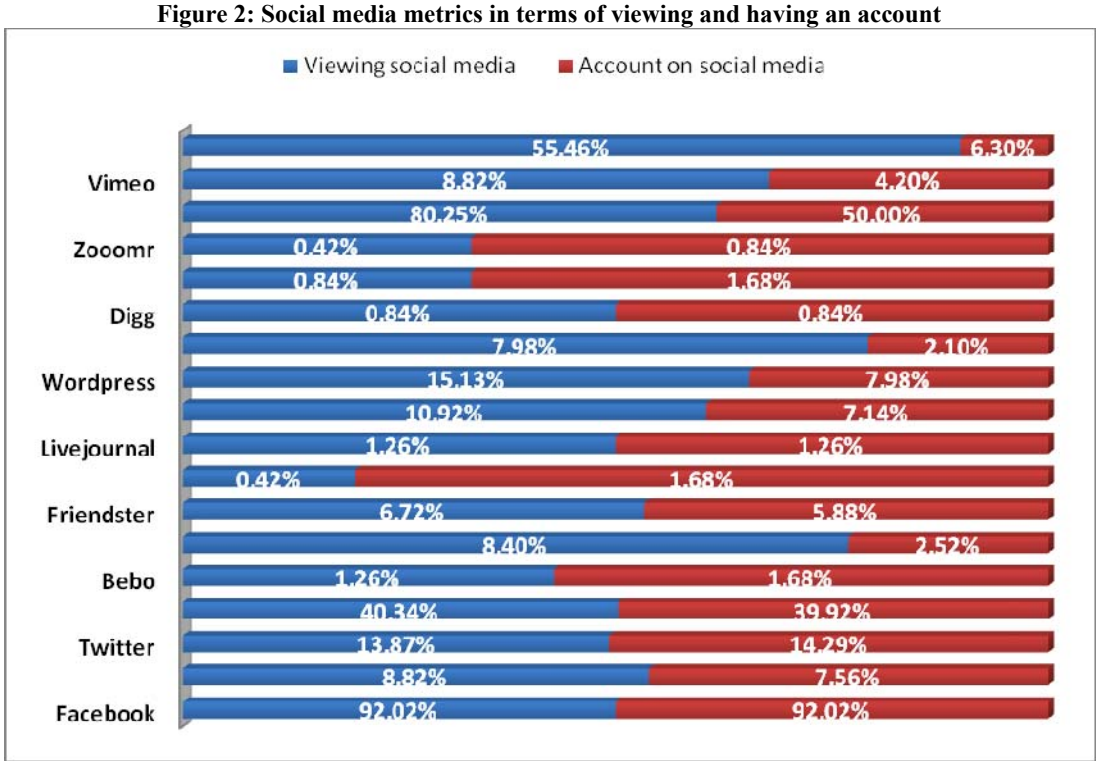


Figure 2: Social media metrics in terms of viewing and having an account



Facebook is the most popular social network that gathers the highest proportion of respondents who are viewing it, and also have a personal account. Facebook is the most interactive social networking platform and allows people to add friends, comment on profiles, join discussions or chat with friends, or engage in social games such as Farmville or Cityville. These are some of the reasons 92% of respondents

stated that they view and have a Facebook account. Similarly, the respondents enjoy spending time on Hi5, another social network but with less features that what Facebook provides.

The other social networking websites studied through this survey question (Friendster, Orkut, Bebo) are not very popular with the respondents of this research, but they do present an interest to some extent to the people who are very active online and want to be present on all the social networking sites. Myspace is social media site that gets views particularly because it promotes music and artists, but not as many respondents have an account on this platform.

Social media news sites like Reddit and Digg have not registered high scores indicating that respondents do not interact by voting articles and commenting on them. However, to some extent, the respondents are engaging in blogging or reading blogs on Wordpress, Blogger and Livejournal. The microblog social network, Twitter, allows respondents to post tweets in 140 characters, but this platform is used only on an average of 14% in terms of views and accounts.

Regarding sharing and watching videos online, YouTube is more popular than Vimeo. More than 80% of the respondents watch videos using Google's platform, but only 50% actually have an account which allows them to create playlists, share videos and subscribe to different channels. Similarly, from the social media platforms concerned with sharing photos, respondents favor Flickr over Zoomr.

As observed from the chart above, Wikipedia is highly used in terms of views and checking for information, but few respondents (6.30%) have an account and contribute on this free internet encyclopedia.

The business-related social networking site, LinkedIn, gathers more than 150 million professionals worldwide, however, the respondents of this research have displayed a small interest in this website.

The information obtained through the data analysis confirms all the hypotheses developed for this research, leading to the achievement of all of the proposed objectives.

5. Conclusion

Discovering the pattern of customers on social media can lead to a better targeting of how to approach them with brand messaging on social media.

More specifically, a company would not want to be too pushy with its customers if they fall into the category of those who engage in social media several times a day and spend 5 to 15 minutes per online session. There should be engagement in the form of games, interactions, information or viral aspects, but these activities should be segmented in a way that the customers do not perceive them as intrusive or too much.

In the online environment the key is to create valuable content and engagement so that consumers will want to share it with others. Also, due to the magnitude of online marketing and social media, it is important for companies to find out where there customers spend their time, on which social networking site and pursue them there with engaging activities and interactivity. A relevant positioning on social media can make or break a company of any size, because consumers now have the power to search and choose the brands they want to be in contact with, and give positive or negative reviews or feedback on different platforms.

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A RISK-BASED BRAND EQUITY MODEL

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Abstract: *This paper provides a conceptual framework that emphasis the increasing importance of brand equity as intangible asset. In many branches, the wealth of the biggest companies lies on brand equity, so it's no longer enough to analyse its capacity to get profite; brand risk needs to be determined for a proper track of the total risk exposure.*

Thus, our model sets three meaningful components of brand equity, based on Kapferer's explanation, and attaches to each one the subsequent risk. This is the starting point for a new era in brand valuation that comprises applied models with dual standpoint, of both profit and risk.

Key words: Brand equity, risk, marketing modelling

JEL classification: M 31

1. Introduction

Brand equity development represents nowadays one of the dominant concerns of every manager. Although trademarks have been known and used since Antiquity – "marks have been found on early Chianese porcelain, on potery jars from ancient Greece and Rome, and on goods from India dating back to about 1300 BC" (Keller, 2008, p. 43) – firms acknowledged only recently the importance of brands in the value creation for the costumer. Today's big brands are the most profitable assets for their owners, overtaking the tangible assets of the companies. As Keller and Kotler (2008) remark, in the present-day marketing, the stress is not anymore on tangibles, but on intangibles. However, many companies are still unable to build positiveequity for their brands, squandering an important part of their potential.

Since brand potential was first acknowledged, branding has rapidly developed as a branch of the marketing science and practice. Thus, many brand-related concepts have been theorized – brand awareness, brand loyalty, brand power, brand asset, brand value, brand recognition, brand salience, brand image, brand experience, brand reputation, brand mantra, brand positioning, brand preference, brand associations, and so on – generating the scientific delusion of a mystified complexity, unable to beexplained in an integrated approach.

An important step forward consists of the introduction of brand equity, as an integrated concept, which discipline theepistemological universe of branding. The race to get awareness, loyalty, value, image for a brand can now be replaced by only one word – equity. Nonetheless, many approaches towards brand equity are still to be harmonized in order to get a wide accepted view. In many contexts, brand equity and brand value are used as synonyms, while Keller recommends the use of "brand equity" only when referring to brand associations in the consumers' minds. A research among marketers emphasis the lack of other departments' support as main hindrance to better marketing performance (Ambler, 2003, p. 253).

2. Conceptual background

One of the most used definition of brand equity is in terms of customer-based brand equity, which is considered to be "the differential effect that brand knowledge has on consumer response to the marketing of that brand" (Keller, 2008, p. 49). Customer-based brand equity appears when consumers have a high awareness, they are familiar with the brand and develop strong, favorable and unique mental associations (Keller, 2008, p. 53).

Brands are considered "bridges" between past and future. This metaphor means that brands make the prospective performance and profits foreseeable, based on the previous results of a product. In order to emphasis this characteristic, it's necessary to adopt a chronological model that enlighten the

transformation of brand equity on time factor. Such model can be developed by discriminate between brand assets, brand power and brand value, based on theexplanation of Kapferer (2012, p. 13-14).

Thus, in the light of the simplest definition of a brand, as a name that influence markets (Kapferer, 2012, pp. 12), brand assets represent the sources of influence. This influence can stream from brand personality, brand awareness, brand values, brand image, brand authority or brand reputation. All this are examples of brand assets. In order to reduce and control the number of brand assets' variables, Kapferer (2012, p. 16) recommend four indicators that express the origins of brand influence: aided brand awareness, spontaneous brand awareness, evoked set and brand consumption or trial. Brand assets also include benefits offered by the brand, patents and know-how owned by the brand. Aaker (2005, p. 21) nominate 5 assets and liabilities of brand equity: brand loyalty, brand awareness, perceived quality, brand associations, and other proprietary assets. Young & Rubicam's Brand Asset Valuator considers 2 major assets: vitality and stature. Brand vitality is defined by differentiation and relevance, while brand stature includesbrand esteem and knowledge (Keller, 2008, p.393-394). A fifth pillar was added to the previous four – namely energy – in order to measure the customers' perceptions of a brand's innovativeness and dynamism (Mizik, Jacobson, 2008).Further on this paper, we operate with three widely accepted brand assets: brand awareness, brand reputation, and brand image.

Brand power can be seen as the market performanceemerged from the brand assets. Thereby, brand power is expressed in terms of market indicators of a brand: market share, market penetration rate, customer loyalty rate, and market leadership.

Brand value consists of the brand ability to generate profit. Although many approaches can be called down, the best way to express brand value is considered the net present value (NPV) generated by a brand. In other words, brand valueequals the discounted cash flows resulted after deducing the production and marketing costs as outflows.

The causal chain displayed here doesn't contain direct and implicit relations, but conditioned relations between brand assets, power and value. This means that the same brand assets can generate different power, and further, different value for a brand. Thus, a brand can have a good reputation, values and image well outlined, and still unable to reach a significant market share. Likewise, a brand with an important market share can hold a small value if the costs related with obtaining and sustaining this share are too high. As a conclusion, we can state that brand value consists of theexpected profit, generated by brand assets, as a result of brand power (Kapferer, 2012, p. 15).

Contrarily, Elliot and Percy argue that powerful brands are those which have developed a high loyalty of their customers. Customers' loyalty has positive influence on brand profitability. On one hand, powerful brands are favored on distribution issues, which provide more accessibility for a brand. This aspect can strengthen brand loyalty and increase profitability. For example, if the preferred beer brand is not available in a pub, probably the customer asks for other brand, repealing loyalty. On the other hand, brand loyalty gives the chance to practice higher prices, with a higher profit margin. Theexplanation is simple: loyalty decrease priceelasticity of demand (Elliot, Percy, 2007).

Brand assets, brand power and brand value need to be seen as ways to express brand equity. Actually, these can be used as temporal dimension of brand equity in order to explain brand equity formation and development. Thus, brand assets form the brand background, as awareness, reputation and image are built in a long time. A good reputation is always the result of a long string of interactions between customers and brand. Brand power is an expression of the current state of a brand, as a result of the own strategy, but also of its competitiveenvironment. Without any changes in the assets, a brand's power may increase if it uses, for instance, penetration pricing, or decrease under the competitive pressure. Finally, brand value is a prospectiveexpression of the profits that a brand will get. While brand power can be directly calculated knowing the market volume, total sales and other related figures, and brand assets can be accurately established using marketing research, brand value is just an estimated measure. Previous research has shown a major influence of theeconomic crisis on the growth and development of global brands (Munteanu, 2011). This proves that brand value is sensitive to so many factors, including macroeconomic ones, that are practically impossible to assess accurately. Furthermore, if we consider to assess brand equity as the consumer's differential response, we can discover that the difference between branded and unbranded product reaction declines – which means that brand equity declines – without grasping any change in terms of brand assets. In this case, we must look on theeconomic environment to find any trend that neutralize our brand assets. For example, during the current economic crisis, many brands have lost equity without spoiling their image or reputation.

Theexplanation regards the decrease of available markets on which brands have to perform, as buyers have less financial resources.

There are two major directions concerning theextent of the benefits of brand equity. The first considers that brand equity provides added value for both customers and brand owner. This is the case of Aaker's five components model of brand equity. The second direction was opened by Riezebos (2003), who discriminates between brand equity and brand added value. Built on Aaker's model, Riezebos' model fixes market share – size and stability – as a brand equity component. From this perspective, brand added value refers to the consumer's valuation of the product, while brand equity to the strategic, management and financial benefits that give value for the company (Riezebos, 2003). Nevertheless, Aaker's approach is still valuable, at least for two reasons. Firstly, he nominates brand associations as a brand asset, which proves the strong relationship between brand equity and brand positioning – Keller (2008, p.355) regards brand associations as responsible in getting a specific position. Secondly, Aaker identifies a sixth asset, the synergy created between the other five components.

3. Introducing risk into brand equity analysis

As brand equity became the ultimate indicator of the performance of marketing departments, brand managers are more focused than ever on building, measuring and managing brand equity. Nontheless, branding literature ignores almost completely a very important factor in defining brand equity: risk. This gap places branding science at a primeval level of epistemological development, if we compare it with other economic sciences. For instance, the idea that profit and risk are inseparable and must beequally considered was first submitted in finance theory – in modern portofolio theory, to be more precisely – by Harry Markowitz in 1952.

In terms of branding, the only approach of risk belongs to Abrahams (2008), who similarily states that "a brand strategy should be presented in terms of reward and risk, with due attention to each" (Abrahams, 2008, p.13). He defines brand risk as the total variability and volatility – controllable or uncontrollable – on brand performance (Abrahams, 2008, p. 21). Anyway, the problem that Abrahams points out is not the absence of books and papers regarding brand risk, but "the adequacy of a manager's 'underpinning knowledge' of risk and uncertainty conceptually, familiarity with suitable risk assessment approaches and an ability to deal appropriately with the risk issues identified" (Abrahams, 2008, p. 5).

Abrahams suggests a risk model formed of six components: identity risk, presence risk, equity risk, reputational risk, status risk, and market risk (Abrahams, 2008). A closer look to this components results valuable for identifying the sources of progress that a new model can achieve, in order to provide a useful management tool. Identity risk is about exclusivity and consistency. Exclusivity depends on the brand capacity to protect its elements as legal asset, while consistency is especially the problem of global brands, which have to adapt locally and maintain a unitary image. Presence risk regards brand awareness and attention, and include a qualitative and a quantitative component. The qualitative component consists of brand saliency in consumers' minds, and the quantitative one takes into account the number of consumers for whom a brand reaches a particular level of saliency, in a given period of time. Equity risk describes aspects that affect brand capacity of maintaining its differentiation and competitive advantage. This approach links brand equity to positioning. Reputation risk refers to the failure probability to meet consumers' expectations, and consists of conformity – meeting and exceeding customers' standards -, and compliance – a sort of ethic risk, concerning implications in ethical scandals. Status risk implies potential loss of a brand's relative position. Unlike reputation risk, that is almost completely attributable to brand management, status risk is a zero-sum game. It's impossible for a brand to go up a position, without another brand losing one. According to Podolny (2005), status affects the new products' chances of success, by influencing consumers' behaviour towards the uncertainty of trying a new product. Finally, the last component of Abrahams' model, market risk, convey the probability of changes in theexternal environment of a brand. The two constitutive parameters are motivations – defined, in this context, as changes of target segments' needs and interests –, and constraints, that restrict the strategic freedom on the market, whether legislative or social.

4. Using risk as pivot in brand equity modelling

As Abrahams stated, we must focus on brand performance in order to identify possible factors that induce variability. Therefore, we will take into consideration performance on the three level of brand equity we mentioned above: brand assets, brand power, and brand value, so we can talk about brand assets risks, brand power risks, and brand value risks.

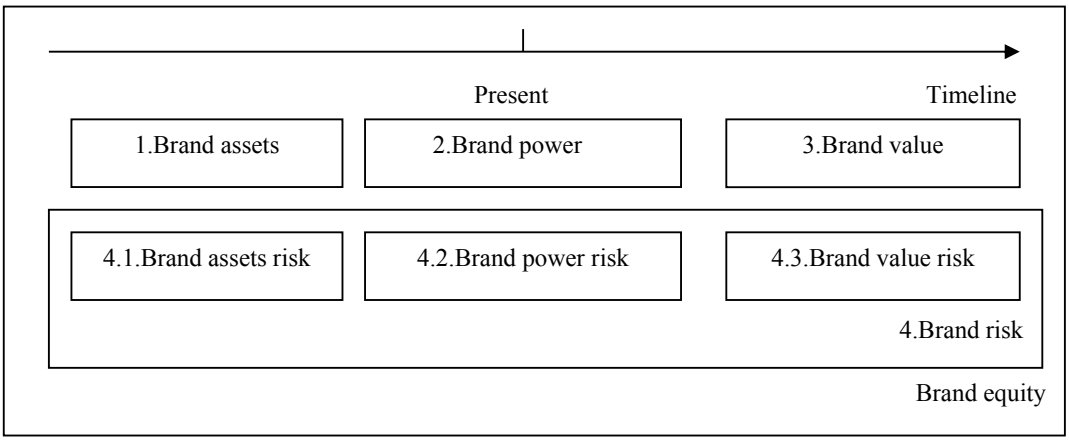
Brand assets risk reflects the probability of undesirableevolutions of brand awareness, reputation or image. As awareness is usually a stable asset – it can't be lost in a short interval – reputation and imagine remain the two risky assets. As a matter of fact, a reaseach of Economist Intelligence Unit (2005, p. 2) among entrepreneurs conclude that reputation risk is the most important out of 13 studied risks. Three major factors may be reported in order to argue its importance: impact, ubiquity, and complexity (Abrahams, 2008, p. 20). The occurrence of reputation risk has a significant impact on brand power and value, being one of the most frequent cause of failure for top brands. Ubiquity refects the fact that reputation risk is an indirect consequence of a plurality of problems, most of them related to delivering the promised value. Reputation risk is a complex one for the following reasons: (1) its confuse and irregular categorization, (2) the lack of a widely accepted evaluation technique, and (3) the widespread of risk sources, and thus, of subsequent responsibility (Abrahams, 2008, p. 20-21). Unlike Abrahams' model, whereequity and reputation risks are two separate risks, in this case, reputation risk is just a part of equity risk. Note that in the present model equity risk has a much larger extent, being the integrative concept of all risks related with a brand. Brand image risk implies problems related to brand associations, and consequently, to brand positioning. For instance, a strong brand association may become diffuse because of an inappropriate brand extention, or because of the competition that transforms the association into a competitive parity point. Another potential image risk is borrowing of negative secondary associations from another entity, for example, an endorser.

Brand power risk – this is, the probability to experience market share (or other market performance indicators) loss – links especially to competitive factors, and it is pretty similar to market risk from Abrahams' model. Without any changes in terms of brand assets – the levels of awareness and reputation are constant – market share may have a significant volatility under the influence of some factors as: emergence of a new competitor, co-branding actions, promotional activities, or other similar contexts. Usually, brand power risk are exogenous, being incontrollable. Therefore, in order to prevent its impact and to reduceexposure, brand management has to establish its proactive and reactive competitive strategies.

Brand value risk is the most genuine brand risk, in the financial meaning. It can be calculated more objectively than the other risks using financial and strategic planning methods, such as scenario technique. Similarily to reputation risk, brand value risk has a complex nature, both endogenous and exogenous. Forthcoming cash-flows can decline due to management attributable operational deficiencies, but olso due to the growth of marketing or R&D costs, that are needed to sustain a specific brand power – this growth is induced by competitive conditions.

As most brand equity models, the current one is a verbal and graphical model. Typically for this kind of model, the risk-based brand equity model has a lack of quantification as main limitation. Nevertheless, this model has at least three advantages that represent important steps forward for a better management of brand equity. Firstly, it's a dynamic model, an uncommon feature for a descriptive model. Thereby, brand risks can be tracked in time in order to determine positive or negativeevolutions. Secondly, this model introduces brand risk as a brand equity major component, which contributes to the general integration of marketing, management and finance in a common vision. To be noted that, unlike the other components – brand assets, brand power, and brand value –, brand risk is not on the timeline; it's a timeless element that brings at the moment risks concerning the components on the timeline. Thirdly, this model rigorously gathers the underpinning elements of brand equity, making it an operational model widely accepted and understood by all functional departments of a firm.

Figure 1: The risk-based brand equity model



Although they are not seen as brand-related issues, many of this risks are already dealt by firms' management. A good example of strictness concerning rating, tracking, assessing and controlling risks is the banking sector. A hasty browse of the banking literature is enough to identify numerous risks, that should be assigned to brand equity, from a branding perspective: market risk, sector risk, reputation risk, client-product risk, and so on. While some of this risks are differently defined – ie: market risk is defined as "the risk of adverse deviations of the mark-to-market value of the trading portofolio, due to market movements, during the period required to liquidate the transactions" (Arboleda-Florez, Bessis, 2011, p. 32) – which suggest a different approach, others' contents have strong branding references – ie: sector risk is "the risk related to bank's positioning strategy on the market, and it can be generated by a strong concentration of rentability on a small number of markets" (Opritescu, 2007, p. 67). It's quite obvious that sector risk has closely the same content as theequity risk from Abrahams' model.

It should be said that all the risks included in our model concern the brand owner. Thus, the risk-based brand equity model presents brand equity from the owner perspective – it can be named an owner-based brand equity model. This specification is useful in order to make the difference between owner's brand-related risks and customer's brand related risk – this is, the risks related with a brand that a customer perceive before, during, or after a purchase. In the same time, this naming highlights the difference between customer-based and owner-based brand equity. According to Elliot and Pearcy (2007, p. 86), customer-based brand equity can beexplained like this: brand awareness drives to brand-related attitude creation, that will influenceemotional associations. These are responsible for brand preference, that creates loyalty. While customer-based brand equity is "the differential effect that brand knowledge has on consumer response to the marketing of that brand" (Keller, 2008, p. 49), owner-based brand equity represents an economic asset and potentially source of profits and risks.

5. Implications for brand management

The absence of risk literacy in branding was not a problem 30 years ago, but it certainly is nowadays. This issue transcends marketing field, as brand equity became the most important asset of many companies. As evidence, in 2010, 80 percent of S&P 500 Index resided in intangibles, comparing to 1975, when only 17 percents was represented by intangibles assets (www.standardandpoors.com). Consequently, brand risk management needs to be more closely handled and its importance has to rise in the general context of risk management.

But not only the increasing percent of brand equity in total capitalization has to be a warning signal for the risk management. Brand management has became more and more complex, and the risk sources more difficult to assess and control. Furthermore, risks need to be managed in an integrated approach that links brand risks to all the other sort of risks. Risks never arise alone, and never affect a singular aspect of a firm's activity. For instance, as we mentioned before, reputation risk can be the indirect effect of many other risks. After its occurance, reputation risk becomes the cause for other risks, generating a vicious circle.

On this point, a natural step forward for brand management is defining the cost of brand equity. In terms of the risk-based brand equity model, brand equity belongs to the brand owner, usually a

company. In accounting terms, brand equity is part of shareholders' equity. Brand equity creation and development requires investments – Keller (2008, p. 49-50) considers that the money spent on marketing activities shouldn't be graded as expenses, but as investements in what consumers have learned, felt and experienced related to the brand. This investments are necessary to get a high awareness and a good reputation – brand assets formation – that will lead to obtaining and sustaining a high market share – brand power formation. These investments are made when the investor has the hope to obtain a specific return on investment (ROI), return on equity (ROE), or return on marketing investment (ROMI) – depending on capital structure and approach. The desired, hoped, or expected rate of return represents the cost of equity, according to financial theory. The use of ROMI holds the recommendation of Webster, Malter, and Ganesan (2003). In terms of branding, the process of owner-based brand equity formation can be defined as a conversion of financial equity into brand equity, with an eye to profit making. Thus, theexpected rate of return on brand equity formation is nothing else but the cost of brand equity. As investing in brand equity implies risks, return on investment has to be higher than in the case of a risk free investment. According to Capital Asset Pricing Model (Elton, Gruber, Brown, 2009, p. 286), this differential return is called risk premium, and represents the remuneration for taking risks.

Rate of return has two major drawbacks. Firstly, brand equity development requires permanent attention and action. Sometimes, marketers run simultaneously more than one activity; each one means an investment in brand equity. The hard task is to isolate the singular effect of each activity, in order to calculate the rate of return. Secondly, rate of return should be carefully used by brand management, otherwise it can lead actually to theenhancement of brand risks. ROMI is proportional with the profit obtained by that investment, that, in turn, is the main part of the brand-related cash-flows. Thus, the strategic decision of investment depends on brand value. This can lead to a deliberately increase of brand value on a specific period of time harming the other brand equity components, especially brand assets. For instance, a luxury brand's management can initiate a one month sales promotion campaign, while the price will be 70% cut. On account of its luxury image, it may get significant sales and profits, increasing brand value on short-term. But this growth harms brand assets, especially its image and positioning, affecting overall brand equity on long-term. The opposite situation has to be avoided too, although it's less probable. The uncontrolled investements in gaining brand awareness, reputation, and image will undermine its value as marketing costs increase, at a diminishing marginal utility.

In the light of this assertions, we can define brand risk management as the strategic effort for a well-balanced development of brand assets, power, and value, by avoiding their "cannibalization", and building positive mutual influences. This definition stresses derived risks, caused by inefficient management, or even bad faith. This involves a serios issue of corporate governance that has to be considered by the shareholders and top managers when brand performance is discussed. From the owner's perspective, the ultimate goal of brand management is to increase the total wealth of the shareholders.

7. Conclusions and further research

Any business involves risks, and branding as an important part of it can't make an exception. A risk-oriented way of thinking is imperative for brand managers in order to insure growth and stability for their brands.

Moreover, a risk literacy in branding will help to harmonize different approaches towards business that marketing, management, finance, and other economic sciences developed over time. This can also lead to a better cooperation of the functional departments and a significant improvement of business efficiency. From the marketing perspective, a risk-oriented approach will increase the weight of its words in business decisions.

Abrahams was the first to apprehend this need and he started to fill the gap by introducing a six components model that suggests some risk sources for brands. This sources are: identity risk, presence risk, equity risk, reputational risk, status risk, and market risk. This model places brand equity risk at the same level of importance to the other risks.

We attempt to provide a new model that places brand equity on the top of the model as integrative notion – on the ground of Kapferer's explanation – that consists of three components: brand assets, brand power, and brand value – each one with powerful denotative features. Then, we build on this frame the related risks for each component, resulting a comprehensive model of pure risks. The word "pure" is wisely used to express the risks that arise from the three brand equity components. Besides pure risks, our model detects derived risks which can't be ascribed to any pure risk. As we mentioned before,

this risks are the consequence of a corporate governance issue concerning the quality of brand-related decisions.

In order to get practical value, this conceptual model needs to be shifted into an applied model. This opens a very wide range of future research. First of all, its important to agree on the subcomponents included in the model – ie: whether we include or not brand awareness, reputation, and image into brand assets component. The most difficult will be to agree on brand assets design, as brand power is quite clear and brand value is a separate issue. The choice has to meet two conditions: (1) the selected subcomponents have to best assess the major component, and (2) to reveal all the potential sources of risks. Then, it's vital to develop wide accepted methods to assess brand risks. Such model is useless, unless this risks are quantifiable – this means both procentual and financial quantification. Finally, an integrated applied model should be developed to gather and combine the assessing methods. Going through all this stages requires the joint efforts of a versatile group of researchers, able to apply marketing, management, finance or accountability knowledge for a new era in brand valuation.As a final conclusion, this paper provides a conceptual framework that emphasis the increasing importance of brand equity as intangible asset. In many branches, the wealth of the biggest companies lie on brand equity, so it's no longer enough to analyse its capacity to get profite; brand risk needs to be determined for a proper track of the risk exposure.

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ONLINE SOCIAL NETWORKS – A COMPARATIVE ANALYSIS FOR THE MARKETING WORLD

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Abstract: *We are in an age of continuous change. The development of the Internet and of the information and communication technologies have led to important shifts in the way companies do business. This paper aims to present the concept and the evolution of a new internet-based instrument: the online social network (OSN). We underline the impact of these new changes on the marketing concept, and the importance of OSN for a company's future development. We are presenting a comparative analysis, from the user's profile point of view (age, education, gender, number of visits etc.) between the world's largest OSN, Facebook, and the world business oriented OSN. The article also presents a profile analysis of the Romanian, Bulgarian and Romanian Facebook user.*

Key words: *marketing, social networks, information technology, users*

JEL classification: M 31, M 39

1. Introduction

The transition to global economy and the strong development of means of communication and modern information technology, is fertile ground that managers, marketers and organizations should use to inform potential clients or consumers in a faster and more efficient way. The world of business is changing. The development of the Internet has become one of the most if not the most important method of communication in the first decades of the 21st Century. In the last years a new method of communication has arisen: the online social network. The fast and strong development of this new means of communication has created a new way for individuals to communicate faster, better and at the same time has made it possible to personalize/customize the message that can be sent. It is imperative that managers and marketers alike use this new tool in order to identify the needs and desires of clients and consumers and at the same time it offers them the possibility to target the individuals in a more precise way due to the information presented about the users in online social networks.

2. Online Social Networks – concept and development

The business and marketing environment have evolved greatly in the last 20 to 30 years. If we look back at the evolution of the economic world in the last Century, we can clearly observe a clear development of this environment. Before we can start to understand the development of the online social networks, we have to understand the evolution of the marketing concept in the last century. Philip Kotler has made a short presentation of the marketing concept evolution in his book Marketing 3.0 (2010):

Table 1: Marketing evolution from 1.0 to 3.0

Evolution	**Marketing 1.0 – product orientation**	**Marketing 2.0 – consumer orientation**	**Marketing 3.0 – value orientation**
Objective	To sale goods	To satisfy and keep clients	To make the world a better place
Potentiating factors	Industrial revolution	Information technology	New technology wave
The manner in which companies see the market	Mass consumers with physical needs	A smarter consumer	A human being with heart and soul
The marketing fundamental concept	Product development	Differentiation	Values
Marketing general directions for the company	Product specification	Company and product positioning	The companies' mission, vision and values
Proposal value	Functional	Functional and emotional	Functional, emotional and spiritual
Interaction with the consumers	Transaction between a company and several consumers	An individualized relationship	Cooperation between more companies and consumers

Source: Kotler, P., Kartajaya, H., Setiawan, I., *Marketing 3.0 – de la produs la consumator şi spiritul uman,* Publica Publishing House, Bucharest, 2010, p. 20;

The development of the Internet as a marketing tool has started in the early '90s, when World Wide Web was opened to the general population. The development of www and of graphic interface programs, like Mosaic and later Netscape has led to an explosive increase of the Internet usage.

The introduction of the Microsoft operating programs in the mid '90s has turned into one of the biggest and fastest developing businesses of the last century. The great majority of the worlds' populations (at least in the urban areas) are Internet users. This has lead to the development of a new and visible marketing tool and later to a new marketing environment. Currently, almost all organizations have an Internet page or are in some manner present on the Internet. In this day and age you do not exist if you are not on the web.

This is the type of marketing we find ourselves in today. From the second half of the '90s the new technological changes and advances have created the premises for the rapid development of marketing, mainly through three major elements (Kopeland and Malik, 2005): (1) *computers* – are becoming increasingly accessible to the widest percentage of population; (2) *mobile phones* – which in time have become extremely cheap; (3) low-cost Internet connection – the access to internet is becoming easier (Meerman, 2010)., it is currently estimated (EuroStat, 2011) that in Romania 37% of the population uses the Internet on a weekly basis.

These three major elements are just vessels for the new evolutions of information and communication technologies. Thus, a new wave is developing: that of communication means for social dialogue (social media). Philip Kotler divided the social media platforms into two main categories (Kotler et al., 2010): (1) *social media systems* designed for *expressions*, which include the blogs (Twitter or Youtube) and social networking, sharing sites etc. (Facebook, MySpace, Flickr etc.); (2) *social dialogue means* based on *collaboration*, a good example being the site Wikipedia.

A social network consists of all the people — friends, family, colleague and others — with whom one shares a social relationship, say friendship, commerce, or others. Traditional social network study can date back about half a century, focusing on interpersonal interactions in small groups due to the difficulty in obtaining large data sets (Wasserman and Faust in Hu and Wang, 2009).

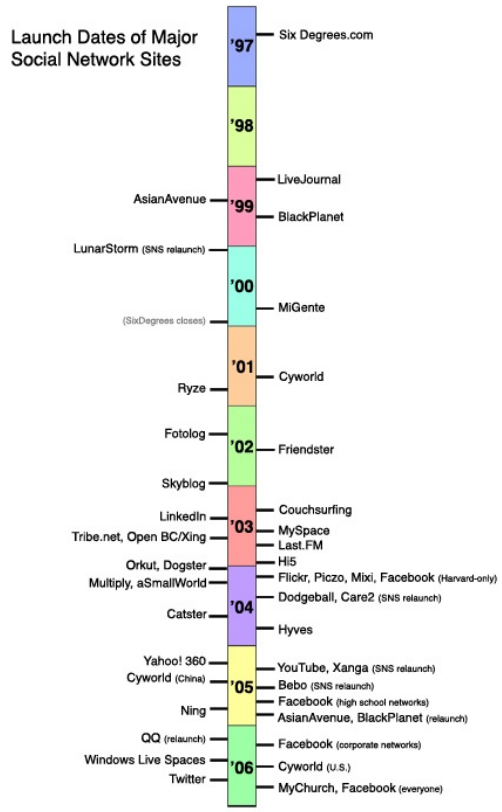
But what is an online social network? An online social network is a site through which people connect with friends/acquaintances, either people they know from outside the virtual environment, or the ones only from the virtual environment (Zarella, 2010), whom they have common interests and/or activities with.

Other authors state that a social network site is a web-based service that allows individuals to (1) construct a public or semi-public profile within a bounded system, (2) articulate a list of other users with

whom they share a connection, and (3) view and cross their list of connections and those made by others within the system. (Boyd and Elison, 2007). Online social networks meet the individuals' need to be connected to an online environment and aim to facilitate access to information, to develop knowledge, experiences, opinions and documents, therefore enabling the possibility to fun, and also the possibility to strike commercial bargains (Veghes and Pantea, 2009)

The online social networks have developed greatly in the last years. Even if most people do not know it, in reality the online social network was born in the late 1990. Even then a form of collaboration platform was used. It started with the BBS. Short for Bulletin Board System, these online meeting places were effectively independently-produced hunks of code that allowed users to communicate with a central system where they could download files or games (many times including pirated software) and post messages to other users (Nickson, 2009).

The first recognised online social network was launched in 1997 (Boyd and Elison, 2007), but due to the inability of sixdegree.com to maintain a sustainable profit, it was closed in the year 2000. The modern idea of online social networking has emerged in 2002, with the launch of Jonathan Adams' Friendster network. This network was created following the Match.com pattern. Friendster is a pioneer in the development of online social networking and it focused on helping people remain in touch with friends and discover new people and things that are important to them.



Source: Boyd, D.M., Ellison, N., B., *Social network sites: a definition, history and scholarship,* Journal of Computer Mediated Communication, vol.13, (1), 2007, http://jcmc.indiana.edu/vol13/issue1/boyd.ellison.html

Currently, we have more than 150 online social networking sites worldwide, of which 10 online networking sites have more than 100 million users.

3. Comparing online social networks – Facebook vs. LinkedIn

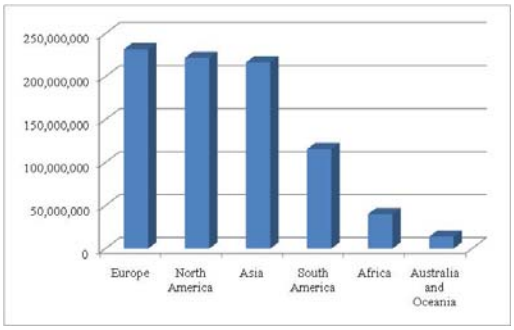
It is imperative for companies, managers and the marketing specialists to understand the typology of the individuals that use the online social networks (OSN). Understanding the profile of the clients or

consumers using online social networks will help managers and the marketing strategists target the clients in a more personalized and direct manner. In order to do that we must see which are the most common used OSN.

Nowadays, more than 60% of the Internet users are connected to one or more social media (including online social network) sites. A recent research of OnlineMBA (Fach, 2012) has sown that 57% of Facebook users are female and 43% are male. The age groups of Facebook users are: (1) Less than 24 years old – 46%; (2) Between 25 – 34 years old – 22%; (3) Between 35 – 44 years old – 18%; (4) More than 45 years old – 14%. Regarding the education level of the main Facebook users, the distribution is as follows: (1) Less than High School Diploma – 9%; (2) High School Graduate – 10%; (3) University Student – 57%; (4) Bachelor's of Graduate Degree – 24%. The same study shows that the average friend count on Facebook is 130, the average visit count on mobile devices is 200 million / day, and usually the users have a Facebook visiting time average of 23 minutes.

Currently, the largest OSN in the world is Facebook.com with more than 839 million users worldwide, which are relatively evenly distributed across Europe, North America and Asia.

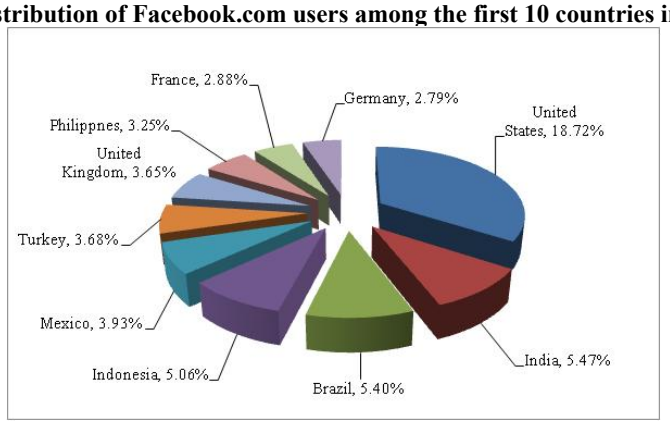
Figure 1: The distribution of Facebook.com users across continents in April 1st, 2012



Source: developed by the authors based on the data from http://www.socialbakers.com/countries/continents, accessed and retrieved on April 17, 2012

As we can clearly see from figure 1, Europe, North America and Asia have the largest number of Facebook.com users in the world with an average of 223,24 millions of users (26,61%) of the entire population that uses Facebook.com. At the same time, we can clearly see that South America and Africa have only 13,78% and 4,77% of the world's Facebook.com users and the lowest level of users in the term on f numbers is registered by Australia and Oceania with less than 2%.

Figure 2: The distribution of Facebook.com users among the first 10 countries in April 1st, 2012

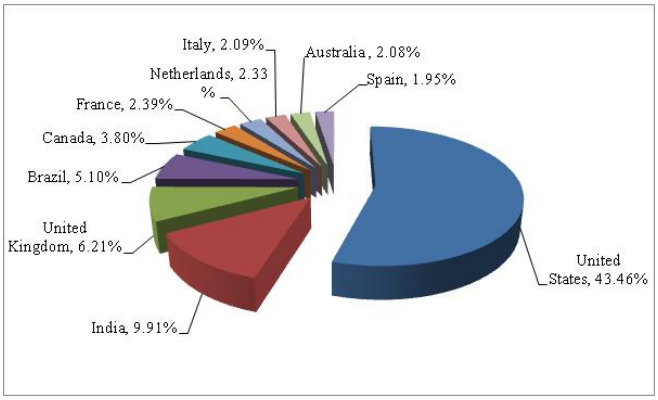


Source: developed by the authors based on the data from http://www.socialbakers.com/countries/continents, accessed and retrieved on April 17, 2012

As we can see in figure 2, there are several countries that have more than 20 million users of Facebook.com. The country with the largest number of users is the United States of America with more than 157 million active users which represents 18,72% of a total of more than 839 million Facebook.com users. The next 3 countries, India (5,47%), Brazil (5,40%) and Indonesia (5,06%) are followed by Mexico, Turkey , UK, Philippines, France and Germany with less than 5% of the world users.

Another important online social network is LikedIn.com which was created in 2003 (Boyd and Elison, 2007) and has reached large numbers of users. The difference between Facebook and LinkedIn is that the first one is used more for personal reasons; the second one is used for business reasons, for finding jobs, making connections with people from the same field of activity. The main profile (Fach, 2012) of the LinkedIn.com users is as follows: Gender distribution: 50% - Male and 50% - Female; Age distribution: (1) Less than 24 years old – 4%; (2) Between 25 – 34 years old – 15%; (3) Between 35 – 44 years old – 49%; (4) More than 45 years old – 32%; Education distribution is: (1) Less than High School Diploma – 3%; (2) High School Graduate – 10%; (3) University Student – 37%; (4) Bachelor's of Graduate Degree – 50%. The study has pointed out that 64% of LinkedIn users have an account because they want to grow their businesses, 66% of the users have accounts for business purposes, and there are approximately 2 million companies active on LinkedIn.

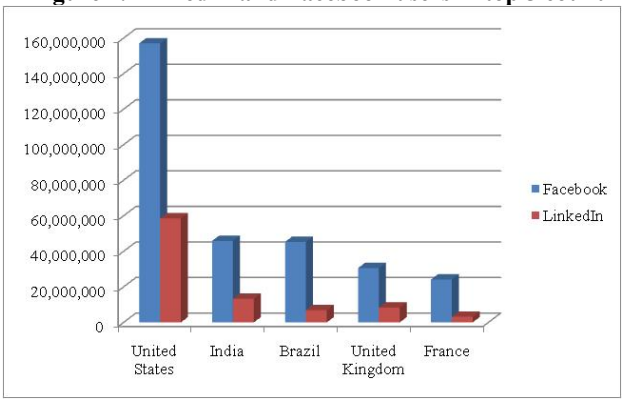
Figure 3: The distribution of LinkedIn.com users among the first 10 countries in April 1st, 2012



Source: developed by the authors based on the data from http://www.socialbakers.com/linkedin-statistics, accessed and retrieved on April 17, 2012

As we can observe, the majority of LinkedIn.com active users are in the United States with 43,46% of a total of more than 134 million user worldwide. The rest of the 9 countries analysed have less than 10% of all the LinkedIn users. If we analyze figure 2 and figure 3 in a comparative manner we can observe that five of the countries are found in both cases as users of Facebook and of LinkedIn. We can see a graphic comparison for the users of these 5 countries in figure 4.

Figure 4. LinkedIn and Facebook users in top 5 countries



Source: developed by the authors based on the data from http://www.socialbakers.com

It is clear that even with a huge difference in the number of users (Facebook: 839 million +; LinkedIn: 134 million +), the main users of these two online social networks are from the United States and India. If we continue our statistical study based on several online sources, we can observe that companies have started taking very great care of developing strategies based on the online system. Most of these companies have started using online social networks sites since 2005 or 2006, depending on the development state of the OSN. If we take a look at companies worldwide we can observe on their website

multiple links to several online social media sites like: Facebook, Twitter, Blogger, YouTube, MySpace etc. A study of august 2011 (Henrikson, 2011) has shown the following distribution of online social media sites usage by large sized companies worldwide:

- Facebook – 71% of the companies;
- Twitter – 59% of the companies;
- Blogger – 50% of the companies;
- YouTube – 33% of the companies;
- Message Boards – 33% of the companies;
- MySpace – 6% of the companies.

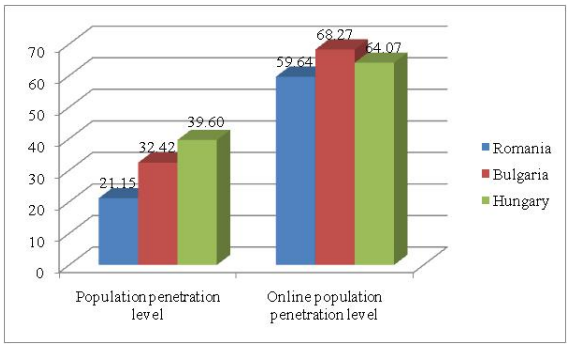
Based on the figures presented in this section we can clearly see the differences between the two analysed online social networks. We can clearly see the importance of creating a profile of the users of OSN. But companies must take into consideration the individual aspects related to the profile of the OSN users in each country and even region. Figure 1 clearly shows the differences between the world's regions, it is the same thing for countries. The profile of the Facebook and LinkedIn users is influenced by the level of Internet access in the country, education, income, interests, motivations etc.

4. Facebook user profile – Romania, Bulgaria and Hungary

Like stated before it is very important for companies, managers and marketers alike to understand the new trends generated by the information and communication technologies and especially by the Internet. Using the online social networks, managers must create specific and personalized strategies adapted to each individual, to each country and each culture. Further on, we are presenting several aspects regarding the Facebook.com profiles for Romanian, Bulgarian and Hungarian users.

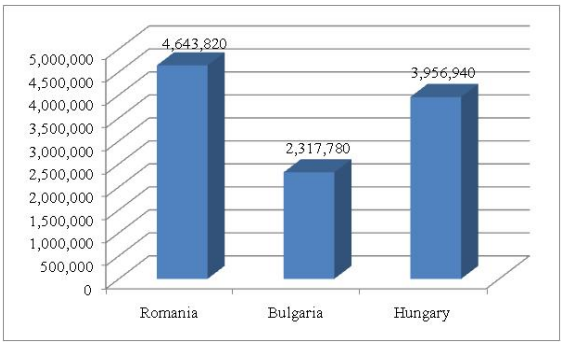
In Romania (SocialBrakers, 2012), at the beginning of April 2012, there were more than 4,64 million Facebook users. According to the National Institute of Statistics, at the end of 2011, Romania had a population of 19,042 million. The Facebook users represent a level of penetration of 21,15% of the population and a level of 59% of the online population. According to the same source, Bulgaria and Hungary have 2,32 million users, respectively 3,96 million users. At the same time the penetration level for the population was of 32,42% for Bulgaria and 39,60% for Hungary. A higher level is registered by the online penetration level which is of 68,27% for Bulgaria and 64,07% for Hungary (figure 5 and 6).

Figure 5 : Facebook user penetration level in Romania, Bulgaria and Hungary



Source: developed by the authors

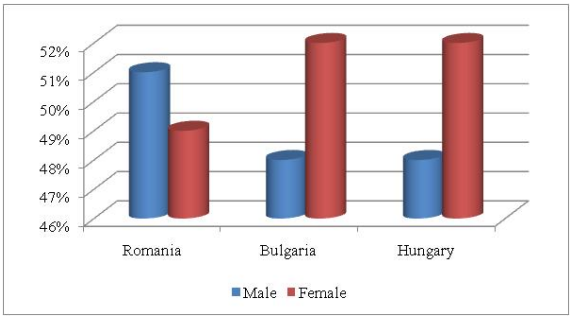
Figure 6: Facebook user statistic in Romania, Bulgaria and Hungary



Source: developed by the authors

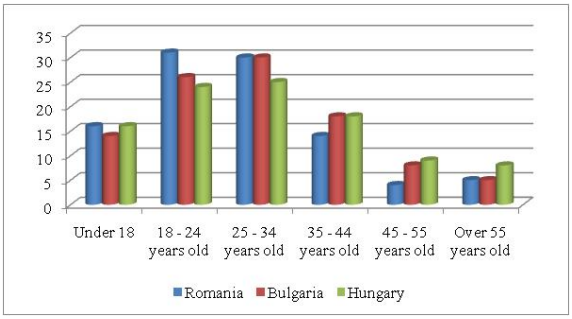
Other important aspects that have to be taken into consideration when creating a profile for Facebook user, is the age and the gender of the users. These two elements together with education, income and preferences can clearly offer an exact picture of the Romanian, Bulgarian and Hungarian Facebook user (figure 7 and 8).

Figure 7: Gender distribution or Facebook users in Romania, Bulgaria and Hungary



Source: developed by the authors

Figure 8: Facebook user age group distribution Romania, Bulgaria and Hungary



Source: developed by the authors

The analysis of the two figures above shows us that there are no important differences between the three countries. With regard to the gender aspect, we can see that in Romania there are 51% male users and 48% female users, and at the same time in Bulgaria and Hungary the results are similar, with 52% female users and 48% of the users are male.

Regarding the age of Facebook users, we can see the following: (1) under 18 years old – the percentage is between 14 and 15 percent in all three countries; (2) between 18 – 24 years old – Romania has a slight advantage to Bulgaria and Hungary with a level of 31%, respectively, 26 % and 24%; (3) between 25 – 34 years old – Romania and Bulgaria have the same level of 30% and Hungary has 25% of its users in this age group; (4) between 35 – 44 years old – the analysis shows that Bulgaria and Hungary have the same level of 18 % and Romania trails with 14%; (5) between 45 – 55 years old – the users from Bulgaria and Hungary with this age are between 8 and 9%, followed by Romania with 4%; (6) the users over 55 years old vary between 5 and 9 % depending on the country.

As outlined before, the differences between the 3 countries is not great, but even with the small differences we can clearly see that Hungary Facebook users are a bit more evenly distributed than the other two, but we must also consider that the population of both Hungary and Bulgaria is somewhere around 10 million individuals, when Romania has 19 million, which means a greater potential for internet and consequently Facebook development.

5. Conclusions

The evolution of the informational age in the past two and a half decades has opened the way to new opportunities for companies and managers. Since the beginning of the year 2000, a great leap has developed in the Internet environment. New tools, like email, blogs, forums, collaboration sites, online social networks etc., have emerged offering companies and managers alike new possibilities to develop strategies and methods to understand the needs and desires of the consumers and to reach them faster, better and in a more personalized manner. In this paper we have presented a new instrument, which has and will allow managers and marketing specialists to do so: *the online social network.*

We have underlined the evolution of the marketing concept in the last century; we have presented some definitions regarding the concept of online social networks presented by different authors, as well as several aspects regarding the evolution of this new tool. In order for managers and their companies to know how and where to promote their products and services they must make the difference between the different types of online social networks. After a careful analysis of several demographic figures we can clearly notice that the great majority of Facebook users are under the age of 35 years old with higher education degrees from North America, Europe and Asia. At the same time, the majority of LinkedIn users are over 35 years old, they have graduated from a higher education institution, and they are especially from the United States, India and the United Kingdom, and the main objective of this OSN is to develop business relations and company growth. Currently, one in every nine persons in the world is connected to one or more online social networking sites, approximately 200 million pages are visited every day and the duration of a visit is of an average of 23 minutes.

Taking all this into consideration, as well as the profiles of the consumers for each country, as well as the globalization of business and the possibility to reach your client and / or a company anywhere in the world at any time, managers must use these new opportunities to further develop and grow bigger in the real and in the digital world.

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ATTITUDES, OPINIONS AND BEHAVIOUR OF MANAGERS OF BRAŞOV COMPANIES ON THE APPLICATION OF ENVIRONMENTAL MARKETING IN COMPANIES

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Abstract: *The article presents results of a marketing qualitative research on attitudes, opinions and behaviour of managers from Braşov on the adoption of environmental marketing in their firms. Research objectives aimed at identify the reasons for which companies use environmental marketing, benefits it can bring on short, medium and long term, economic and social implications that it has assumed on costs, prices, environmental protection, the company's image in the market, legislation, etc. It identifies how the companies intend to take a proactive advantage of market opportunities and obtain success versus adopting reactive attitudes and losing a number of advantages. Following analysis and interpretation of data it was concluded that the proactive approach of environmental marketing bring benefits for the company image, is a long-term strategy of it, bringing a range of opportunities and long - term advantages. At the same time, it is estimated that the largest obstacle in implementing environmental marketing in companies consists in high additional costs, and also a lack of consumers' education. It is also necessary to specify that the data obtained are not representative and could not be extrapolated to all industrial companies in the city of Braşov, because sampling was not random and the sample was not representative of the population studied.*

Key words: ecological /environmental /green marketing, social responsibility, environmental protection, strategic vision

JEL classification: M31

1. Introduction

We are in a period of unprecedented technological development and globalization of business where limited resources, environmental degradation are increasing and it is important for society to recognize existing and future threats to human health and the environment, to the very life and the future evolution of mankind due to pollution and excessive consumption of resources.

Everyone is responsible for preserving the environment, both individuals and companies. Thus, appropriate measures must be taken to preserve the environment, human health, to enhance people's lives for a future of all mankind.

Considering the importance of awareness of environmental issues facing world problems of limited non-renewable resources, it is important to study and analyze the situation in Romania regarding the awareness of these problems in Romanian companies and measures that they took until now and applied to reduce energy consumption of non-renewable resources, protecting against environmental degradation, placing the importance of preserving human health, environment and quality of life higher than a profit as big as possible and immediately.

It is interesting to know and analyze the attitudes, opinions, behaviours of leaders of Romanian companies on these issues, the real measures they have taken in this respect, their vision on the future of business in such a world, which, however, the trend is to act for the purposes of preserving the environment, concern for human health and quality of life.

In business, success can not be achieved without knowing the environment and the consumer market.

In this respect, it is necessary to carry out marketing research, to study the market, competition, the user, the consumer, to make predictions, to evaluate the environment and situation. Right key for an effective marketing research is not the technique used nor the great amount of data, but the immediate control of useful information.

Marketing research refers to the investigation, collection, filtering, processing, analysis, interpretation, use and dissemination of information describing a situation of marketing, in order to develop a decision. Particularly, the notion of market research can specifically refer to the documentation presented as the final research report.

Marketing research process are indispensable to scientific substantiation of decision, they reduce uncertainty about the marketing behaviour aspects of the organizations. They provide information about consumers, their behaviour and the environment which are absolutely necessary for design and implementation of future plans and strategies. In making decisions, managers are calling on the experience and intuition, but strategic decisions, systematic and objective investigation of the market is a necessity.

2. Qualitative marketing research - semi-directive depth interview

Qualitative research methods are used either to explore a world little known, vaguely defined problem or to understand a phenomenon, to make in-depth analysis in order to capture all the subtleties.

If research is exploratory one, then qualitative methods are used for investigation prior quantitative studies.

Qualitative methods are used in order to allow the researcher to form an overview of the problem investigated, a more complete vision possible.

Thus, qualitative research can be used to:

- A more accurate formulation of the problem under investigation, so that it can achieve further precise study;
- Formulate hypotheses about the relationships between variables and researcher familiar with the investigation;
- Eliminating certain possibilities by testing;
- Making tools for obtaining information, taking into account all aspects of the situation analysis.

Therefore, using specific techniques will be identified certain critical significant aspects related to the problem investigated.

If marketing research aimed at deep understanding of a phenomenon, then qualitative methods are used in order to carry out independent investigations. In this case, qualitative methods are used to investigate complex phenomena.

The purpose of qualitative research

Qualitative research can solve alone or together with quantitative research, a wide range of marketing problems. In most cases, qualitative research may be aimed at one of the following:

1. Familiarize researchers with the issue studied or sector concerned. In this respect, it can perform exploratory analysis documentation, case studies, interview with experts.
2. Identification of the working hypotheses.
3. Exploring consumer motivations and attitudes, their value system.
4. Understanding the buying and consumption behaviour and decision-making.
5. Structuring forms, objectives, understanding their meaning.

Types of qualitative research

Qualitative research is an investigation into different levels of complexity, designed to identify, clarify and define what is relevant, significant and important for a problem, opportunity or marketing context. It allows a deeper understanding of concepts and essence of phenomena and processes considered.

Qualitative research seeks answers to questions like: Why? and How? Knowledge which addresses the root causes of attitudes, behaviours, preferences and opinions of consumers and subjective elements, emotional or unconscious behind them.

Making a qualitative research involves completion of a similar general phases of marketing research: discovering and defining theme of investigation; establish hypotheses and research objectives;

choosing methods for gathering information that may be considered an individual or group of persons; sample composition and recruitment of participants; preparation conditions to achieve the primary activity of obtaining information, collecting information, processing, analysis and interpretation of information, the final report. Qualitative research can be grouped into exploratory research and qualitative research to investigate the attitudes, motives and behaviours.

Qualitative research to investigate the attitudes, motives and behaviour is based on the direct communication techniques that can be unstructured or semi structured and indirect technique called projective techniques. These research techniques are based on either individual or group techniques.

Within the individual direct communication techniques are included informal discussions, in-depth interview method, group discussion method, the method of verbal protocol.

Depth interview method, depending on the level of structure is of three types: non-directive depth interview (unstructured), depth semi-directive interview (semi-structured) plus paper and pencil interview involving a high level of structuring.

Depth interview method is a non-directive unstructured communication involving to find out in detail from the subject his beliefs and feelings in relation to everything related to the topic under consideration, in order to discover the main reasons for his behaviour. Therefore, this method is recommended to be used when you want a detailed examination of consumer and purchasing behaviour of products or services, including some of great value when they want information to be obtained are very sensitive issues related to, when considering the specific work of specialists, etc. Dialogue is recorded on tape, re-transcribed and then analyzed the content.

A variation of the depth interview is a semi-structured or semi directive depth interview. The main difference there is that discussion takes place on an interview guide, a list of topics (5-6 topics). They are raised by the operator if the subject did not address in its spontaneous exposure or not deepens. Not impose a specific order to address the issues set out in the general theme.

Qualitative methods, such as those mentioned above, require a content analysis as a specific method of analysis. Content analysis is a set of research techniques of communication way envisaged that the systematic and objective methods for describing the messages leads to getting the indicators (quantitative or qualitative) that allow the inference of knowledge with regard to the conditions of production - reception of these messages.

Content analysis is considering the use of three types of analysis: syntactic analysis, lexical analysis and thematic analysis. Thematic analysis, mainly used in marketing research involves identifying issues, determining their frequency of occurrence, frequency etc. themes association.

3. The concept of green marketing

Ecological marketing can be defined as "a holistic management process responsible for identifying and satisfying consumers and society in a profitable and sustainable way" (Karna, J., 2003).

Ecological marketing is similar to classic marketing. The difference is that philosophy must find a balance between technical and economic perspective of markets and social - environmental approach.

Ecological or green marketing goes beyond social marketing by four key ways (Luca, GP, L. Bacali, 2003):

- Green marketing has, as finality, an open perspective rather than a long term perspective;
- It focuses more on the natural environment;
- It treats the environment as something intrinsic value, far beyond its usefulness to society;
- It puts emphasis on global issues rather than the private companies.

American Marketing Association (FDA), in 1976, considered environmental marketing as "the study of positive and negative aspects of marketing activities on pollution, exhaustion of energy and the non-energy resources" (Polonsky, MJ, 1994).

Environmental or green marketing can be defined as a responsible marketing to meet consumer and society needs in a profitable way for the company, and sustainable environment.

Attribute of "green" associate with marketing impart some new valences. They can have multiple meanings, such as environmentally sustainable, natural, environmental conservation and preservation.

Green marketing is defined as "the process leading to ecologically sustainable exchanges by creating innovative products and services through the management and consistent distribution, communication and public relations, that allows satisfy consumers needs and companies' objectives that satisfy the company's priorities and those of society "(Dumitru, C., 2003).

Consumers are becoming more demanding on quality of life and how it is affected by their consumption, these pressures leading to increased social responsibility of firms. Ecological marketing stimulus is increased environmental awareness of consumers. He is a sequel, an adaptation of the marketing philosophy to requirements of each era of marketing. He tries to integrate responsibility and environmental issues in marketing management concepts.

A definition of environmental marketing is given by Polonsky (1994, p.2) who says that "green marketing is all activities designed to generate and facilitate any exchange intended to satisfy human needs and desires so that their satisfaction has been done with minimal impact on the environment".

In this definition, the author emphasizes that the interests of the company, consumers are provided in terms of protecting the environment and with minimum negative impact on the environment.

Ecological marketing is based on balanced approach of social, technological, economic and physical aspects of business and society, focusing on developing sustainable, the long term quality, the true and real needs of consumers, improving quality of life, on the environment and health impact (Funaru, M., 2009).

Ecological marketing is marketing that leads to profitability of the organization, but also sustainable (protection) environment. Marketing is part of the organization, but also a result of other components (total quality, technology, strategic management, societal marketing etc.).

Green marketing is a factor or an important element in finding viable and effective solutions to environmental degradation and quality of life.

Green path is the path which should ensure future continuity on earth in terms of balance, health and a better quality of life.

Faced with the negative effects of pollution, producers, consumers are obliged to act, to take measures, to find solutions for their prevention.

In short, green marketing is the marketing mix approach in terms of ecological principles (Dumitru, C., 2003).

4. Qualitative research on the topic - Attitudes, opinions and behaviour of managers of companies from Braşov on the application of environmental marketing in business

In the study presented in this paper, the purpose of in-depth interview semi directive qualitative research is to identify managers' opinions of the Brasov companies on the application of the environmental marketing in their business, benefits, problems faced in this regard.

Justification for the choice of qualitative method chosen

A qualitative semi directive depth interview method was chosen because it was considered most appropriate method for their intended purpose and circumstances. Respondents are people in top management of companies and a focus group would have been impossible to organize. This method was chosen because:

- Interviews are conducted in those locations of respondents, respectively Brasov office managers;
- Discussions take place on a interview guide in order to maximize the relevant information collected, guide containing a list of four topics;
- The interview is 60 minutes;
- Discussions are audio recorded and then analyzed in detail, which provides more relevant results based on the issues.

Research objectives

1. Identify reasons why companies use environmental marketing.
2. Identify perceptions regarding short, medium and long term benefits that green marketing brings in enterprises.
3. Identification of attitudes on the economic and social implication that application of environmental marketing in enterprises has related to costs, prices, environmental protection, company image on the market etc.
4. Identify the reasons for environmental enforcement.
5. Identify measures, proposals, strategies, application way of ecological marketing in business to improve, streamline their business, protecting the environment and human health.

6. Identify how the companies intend to take advantage of opportunities and successful in the market adopting a proactive attitude versus a reactive attitude, losing so many opportunities and advantages offered by the market.

Sample size and its formation

Sampling is non random. The sample consisted of a total of 8 people. Sample members are part of top management Brasov industrial companies. It took into account the size of the company having as criterion the number of employees.

It was considered that the industry is representative on the application of principles of ecological marketing, consumer social responsibility and environmental health and in particular on non-renewable resource consumption and environmental pollution.

Also has been considered as representative of topic researched the medium-sized companies, large and very large.

The sample is not statistically representative, but must reflect the structure of the population studied in relation to the theme addressed.

The sample was formed as follows:

- 2 managers - medium firm;
- 3 managers - large company;
- 3 managers - very large company.

The selection questionnaire was developed to meet the following requirements:

- To exclude from research subjects who are not allowed to participate:
  - Firms that participated in qualitative studies in the last six months regardless of subject;
  - Companies participating in a study on the same subject regardless of time;
  - Companies that have not adopted environmental marketing and no environmental management system.
- To verify the criteria to be met by the participants in that interview: to hold a leading position in industrial firm to enable knowledge and / or influence the environmental marketing or environmental management activities in company (that is to occupy one of these functions: General Manager, Deputy Manager, Executive Manager, commercial manager, environmental responsible, owner).

Design of interview guide

Semi directive depth interview is conducted based on an interview guide, a list of topics. The overall theme is presented to the subject. The discussion is directed to the themes in the interview guide. It uses open questions presenting only major topics discussed, the remaining questions are under discussion only when subjects are not address them or not discuss them in depth. Not impose a specific order to address the issues set out in the general theme.

Themes and sub-topics of semi directive in-depth interview

Theme1.The attitude of Brasov managers on environmental issues from the perspective of social responsibility the company's strategic vision and advantages or disadvantages from a proactive or reactive approach.

Theme2. Refers to opinions of Brasov managers on adopting green marketing in companies through the implications involved in it (company image, costs, regulatory restrictions, etc.), but also on medium-term and long term benefits.

Theme3.The reasons for companies adopt green marketing as strategic vision.

Theme4. The behaviour of Brasov managers on adopting environmental marketing in their businesses from the current economic crisis approach, strategic perspective and social responsibility.

Qualitative primary data collection

Qualitative research uses unstructured data collection methods as opposed to quantitative research methods which use structured data collection.

In a semi directive depth interview the amount of raw data obtained is very high quality and must be synthesized. Data should be collected in a transparent, comprehensive and complete way, including contradictory data.

In a semi directive depth interview, raw data are obtained mainly from audio recordings that are re-transcribed and analyzed later. Identification data are obtained from recruitment questionnaire of participating subjects of interview. The interview will be recorded with the permission of subjects.

The purpose of each meeting is to discuss opinions, attitudes and behaviour of managers on adopting green marketing in their firms. Subjects are told the interest starting from the general aspects, untargeted, and then reaching to the depth of the problem addressed. Allow freedom to subjects to address the investigated issue and develop it as deeply possible.

Analysis and interpretation of data obtained

After analyzing the responses of subjects in the interview guide, they found that:

Theme1. The attitude of managers from Brasov companies on environmental issues.

Most members of the sample said that social responsibility of environmental and human health is a must. They believe that preventive actions and proactive attitude are the best choice, and it is necessary to respect and comply with minimum legislation.

Theme2. Opinions of Brasov managers on adopting green marketing in their businesses.

Regarding the implications of adopting ecological marketing in companies, most respondents agree that this requires additional costs, but at the same time, provide a better image for company. Also, some subjects are the opinion that the law is burdensome, are always changing and ambiguous.

In terms of adopting ecological marketing mix, most subjects thought that is important to adopt and design ecological products with the lowest possible impact on environment. Also they considered ecological communication regarding their actions as important. Most believe that the implementation of the environmental marketing in firms assumes savings in natural resources and energy, involving long-term advantages.

Theme3. The reasons for companies adopt green marketing as strategic vision.

Most respondents consider adopting green marketing as a social responsibility. The majority says that the reason for green marketing is that it is a necessity and the reasons against it are represented by the higher costs involved and the lack of environmental education and involvement of both managers and consumers.

Theme4. The behaviour of Brasov managers on adopting environmental marketing in their businesses.

About the behaviour of Brasov managers on adopting environmental marketing in the current economic crisis, some subjects are the opinion that this is not an impediment, others say it has reduced spending on environmental protection.

Regarding strategic perspective, the majority believes that the adoption of green marketing in their business involves long-term advantages, but that brings a positive image for the companies.

Regarding adoption of environmental marketing in terms of social responsibility, most respondents consider that it is a necessity, but also shows a trend in present days, to be followed, no doubt, in future, by all companies.

5. Research findings

Based on qualitative research such semi directive depth interview, the research will continue in the form of quantitative research.

Based on research chosen theme will be an investigation that will require a representative sample and thus there will be able to extrapolate the results to the entire population under consideration.

1. Most members of the sample believe that the proactive approach of environmental marketing brings benefits for the company image.
2. Most of the interviewees consider that environmental enforcement is a necessity in business, the responsibility of each undertaking.
3. Most respondents believe that they are influenced in taking decision to implement environmental marketing by the legislation, by the need for compliance with its regulations, but also by the positive image it brings to market for company.

4. Some respondents argue that ecological marketing approach is a long-term strategy of the company.
5. Sample members are interested in green marketing opportunities in terms of long-term benefits.
6. Most interviewees said that the biggest obstacle in implementing environmental marketing in firms is costs and lack of education of consumers.
7. Managers' attitude regarding environmental is positive in words, no different from the national level, but in reality is in the area of taxation, compliance with legislation.
8. Environmental regulations are inconsistent, respondents believe, there are rapid and frequent changes of legislation within one year, forcing companies to comply quickly, assuming this extra effort.
9. Also, the authorities responsible for this area seek just to apply sanctions, don't give viable solutions to managers for problems in this field and provide no benefits to firms involved in overcoming regulatory requirements.
10. All companies involved in this research have implemented environmental management systems, have an environmental policy, act proactively and preventively to avoid any possible environmental accident.
11. Most subjects consider long-term benefits that can be obtained (reduced consumption of resources and energy, reduce costs, the company's good image in the market), however, agree that, currently, their efforts are not appreciated at their true value as due to lack of education of consumers, but also because of indifference and not proper involvement of authorities.
12. The crisis, according to subjects, is not an impediment to environmental investments, this is true, especially for multinational companies that have resources, have an appreciated image on the market and continue to maintain the highest standards.
13. Social responsibility and environmental protection are basic requirements in terms of collaborators, they must meet high quality standards, comply with environmental legislation, to apply an appropriate environmental policy at their companies. These are the criteria by which firms choose their business partners.
14. It is also important for a company that is respected in the community to be known, to maintain high standards, for it is necessary to take action in view of environmental protection and ecological marketing. Company's image and its reputation locally and internationally are very important.
15. Large and prestigious companies want the product to have as small an impact on the environment. Thus, from product design is being considered criteria innovative, efficient, environmentally friendly, reducing environmental impact. This applies at all stages of product life cycle. The same requirement applies to employees, but to all activities within the enterprise (for example, procurement, supply, recycling).

The limits of qualitative research

Depth interview method can make more detailed investigations with the possibility of obtaining relevant information, but latent, difficult to obtain by other methods.

However semi directive depth interview presents a number of limitations which include:

- Quality of information depends heavily on operator skills that may influence the answers obtained;
- Sometimes it is necessary the presence of a psychologist to interpret other categories of information (respondents mimics, gestures, etc.);
- As the interviews were conducted in the location chosen by the respondents that are working offices where there were breaks generated by the work done, leading to disruption of discussion, even the loss of important information.

Conclusions obtained could not be extrapolated to all industrial firms in the city of Brasov, because sampling was non random and the sample was not representative of the population studied.'

6. Conclusions

The aim of qualitative research presented in this paper is to identify opinions and behaviour of Brasov managers on the environment, implementing a green marketing mix, and assuming social responsibility by companies on the impact of their activities on the environment, in the context of the existence of non-renewable and limited natural resources facing all mankind.

Thus, it was considered important to study and analyze the situation in Romania in terms of awareness of Romanian companies on these issues, opinions and behaviour of managers, and the measures it took until now, their vision on the future of business in such a world, which, however, the tendency is to act for preserving the environment, concern for human health and quality of life.

The study shows that managers are interested in compliance with environmental legislation, they have implemented environmental management systems and, at least in terms of product, it is designed with minimal impact on the environment, this criteria being pursued at all stages of its life.

At the level of their firms, managers assume the responsibility to protect the environment and achieving sustainable activities with low environmental impact and human health, while achieving training activities, awareness, empowerment and involvement of their employees in this direction.

Managers believe that small steps matter, it is important to start now on this road taking advantage of market opportunities, because the world is experiencing this trend to sustainable activities and to environmental protection. Sooner or later everyone has to comply, voluntarily or forced, there is no possibility of return or avoidance. Public pressure will compel companies to adopt this attitude of protecting the environment and the realization of organic products, friendly with consumer health and the environment.

Managers consider additional short-term efforts that involve the adoption of green marketing in businesses and reduce their negative impact on the environment, but consider that it is a good long-term strategy. Long-term benefits and opportunities due to a proactive attitude make their short term efforts to be rewarded.

Also a problem facing managers is the ambiguous, changeable and unsubstantial law that makes the efforts of company to be greater due to coercion to comply quickly on short-term to the changes occurred. Managers do not feel they are supported in their actions in this area by the responsible institutions. Locally, they say, obtaining environmental and organic products, there is a trend of indifference from consumers and the public who have no environmental education and they are not willing to pay more for these products.

Even if the data obtained from carrying out this qualitative study are not representative of the population studied and may not be generalized, they are a starting point in a subsequent quantitative research that will analyze in detail these issues and will be able to draw relevant conclusions on importance of adopting ecological marketing in companies in terms of obtaining sustainable and viable long term development.

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ENVIRONMENTAL COMMUNICATION AND ECOLOGICAL EDUCATION IN ROMANIA

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Abstract: *This article discusses the importance of education and communication actions on environmental protection and tries to define these concepts for deeper understanding in order to implement educational, informative and practical ecological actions in Romania.*

Also, there are presentedsome examples of pro-environmental, educational activities conducted in Romania that have had positive effects in terms of educating people, especially children and young people in secondary education on environmental protection, their awareness of the need of knowledge and importance of information on the implications of natural environmental degradation,on eco-systems, humans and whole society, with direct effects on the present and future generations.

Article raises the issue of responsibility of state institutions in ecological education of population, but its role in ensuring the implementation and environmental compliance. It is important that every citizen led by the Romanian state to assume responsibility for environmental protecting actions and achieving sustainable development in Romania.

Key words: environmental communication, sustainable development, environmental education, environmental protection

JEL Classification: Q 56

1. Environmental protection through awareness activities of population

1.1. Environmental education

Education is an interpersonal transfer of ideas, approaches and fundamental data considered relevant to harmonious human life. This information is presented and taken in a formal (school, college) or non-formal (private discussion) framework.

Ecology is the science of ecosystem interrelationships between living organisms and the abioticenvironment, a synthetic science focused on integrated understanding of processes in our environment.

Environmental education is trying to transfer some pragmatic ways of thinking regarding ecosystems, species, including human populations, understood in their evolutionary context, into the transformations in time and space plan. In the same time in addition to the scientific way, environmental education is also about ethics and morality, which contributing to positioning the human individual in society, in ecosphere and civilization in general.

Environmental education includes both scientific approaches such as biology, chemistry, physics, geography, etc, and approaches of human society on its historical, political, social, economical aspects. Environmental education also includes philosophy and art approaches.

Environmental education contributes to a deeper understanding of the connection between individual and group actions at social level and environmental changes of our habitat (present and future).

Formal and non-formal environmental education should be included in compulsory education, but it must continue throughout the individual existence. Diversity ways of achieving this purpose is extraordinarily high, from the compulsory education hours to transfer of information through media, lectures, artistic activities, etc.

Environmental education involves changing people's mentality by support of nature actions

Most environmental problems are complex. In other words "environment" as the subject of environmental education, includes not only nature but also society, culture, economy and politics.

Environmental education awakens a sense of love for nature, provides environmental information and the behavior of saving and recycling natural resources encourages active civic attitude of personal

involvement in environmental protection.

Purpose of education is to promote the formation of skills and attitudes necessary to understand the interrelationship between people, culture and environment, to develop a conscious and responsible work, which aims to improve the environment.

Education and public awareness activities for decision making are key components of any conservation strategy. You can obtain support from the public and promote development by improving awareness and understanding of environmental issues, both in population and tourists.

Environmental education helps awareness and understanding of personal values through "discovery" attitude and understanding, helping students to evaluate and clarify their feelings regarding the environment and how they contribute to its problems. It helps each person to understand that people have different values and differences between them should be addressed to prevent and solve environmental problems.

Environmental education also emphasizes skills to act as citizens influencing the local or state politicians and international institutions to develop environmental laws.

Environmental education presents environmental issues facing the community. Both students and their parents are directly or indirectly responsible for environmental issues. One of the goals of environmental education program is to help students develop the ability to think critically and creatively. Some students may, in future, make decisions to protect the environment.

Environmental education cultivates a value system. Children are maturing and the system of values which they promote influences choices and decisions that they take on all aspects of their lives, including environmental issues. There is a link between values, beliefs, attitudes and developing an environmental ethic.

Teaching environmental education as a school subject can have an impact on student life and on their families. They learn to know their rights as citizens, having power to act and feel that they matter. They can take decisions on environmental issues.

Currently, the educational system in Romania is characterized by a severe lack of organized, coordinated, systematic concern for environmental education issues. To be in the future, an informed and educated public, who acknowledges his role in dynamic of society, Romanian education needs to be modernized. It is very important to make environmental protection education since in school time.

Environmental education has the objectives: increased awareness of environmental and social responsibility issues through public information, knowledge essential aspects of the environment as a whole, the formation of skills and habits of observation, experimentation and research, training of environmental ethics (attitudes, principles, beliefs) and create new individual, social and group behaviors that reflect concern for the maintenance of environmental quality and the ability to take direct action and practical decisions that affect the environment.

People must feel they are part of nature and to develop a sense of responsibility towards it. The first step must be done through formal education. Adult education should focus on better understanding of environmental issues and that such destructive practices are unacceptable in modern society.

With the accession toEuropean Union and beyond, environmental protection in Romania started to be a priority of economic and social development aimed at achieving a clean and healthy environment that does not affect the potential development of future generations. It is necessary to ensure environmental protection and conservation of natural resources in accordance with the requirements of sustainable economic and social development and better education and awareness on achieving these goals.

1.2. Communication in the environmental protection activities

In 1990 a large number of environmental education activities as well as many public campaigns have been run by nongovernmental organizations (NGOs). However, still many people don't know the importance of conserving natural capital. Environmental issues have to be transmitted by the media and incorporated into school curricula at various levels.

Information on the nature, condition and the causes that produce environmental changes are essential in defining effective environmental measures. Informing citizens about environmental problems and their solutions is the first step in awareness and public involvement on decision making.

The right of citizens to have access to environmental information is one of the most powerful mechanisms for conservation of natural capital.Knowing the real situation, the further information can be assessed more effectively and more discerning.

Social groups and individuals use communication to maintain the identity and cohesion, to formulate and transmit information and to structure relations with other groups.

Effective communication is two-way going through the following sequence: source (person, organization, institution) - post / transmission channel - receiver (person, organization, institution).

In reality there are many variables that influence this mechanism.

In conclusion, the message must be perceived and understood prior to induce behavioral change. Understanding the message depends on the values, standards, beliefs, interests and personal knowledge.

There are differences between meanings that are intended to be communicated by source and the interpretations made by receiver.

The most common means of communication refer to unidirectional transmission of information (advertising, publicity); information provided as part of a dialogue; education (long process of transmitting knowledge and attitudes and values).

Messaging related to nature conservation faces several obstacles, such as the tendency to ignore the individuality of people and target groups, selection of one-way methods of transmitting information in detrimental of interactive ways and communication between groups that have not the same goals and objectives.

Nature conservation can have different meanings for different groups, so it is preferable to avoid using a specialized language very strictly, as the transmission of negative messages. The choice of instrumental approaches such as public campaigns consisting only in dissemination of information is less efficient than direct dialogue and interaction between stakeholders.

2. Educational activities of environmental protection made in Romania

Environment protection in Romania is a priority for economic and social development aimed at achieving a clean and healthy environment that does not affect the potential development of future generations. It is necessary to ensure environmental protection and conservation of natural resources in accordance with the requirements of sustainable economic and social development and better education and awareness on achieving these goals.

In this respect, there were presented some examples of activities carried out in Romania for environmental protection.

In 2010 it held an environmental education campaign carried out among children of the secondary education from Bucharest called "Playing and select" and aimed at awareness of selective collection, as part of the waste stream from collection to recovery.

In the campaign, the National Environmental Protection Agency, in partnership with several companies in Bucharest, they were organized events that aimed to educate students on ecological and environmental awareness through selective waste collection activity. In that action, was presented a report about "*Selective waste collection*" and presented a collage of animated films with the same subject and were arranged four separate collection points by placing garbage bins, paper, plastic and glass.

Early education is the formation of future behavior for responsible citizens. What children learn in early years represents more than half they will memorize in the rest of their lives. Therefore, education must begin in childhood, physical and mental components of development go alongside with personality components.

Given this objective, REPORTER Press Group, in partnership with the National Environmental Protection Agency, National Environmental Guard, Environmental Protection Agency from Bucharest and other state institutions, in 2011 launched the project "Eco Attitude = Responsibility, Information, Action ". This project was conducted in 14 schools in Bucharest and Ilfov and aimed to educate students in 8th grades to protect the environment.

Protecting the environment is a major objective of public interest and an obligation and responsibility of all.

The objective of this project was the awareness of protecting the surrounding nature, stimulating artistic and creative potential of children of all ages. Environmental care is an essential component of moral, social, cultural and spiritual development. Children need to be educated of very young according to the needs of environmental protection with a strong emphasis on respect for the nature.

The project included activities such as: information and enrollment of schools in environmental education campaign "Eco Attitude"; provide schools participating in the project with selective waste collection containers (plastic and paper / cardboard); distribution of information material (that contain

useful information on how the collection, type of waste, etc.) in all schools involved in the project; provide an "ecology hours" in each school by the organizers and partners of this project, the presentation and interactive involvement of all children, a competition between the 14 participating schools listed on the selective collection of PET bottles, cardboard / paper, electrical and electronic waste, batteries, lamps, etc.

In 2009 took place VERDIS project, a project that was an initiative of the Associations Eco Tic and MoreGreen and was a campaign of environmental education and awareness of the problem of selective collection and recycling among high school and middle school students in Romania. The project included 20 schools in five cities: Bucharest, Brasov, Cluj, Iasi and Galati.

The project proposed these schools a contest focused on the collection of WEEE (waste electrical and electronic equipment), plastic and paper. In addition, schools made in March a local campaign for accountability on selective collection. The program continued with a new challenge: creating a Green notebook of the school for an environmentally friendly behavior.

"Let's Do It, Romania!" is the largest social involvement project in Romania, which aims to empower citizens and authorities regarding proper waste management and environmental enforcement. The project aims to clean natural areas throughout the country in one day, in carrying out this action being appointed a large number of volunteers, citizens and public institutions.

In 2010 and 2011 thousands of volunteers participated in the "Let's Do It, Romania!" campaign and gathered tons of garbage.

In 2010, the Ministry of Environment launched the EcoWeb, where you can find environmental educational materials for both students and the general public.

EcoWeb project was conducted by the National Environmental Protection Agency (NEPA) with the U.S. Embassy and Romania Peace Corp. EcoWeb project has three main objectives: create a publicly accessible website with educational materials about the environment, highlighting the contributions of different individuals or organizations involved in environmental education, creating a network of communication and collaboration between NGOs, schools and public authorities.

The website created for this project is publicly available and contains useful materials for environmental education. EcoWeb project is funded by the U.S. Agency for International Development (USAID) through the "Small Project Assistance" program coordinated by Romania Peace Corp. The project is co-financed and implemented by National Environmental Protection Agency.

3. Contradictory attitudes on environmental protection in Romania

Despite these activities and initiatives on environmental protection, Romania is characterized by contradictions. If on the one hand some try to do something in the nature protection, others, on the other hand, acts in the opposite direction. This is obvious even at public institutions.

Thus, it is necessary to answer some questions. Are all these activities sufficient to protect the environment? Are state and local authorities seriously involved in protecting the environment? Laws on environmental protection were adopted. We know that NGOs with environmental activities still involve some local authorities in some environmental campaigns. But is enough what they do to protect the environment and educating people on environmental protection? My opinion is that they don't do enough in this matter and the reality confirms this statement.

Thus, in all countries of the world, Ecology discipline is part of university curricula.

In Japan the population is educated at all age levels that the only way to survive is environmental education. Environmental education in Eastern Europe takes place in secondary education and hours of practice. India has introduced environmental education in all school and university courses. In The United States environmental education is a landmark in order to train students' perception on climate change and finding ingenious solutions to remove humanity from the impact of over-population and consumption of vital resources. Ecology and Environment Disciplines are taught daily in all high school years.

In Romania, Ecology discipline that aimed at changing students' conception about the world, life and their training to find sustainable solutions to preserve the pristine environment is reduced in secondary education.

In the 2005-2006 school year in secondary education, technological chain, with profile of Natural Resources and Environmental Protection was removed discipline that targets the practical training of students in ecology and environmental protection and that ensures their specific skills and training.

This has not deterred teachers from around the country to achieve extracurricular activities in

order to prepare students in secondary education in ecology and environmental protection. Moreover, environmental education made the teachers from other school subjects to stick together and now the teachers made together national and international projects and programs aimed at environmental.

Currently, in Romania, there are many schools where environmental education is a priority, evidence of maturity and environmental accountability. This is confirmed by the large number of environmental programs addressed and the large number of teachers and students involved in environmental actions.

By enhancing environmental education in schools they manage the formation of right attitudes on environmental protection not only among young children in kindergarten, but also among teenagers, students or young graduates who are currently employed. Teachers in turn can carry out projects on environmental issues that are funded or rewarded by companies.

In Romania, special containers for selective collection are few and poorly distributed on the area of municipalities and districts. However it is important that they began to exist and their number increases every year.

It is also worth mentioning that from the earliest age, children learn to become environmentally friendly and reuse materials.

At the same time, deforestation were rampant, wood is used by some for developing thriving business. Local authorities can not stop illegal logging, either because they are overwhelmed or they close watchful eye. Illegal logging is already a phenomenon. The forests are cut from Maramures, Bacau, Bistrita, but also in the south and Arges and Gorj.

In recent years thousands of hectares of forest have been razed to the ground. Following the process of restitution, the state remained at 4.2 million hectares of forest. They account for 26.7% of the country, compared to 29.3% as European average. Various proposals for protecting forests over 100 years old remained unanswered.

Another problem is the deforestation of areas protected by law and of national natural reservations. Moreover, those who received forest areas through restitution cut what they want and how they want on the principle of private property.

Every year there is exact same problem: logging and the same promises made by politicians, especially during election campaigns.

The massive deforestation in recent years affects us all, whether we live in town or near a (former) forest. Romanian Forests feel the overall effect of environmental climate change.

Deforestation problem applies in cities too, where trees are cut for more car parking and wider highways. We all contribute to this destruction, being aware of the evil we produce.

4. Conclusions

After analyzing the current situation in Romania on measures to educate and protect the natural environment and those against law, official statements and environmental strategies some pertinent questions raise. What should we do? Environmental activities in Romania are they real or fake and what is the truth and what is the lie? Are we or not ecologists in the true sense?

Does Romanian State really support environmental actions, protect the environment or everything is facade?

Environmentalism in Romania is not always about ecology, the science that deals with studying habitat. He became, in secret, almost a political movement. Romanianenvironmentalism has no longer any real impact in Romanian society.

What Romanian State does to protect the environment? It adopts laws, laws that anyone does not respect, laws that are used by certain groups of interest. Is this ecology? Massive deforestation of the Romania forests, does it mean protecting the environment?

In Romania, ecologists are still considered dreamers while the West has turned ecology into a creed, a duty of balance and harmony of nature.

In conclusion, environmental protection is a problem of all, on the one hand the development of society, and on the other side a problem of the recovery, conservation and environmental protection. To resolve this problem as effectively, strategies in the field were developed and also action plans at international, European, national, regional and local level.

An environmental strategy should define the general guidelines, principles, objectives and criteria for identifying actions leading to economic and social sustainable development and to take account of environmental issues. Without environmental protection it can not ensure sustainability. Sustainable

development includes environmental protection and environmental protection is a condition in obtaining sustainable development.

Romania has a stunning natural capital, far more than other EU countries. However, in Romania, resource consumption and waste generated are large, ranging over the natural regeneration capacity of the environment.

In June 2006 the EU adopted a Sustainable Development Strategy for an enlarged Europe. In accordance with the European Union, Romania has adopted the development strategy of Romania for 2007-2013.

This strategy has in the foreground the environment and declining resources. Romanian State passed legislation aimed at protecting the environment, pollution and waste collection. Other governmental or independent authority established rates of consumption of resources to ensure their continuity over time. Regional or county level, local authorities are involved in developing programs for the sustainable development objectives.

Accession to European Union and the obligation to develop strategies and action plans for environmental protection is an important step for Romania in its sustainable development actions. But some aspects of sustainable development and environmental protection and natural resources of the country remain only in theory and on paper.

In Romania there are environmental laws, there is a sustainable development strategy, there is, therefore, the institutional basis to carry out all the objectives in this direction. However the question is the responsibility of Romanian State in assuming its role as the main coordinator of environmental education activities at national level in order to adopt legislation in the field and monitor its correct application.

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INFLUENCE OF CONSUMERS' EXPECTATIONS REGARDING CSR ON THEIR INTENTION TO SUPPORT A COMPANY'S SOCIALLY RESPONSIBLE BEHAVIOR DURING THE CRISIS

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Abstract: *The purpose of this paper is to investigate the link between individuals' expectations of corporate social responsibility (CSR) and their intention to support the socially responsible behavior of companies.The data was collected using a survey of 150 respondents from different backgrounds that are supermarket customers.The results show that expectations of CSR (excepting the economic ones) tend to have a significant positive influence on the intended CSR support by customers.The paper empirically considers and challenges Carroll'sacknowledged classification of CSR, and links it with the intention to support the socially responsible behaviour of companies in general.*

Key words: Corporate social responsibility, Consumer behavior

JEL classification: M 14

1. Introduction

In the past years, expectations towards CSR have been increasing and, with this, the demand that companies behave in a socially responsible manner (Gatej (Bradu), 2012).Though corporate social responsibility (CSR) is a contested and always evolving concept, in the pastyears it has become more and more important. This importance is also reflected in the public relationsand marketing literature (Kotler& Lee, 2005; Maignan& O.C Farrell, 2005).

Different research studies have focused on clarifying and developing the concept, but also on attitudesand reactions to CSR (Sen& Bhattacharya, 2001).

Although professionals from this field have talked about business social behavior, there have been fewstudies regarding the customer's expectations towards the contribution of CSR on the contractors'behaviour (Mohr, Webb, & Harris, 2001).

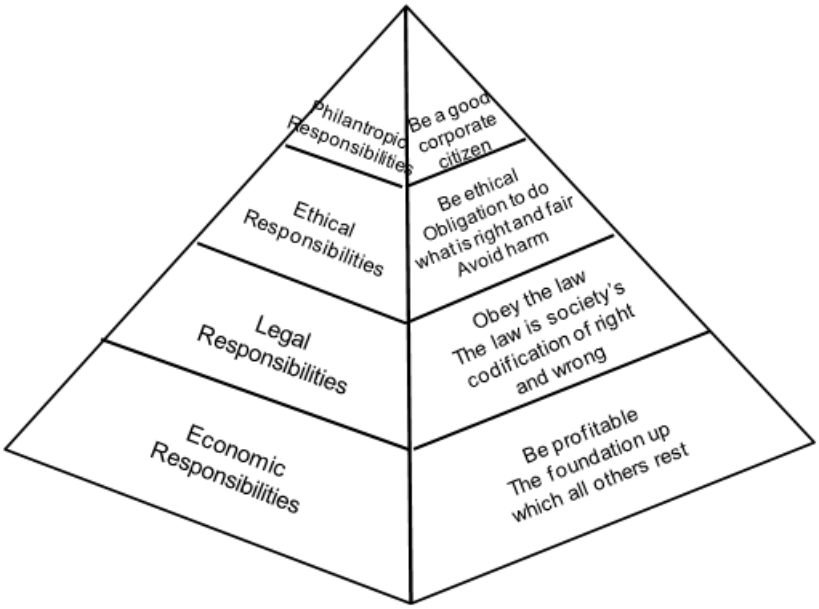
This paper investigates the link between the consumers` expectations towards corporate social responsibility and their intention to support the socially responsible companies.

2. Corporate social responsibility and consumers` expectations towards socially responsible companies

Definitions of corporate social responsibility (CSR) have first appeared in USA in the 1950`s (Carroll, 1991). During the following years, efforts have been made to clarify and develop this concept. The first definitions focused on the connection between `business responsibility` and `business power`. By the 1980`s the focus shifted from developing new definitions to further research on CSR and itsdimensions. All these definitions have in common the idea of the stakeholder expectations and social preoccupation. The basic idea is that no company can afford to act against society (Matten & Moon, 2005).

Carroll (1979) defined CSR based on normative arguments and suggested that a company has to fulfill four main responsibilities. Hence, the definition encompasses "the economic, legal, ethical and discretionary expectations that society has of organizations at a given point in time" (Carroll, 1991).

Figure 1: Carroll`s model of CSR



Source: Carroll (1991)

In the model proposed by Carroll (1991) the definition of the corporate social performance should comprise three articulated and interrelated aspects: a basic definition of the total social responsibilities of a company, an enumeration of the issues for which a social responsibility exists, and a specification of the philosophy of corporate response to social pressures ("social responsiveness").

Considering the first mentioned aspect, an exhaustive definition of corporate social responsibility should emphasize the whole range of social obligations a business has towards society: economic, legal, ethical and philanthropic (discretionary) responsibilities. These four types of social responsibilities form the concept of corporate social responsibility (CSR) in the vision of Carroll, and they should be analyzed together.

According to Carroll (1979, 1991), the corporate social responsibility is more than complying with economic and legal obligations; it also includes ethical and philanthropic responsibilities as another two dimensions.

Carroll's model has two weak points. One of the weaknesses is related to the voluntary aspect of corporate social responsibility. Some CSR scholars consider that mandatory aspects should not be part of CSR.

Carroll`s model of CSR has been empirically testedamong US managers (Aupperle et al., 1985), and consumers in different countries (Maignan, 2001). It has also been used as a starting point for research on CSR reporting (Ellerup Nielsen and Thomsen, 2007).

According to previous research using Carrolls model of CSR (Maignan, 2001, Podnar and Golob, 2007),customers are likely to differentiate among the four proposed dimensions of CSR, as suggested in the following hypothesis:

H1: Consumers have high expectations towards supermarkets regarding their socially responsible behaviour.

H2: Customers will differentiate among the four dimensions of CSR: (a) economic, (b) legal, (c) ethical and (d) charitable/philanthropic.

A certain number of stakeholders often share similar expectations about the desirable socially responsible behaviour of companies (Maignan et al., 2005).Dawkins and Lewis (2003) observed that in the last decade, CSR issues have become a dominant driver of public opinion. These issues are defined by the stakeholder expectations, which represent the minimum level of corporate responsibility or the minimum to which companies are expected to conform (Monsen, 1972).

According to Carroll's classification (1979), these factors are related only to the CSR's legal, ethical and philanthropical dimensions. Moreover, both researches (Aupperle et al., 1985; Maignan, 2001), which have used Carroll's classification (1979), have come to the conclusion that the economic dimension of the CSR was directly related to the other three.

Consumers tend to incorporate their expectations and their concerns into their behavior towards the companies (Klein, Smith, & John, 2002; Maignan et al., 2005). The consumer's expectations regarding CSR actions have an impact on their behavior towards the companies (Creyer & Ross, 1997; Nebenzahl, Jaffe, & Kavak, 2001).

More than that, the reactions of the individuals depend on the congruency between expectations and the company's actions (Dawkins & Lewis, 2003; Hallahan, 2001). Many consumers are ready to put pressure on companies through boycotts, in order to convince them to be more socially responsible. The CSR expectations act as a benchmark for the intention to purchase the company's products (Creyer & Ross, 1997)

Golob, Lah and Jancic's article approaches an interesting subject regarding the consumer's expectations, which motivates companies to integrate CSR into their marketing strategy and to communicate this fact. The paper goes beyond the consumers' expectations and answers, researching the change in the consumers' value system and the way this system affects the expectations and answers regarding CSR.Moreover, studies regarding consumers' expectations of social responsibility communication are rare. The results of the study show that consumers' expectations are generally high when it comes to CSR, a fact that is also highlighted by Carroll (1979) and other authors. Expectations are influenced by motivation and situational involvement. This has been observed in a study conducted among the Slovenian consumers, with results that assert the need for marketers to incorporate CSR in their marketing and communication strategies.

For instance, consumers expect companies to be socially responsible and appreciate companies that employ minorities, do not employ children and support the local educational institutions (Harrison, Newholm, & Shaw, 2005). More than that, consumers want to be informed about the companies' CSR practices, because they find it hard to determine whether these rise up to the standard levels when it comes to social responsibility.

Auger, Devinney, Louviere, & Burke (2010) found that there is a relationship between growing consumer awareness and expectations and environmental degradation, climate change, and the pervasiveness and power of multinational enterprises. The fact is that consumers are increasingly aware of CSR issues, even if we are dealing with economies in transition.

We therefore propose the following hypothesis:

H3: Higher expectations for the (a) legal, (b) ethical, and (c) discretionary CSR willbe positively related to the customers' intention to support the socially responsible behavior of supermarkets.

H4:Higher expectations for the (d) economic CSR will benegatively related to the customers' support of socially responsible behaviour of supermarkets.

The interaction of the customer's expectations regarding CSR and the perceived quality of services and products has been mentioned in many studies (Brown and Dacin, 1997).Sen and Bhattacharya (2001) have discovered that consumers react positively to CSR activities and the company's ability to exceed expectations.

Aupperle et al., 1985, Maignan, 2001 and Podnar et al., 2007 have created scales to measure the customer's expectations regarding the companies socially responsible behaviour and to measure the customers' support for the socially responsible companies. The authors have created and validated these scales in their studies using data gathered from respondents from different countries (Slovenia, Germany, France, United States etc). The purpose of these studies was to measure the consumer's expectations regarding CSR and their support for socially responsible companies.

These scales were also used to measure the expectations of consumers from the Iasi area, regarding the supermarkets where they usually do their shopping.

3. Methodology

In order to obtain the necessary scale, a literature review was necessary to find the scale that refers to the expectations regarding corporate social responsibility (Aupperle et al., 1985, Maignan, 2001, Podnar & Golob, 2007). After this, we generated a pool of items and also examined the items for consistency and validity. We carried out a pre-test to assess the quality and validity of the items and reliability measures.

Based on the results, we have also corrected some formulation inconsistencies. The result was a 22 item instrument, such as: "companies should reinforce their voluntary activities for society welfare" "companies should consider moral standards on account of profit" "companies should always conduct business in line with legal principles" and "companies should always improve economic performance".

All items were measured using a seven-point Likert scale, anchored at "strongly disagree" and "strongly agree".

To measure the intention to support the socially responsible companies, we have adapted the questions used by Podnar and Golob (2007) to fit the context of our research.

Data collection has been carried out in March 2012 and has targeted supermarket customers from Iasi. As the sampling method we used quota sampling with gender and age as relevant variables. The study was applied on a pilot sample of 150 individuals, male and female, which were the main customers of supermarkets from Iasi. Peolple who have been interviewed live in Iasi and have purchased goods from a supermarket in the past month.

4. Results

Except for the economic expectations, in average, the means for the measured variables are relatively high, averaging over 5.0 on the seven-point Likert-type scale.

The means for the variables studied show that on average all but measures for theeconomic expectations of CSR are quite high, averaging around 5.0 on the seven-pointLikert-type scale. The mean and standard deviation scores for all variables are shownin Table 1.

Table 1: Descriptive statistics of the variables

Variable	N	Mean	Std. Deviation
Charitable CSR	150	5.2320	1.15371
Economic CSR	150	3.3756	1.29621
Legal CSR	150	5.4053	.88990
Ethical CSR	150	5.9133	.95522
Intention to support	150	5.1086	1.08578
Valid N (listwise)	150		

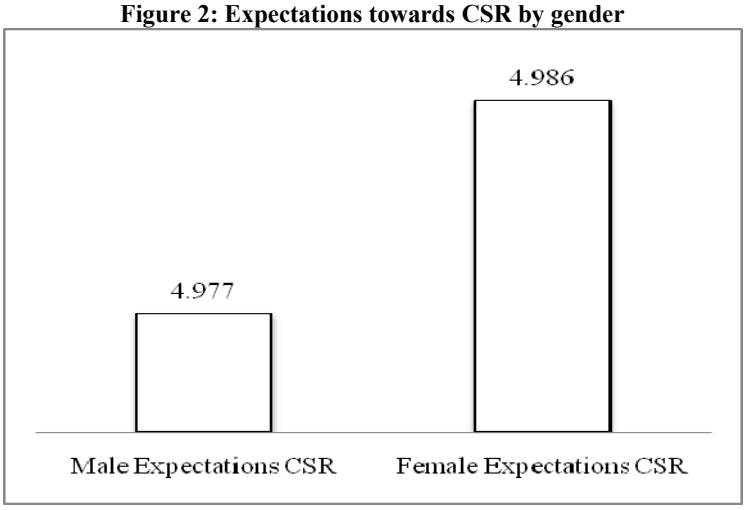
As for the respondents' general expectations towards the supermarket's social responsibility, the average mean was 4.98, which means that they have medium to high expectations towards the supermarket's CSR. This mean value partially confirms hypothesis number one, that customers expect supermarkets to have a socially responsible behaviour.

Table 2: Descriptive statistics of the CSR Expectations

Variable	N	Minimum	Maximum	Mean	Std. Deviation
CSR Expectations	150	3.73	6.45	4.9816	.56499
Valid N (listwise)	150				

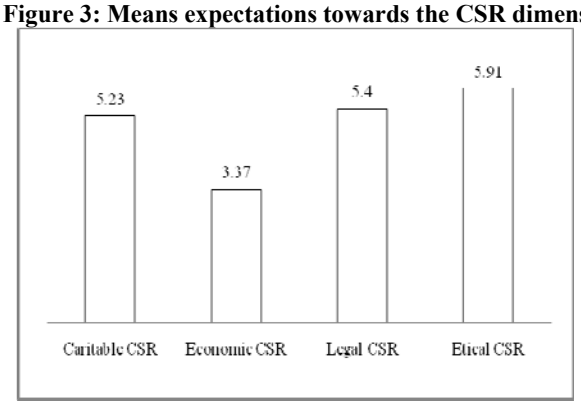
We have also analyzed the subject's expectations towards social responsibility by gender, in which we used the t test for independent samples. The result was $t(148) = 0.100$ for the $p>0.05$ statistical significance, which means that there is are no significant difference between male and female subjects regarding their expectations towards the supermarket's social responsibility.

Figure 2: Expectations towards CSR by gender



As a result of the last two analyses we can state that hypothesis number one is partially confirmed.

Figure 3: Means expectations towards the CSR dimensions



As for the means of the four CSR dimensions, the highest mean belongs to the ethical dimension (5.91), followed by the legal dimension (5.4) and the charitable dimension (5.23). The last one was the economic dimension with a mean value of 3.37, which means that the respondent's expectations towards it are not very high.

In order to observe if the differences between mean values by dimension are significant, we have used the t test for dependent samples.

Ethical dimension – Legal dimension

When comparing the two means, $t(149)=6.038$, for the $p<0.01$ statistical significance, which means that consumers have higher expectations towards the ethical dimension compared to the legal one, with statistically significant differences.

Table 3: Comparison between the etical and legal expectations

Dimension	Mean	T-test result	tatistical significance (p)
Ethic Expectations	5,91	6,038	0,000
Legal Expectations	5,40		

Legal dimension – Charitable dimension

When comparing the two means, $t(149) = 1.538$ for the $p>0.05$ statistical significance, which means that there is no statistical difference between expectations towards the two dimensions.

Table 4: Comparison between the caritable and legal expectations

Dimension	Mean	T-test result	tatistical significance (p)
Charitable Expectations	5,23	1,538	0,126
Legal Expectations	5,40		

Charitable dimension – Economic dimension

When comparing the two means, $t(149)=12.424$, for the $p<0.01$ statistical significance, which means that consumers have higher expectations towards the charitable dimension, in comparison to the economical one, with statistical significant differences.

Table 5: Comparison between the caritable and economic expectations

Dimension	Mean	T-test result	Statistical significance (p)
Charitable Expectations	5,23	12,424	0,000
Economic Expectations	3,37		

As a result of the analyses we can state that hypothesis number two is confirmed and that the customer's expectations are different when it comes to the four CSR dimensions: (a) economical, (b) legal, (c) ethical and (d) charitable/philanthropic.

In order to see if there is a correlation between the consumer's expectations towards the legal, ethical and charitable dimensions and the support for socially responsible supermarkets, we have conducted a correlation test.

We have obtained an $r=0.395$ correlation coefficient, for the $p<0.01$ statistical significance, which means that there is a connection between the customer's expectations towards the three dimensions and supporting the companies (the higher the expectations, the higher the probability that companies will be supported). The degree of relationship is positive, the correlation value is between 0.30 and 0.50 and the relationship is medium.

This test confirms that hypothesis number three is confirmed and that the consumer's high expectations towards the legal, ethical and charitable/philanthropic dimensions are positively linked to supporting the supermarkets that behave in a socially responsible manner.

Table 6: Correlation between the legal, etical& caritable expectations and the intention to support the socially responsible supermarkets

		Intention to support	Expectations towards legal, ethical & charitable dimensions
Intention to support	Pearson Correlation	1	.395**
	Sig. (2-tailed)		.000
	N	150	150
Expectations towards legal, ethical & charitable dimensions	Pearson Correlation	.395**	1
	Sig. (2-tailed)	.000	
	N	150	150

**. Correlation is significant at the 0.01 level (2-tailed).

In order to measure the relationship between the higher expectations towards the economic dimension of CSR and the support for the company's responsible behaviour, we have conducted a correlation test.

We have obtained an r = 0.131 correlation coefficient, for the p > 0.05 statistical significance, which means that there is no correlation between the two variables.

The results of this test infirm hypothesis number four, with no connection between expectations towards the economic dimension and the support for supermarkets that behave in a sociable responsible manner.

Table 7: Correlation between the economic expectations and the intention to support the socially responsible supermarkets

		Intention to support	Economic expectations
Intention to support	Pearson Correlation	1	-.131
	Sig. (2-tailed)		.109
	N	150	150
Economic expectations	Pearson Correlation	-.131	1
	Sig. (2-tailed)	.109	
	N	150	150

5. Conclusions and future research

Our results offer an insight into how the CSR consumers` expectations are relatedwith the intention to support the socially responsible behavior of companies.

The findings underline that it is potentially fruitful for the companies to become socially responsible and that the marketers should really think into incorporating CSR in the company's marketing communication and objectives.

The empirical findings suggest that consumers have great expectations especially regarding the ethical and legal dimensions of CSR. Fulfilling these expectations is a way for companies to do well by doing good. The studies' findings can also have an important significance for the corporate communication specialists.

The economic dimension seems to be less important (mean score below3.5), which implies that cultural differences among stakeholders from different countries exist (Katz et al., 2001; Maignan, 2001). Similar to the studies in Germany, France and Slovenia (Maignan, 2001, Podnad & Golob, 2007), our results suggest that the Iași respondents established a distinction between economic and other types of responsibilities.

Our study also had some limitations. First of all, the study has only been applied on consumers from Iasi.

Future research could examine the consumers` expectations from all over the country and not only Iasi and not only towards the supermarketsbut towards companies in general.

Future research could also examine the links between the expectations towards CSR, attitudes towards socially responsible companies and the intention to support the socially responsible companies.

Future research can also be carried out regarding the customers' behavior towards the socially responsible companies, and the way that information about the company's CSR activities influences the customers' attitudes.

Amongst the most interresting finds, we can mention the fact that people have different expectations regarding the four CSR dimensions and that they have the highest expectations towards the ethic (5.91) and the legal (5.4) dimensions.

6. Acknowledgements

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MANAGEMENT STRATEGIES FOR SUSTAINABLE DEVELOPMENT OF NATURAL AND ANTHROPIC ECOSYSTEMS

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Abstract: *This paper aims to highlight the importance of conserving natural resources in order to maintain a sustainable socio-economic development. In this respect, we tried a theoretical approach on how to keep a balance between economic activities and natural capital protection. To clarify these issues, this paper presents the economic importance of natural resources and their sustainable strategies use. Even if a series of approaches were already made for designing strategies, an important part remained only in the concept level. In this context, we focused on methods of implementing of the economic sustainability principles. Our studies have led to an understanding about the importance of improving technologies used in the economic sector, by their appropriateness to the needs of contemporary society.*

Key words: *Sustainability, ecosystems, natural resources.*

JEL classification: Q_{01}, Q_{23}, Q_{27}, Q_{28}, Q_{34}

1. Introduction

To keep welfare, which it acquired in recent decades, human society is forced to change their attitude towards exploitation. Without prompt and immediate operation, humanity could produce an ecological crisis, with direct repercussions on the economic field. In this context, Mulder (2007) considers that improving current technologies will underpin the process of changing industrial society. Applying the concept of sustainability requires both an economic sector development and developing methods to protect natural capital. Natural capital through its components is used as support for economic activities.

Sustainability was defined by the World Commission on Environment and Development (WCED) as: "Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs". To those events, held in the year following the accident at Cernobyl (1987) followed a series of conferences that were aimed to find a balance between socio-economic development and natural resource conservation.

To obtain goods and services necessary for its development, human society still creates many imbalances in natural ecosystems. Orecchini (2007) argues that today humanity is challenged to develop her economic activity on principle “closed circle” that refers to consumption the resources in sustainable way. As an overall reduction in resource exploitation can not be considered sustainable, we must find ways to recycle waste from the processing resources.

Cabezas, Pawlowski, Mayer and Hoagland (2005) show that human society, through its policies should promote the importance of natural systems, importance that lies in its ecosystems, biogeochemical cycles and biodiversity.

The aim of this paper consists in arguing the need for new strategies of natural ecosystems management in order to ensure sustainable economic development. In this paper are presented both the negative impact of human activities on natural systems and the strategies for sustainable exploitation.

2. Mountain ecosystems: base systems of socio-economic development

Mountains have many resources that can be economically recovered. These include: minerals, forests and pastures. Floristic diversity of landscapes gives them a great tourist value. Also, mountain ecosystems have major sources of water and energy. Mountain territories are a framework for agricultural activities: 20% of EU farmland is located in mountain areas (Dax, 2002).

Forests represent a part of natural capital for economic activities and play an important role in maintaining the balance of mountain ecosystems. The wood that results from the forest exploitation is processed into different products such as paper, furniture fuel (Atta-Krahk and Tang Ya, 2000).

The first conference of mountain forests, held in Strasbourg (1990) was entitled “Protection of Forests in Europe” and its main purpose was about forest management adaptation strategies in current

environmental conditions. Following the conference discussions, we can observe that the participants had been recognized both the importance of socioeconomic mountain forests and its role in protecting human society (Jeanrenaud, 2001).

Among conifers, pine species have a particular importance which lies both in the economic value of pine wood and the wide variety of genre. The large number of species allows the existence of the genre in different environmental conditions, which leads to a large amount of wood raw material, regardless of the habitat in which species exist. Pine wood has the advantage of being able to be used for a wide range of services. For example, *Pinus pinaster* is used to obtain resins. They are an important resource, having a significant impact on the economy of the southern United States., Northern Italy and the Mediterranean basin, in Eastern and Southern Asia (Koleos, 2007).

Mountain lands are used mainly in agriculture and forestry. These sectors offer many goods and services which are essential for maintenance of life quality (Dax, 2002).

Environment offers many benefits derived from tourism activities. Tourism is regarded as the largest branch of the economy which is widely practice. McMinn (1997) believes that one employee from nine works in tourism. This area provides about 6% of gross income of various countries; percentage varies depending on the economic development and the tourism potential of that nation. In countries that are less developed, tourism has proven to be a real solution to social and economic problems.

3. The impact of human activities on natural ecosystems

When natural resources are irrational exploited, economic sector development is unsustainable. The human society consumes resources which is unable to produce with a rate that does not allow the environment to recover.

Pressure of human activities on the environment is reflected in global issues such as greenhouse effect, ozone layer degradation and biodiversity loss. For the co-existence of the natural sector with the economic one it requires that the environment created by anthropogenic human activities to complement the natural one. Anthropogenic activities that underpin economic development sometimes exceed the limit of endurance of the natural. When this happens, the phenomenon of pollution occurs and affects the natural environment. To illustrate the human impact on natural resources, Ehrlich and Holdren (1972) described the following equation:

$I = P \cdot A \cdot T$ (Equation 1)

I - Environmental impact.

P – Population.

A - Affluence (consumption of services and products per capita).

T- Technology, (environmental burden per product or service unit).

Since the expected exponential growth of the population, according to Ehrlich and Holdren's equation, the environmental impact will be increasingly more.

To keep a balance, variables A and T must decrease, or at least one fall and the other remains constant. As the trend towards, consumption can not be reduced and it will grow with increasing population. So, the ecological balance depends directly of improved technology.

While the industries development increased the atmospheric concentration of volatile organic compounds increased to. Due to the volatile property and currents of air, compounds do not remain in areas where they were launched, but are transported long distances causing global environmental problems (Omer, 2008).

Mountain ecosystems are one of the most fragile systems, upon them are acting a big number of disturbing factors. Uncontrolled tourism, forestry and mining, diversion of watercourses and biodiversity loss are just some examples of human activities that result in reduction of mountain resources and disrupt the balance of forest ecosystems. For the most part, these activities are designed to provide goods and services to human society, but not without a major impact on the environment and consequently human in health. Studies by Szaro et al., (2002) showed that a big part of the Carpathian forests are affected by high levels of tropospheric ozone. Depending on the period in which it acts, the tropospheric ozone produces various physiological abnormalities on plants.

Even if the importance of economic, social and cultural biodiversity is recognized, it diminishes increasingly due to human activities which are not based on the principle of sustainability.

One of the major mistakes of society is made when is not taken into account the importance of all natural systems. Terra is a system whose components (subsystems) are interdependent connected. Certain

subsystems of the ecosphere are not particularly important in economically. This approach can be viewed in two ways:

- The impact of human activities directly or indirectly affects all natural ecosystems. Ex: Although most industrial activities are not carried in the high-mountains or in areas of Antarctica air pollution effects are felt in these regions because of the mass movement of air.
- On the other hand, any change in the balance of an ecosystem will affect the proper functioning of the other to an extent which depends on the relationship that exists between them.

Tourism, like any other economic sector tends to degrade the environment through its actions. For example, a hotel building may affect the proper functioning of the ecosystem in which it is located by: downstream water pollution, destruction of vegetation, habitat destruction of species. Moreover, McMinn (1997) shows that the environmental impact tends to be even higher if investors are not residents.

4. Protection of natural resources-vector of sustainable development

In recent decades increased interest in the environment was evidenced by the existence of numerous events which were interested in sustainable economic development:

The first conference was held in Stockholm in 1972 and the theme was about relation between environment protection and economic development. There was recognized the economic impact of natural ecosystems. The concept of sustainable development was very well set out in Principle 13: n order to achieve a more rational management of resources and thus to improve the environment, States should adopt an integrated and coordinated approach to their development planning so as to ensure that development is compatible with the need to protect and improve environment for the benefit of their population.

In 1983, he attended Stockholm‘s second conference, which resulted with the establishment of the World Commission on Environment and Development (WCED). The year 1987 marked the development of Brundtland Report by WECD. In this report, sustainable development was defined as “the development that meets the needs of present generation without compromising the ability of future generations to meet their own needs" (WCED, 1987).

In Rio de Janeiro year 1992 was held the United Nations Conference on Environment and Development. Following the discussions taken by the 115 participants was officially recognized the need for environmental protection in conjunction with economic development.

United Nations Summit on Sustainable Development (2002) brought together 104 countries and deepened the concept of sustainable development.

As a result of these events, more than 300 programs have been implemented worldwide in order to protect biodiversity, river basins, carbon capture and landscapes.

Despite all the steps taken to develop the principles of sustainable development, governments still face many problems of implementation.

ONU’s Convention since 2000 for the Conservation of Biodiversity proposed the reduction of species extinction. In 2010, it was found that this goal was not reached. Moreover, the Organization for Economic Cooperation and Development (OECD) argues that without a continuing effort to conserve biodiversity, it will continue to decline (OECD, 2010).

Regarding the protection of mountain areas, there have been many studies aimed to clarify the economic importance of natural ecosystems, especially of the mountains becaouse of their resources.

Engau and Hoffmann (2011) show in the paper entitled: *Corporate response strategies to regulatory uncertainty: evidence from uncertainty about post-Kyoto regulation*, the growing involvement of the governments, in recent decades, in economic activities in the imposition of environmental regulations. A number of authors support the idea of setting international standards for the protection of natural capital, giving them both the need for this action and its implementation difficulty (Lave, 1988, Faucheux and Froger 1995, Taru and Polasky 2005).

The real challenge is represented by the practical application of principles developed in the conferences mentioned above. Real progress will be in the creation of technologies that truly support sustainable development. Not to belittle the importance of public debate on sustainability, Sikdar (2000) presents the main issues arising in its implementation: Although policy frameworks have shown willingness to implement some measures that combat pollution and exploitation of resources, it is limited lack of appropriate technologies.

5. Management improvement of natural ecosystems

The negative impact of economic activities on natural ecosystems forces businesses to change their management strategies and include in their plans appropriate means for preserving the environment. Any economic activity that brings harm to the environment should be changed, or if this is not possible, it should be replaced by a sustainable one. Chapter 3 will present solutions that bring researchers from various fields of conservation and environmental protection in the context of economic development.

A growing number of European countries show their interest in the sustainable development of natural ecosystems. To achieve this, governments allocate large sums for both conservation and restoration of natural areas. Regarding measures to increase the economic potential of agricultural regions and biodiversity conservation, Dietschi, Holderegger, Schmidt and Linder (2007) suggest their classification as follows:

- Switch, on the same region, an intensive management with an extensive one;
- Use organic fertilizer types at the expense of the chemical;
- Adaptation of traditional management principles to current socio-economic requirements;
- Encourage farmers to financial management and exploitation of the temperate grasslands.

Biodiversity, represented by the abundance of species in different ecosystems, has aroused in the latest recent years the interest of businessmen. Thus, there was a change of management strategies that allowed the exploitation of biodiversity as a source of raw materials and developing new technologies. In this respect they have developed new technology based practices in their processes using living organisms (mainly bacteria and microscopic fungi) or certain components (e.g. tissues, cells, etc.). Applicability of these types of technologies is quite extensive with many economic benefits.

Human society can improve the way they manage their resources. There are no losses in nature caused by unused products. What is waste for one body represents an energy source to another. Based on this principle, also us, the human species, we can use waste from a economic sector, as a source of energy for other economic sectors. In this context, Stabnikova, Wang Ding and Tay (2005) noted that in Singapore, the annual food waste was about one million tons, reorienting the only one 1%. Due to its high in nutrients, food waste can be reused successfully in various fields, such as in agriculture, in the form of compost. By applying these biotechnologies, an opened cycle of resources is switching to closed one. The first cycle is still used frequently and consists mostly of: resources exploitation, consumption and waste. This model can not be used for a long time because of the resource depletion and waste accumulation. The second cycle is based on a model which, after the operation and use of resources, the products obtained are reused and so the *cycle closes* (Orecchini, 2007).

Current technologies improvement is urgently required in the process of sustainability. Mulder (2007) describes six types of environmental technologies.

1. Pre-industrial technologies;
2. Classic environmental technologies that are designed to prevent the pollution effects;
3. "Good Housekeeping" technologies, to reduce pollution;
4. "End-of-pipe technologies". avoid excess consumption of natural resources;
5. Technologies to prevent hazards caused by pollution;
6. Sustainable technologies.
7.

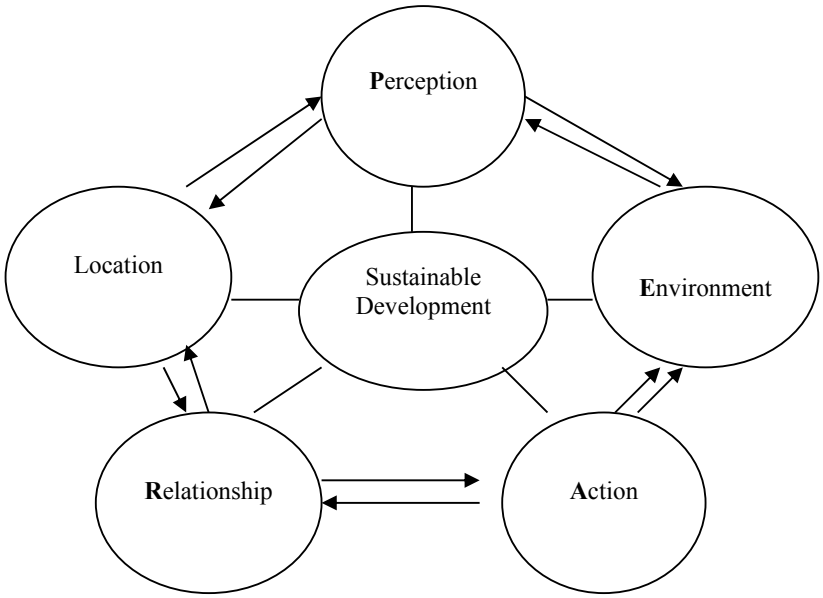
Recognizing the importance of biodiversity for business, Houdet, Trommetter and Weber (2012) support the development of a relationship between the economic and ecological field which is more than just a compromise. In order to most effectively use of resources, they suggest combining the strategies outlined in the "Polluter Pays" principle, with those of the "Beneficiary Pays" principle. Thus, the polluter, the economic operator turns into gainer of natural systems benefits.

As pointed out above, tourism is an important sector of the economy with its numerous benefits. Since in most cases, economic benefits also bring environmental damage, tourism is not an exception. McMinn (1997) proposed that the local characteristics of the areas in which they are carried out, as would long-term benefits for both tourism and the environment.

Bilgin (2009) offers a comprehensive approach to sustainable development in his work entitled "The PEARL Model of Sustainable Development". It describes a model of sustainable development

based on the relationships established between: Perception, Environment, Action, Relationship and Location.

Figure. 1. The PEARL Model of Sustainable Development



Source: (Bilgin (2009), The PEARL Model of Sustainable Development, Soc Indic Res, DOI 10.1007/s11205-011-9824-7, p.2.)

The patent proposed by Bilgin shows how ecological, social, political and cultural capitals are closely related with the functions of perception, environment, operation, collaboration and location. He manages to illustrate very well the whole assembly of processes and components involved in shaping the sustainable development. Thus, following Fig. Two it can be observed, indirectly, the interdependencies between the actions of human society and natural ecosystems.

6. Conclusions

Sustainable development involves the exercise of economic activities correlation to the protection and improvement of the environment where these activities take place.

Beyond the ideological arguments brought to keep a clean environment, where we can carry out our recreational activities, natural environment is a support material for any socio-economic activity. Thus, the adoption of conservation and protection measurements of natural ecosystems should not remain in the concept zone, supported only by some environmental organizations. We directly depend to these planet resources and we urgently need the involvement of economic sector by keeping its good features.

Mountain ecosystem, as a subsystem of the natural environment, is one of the most important media for development of economic activities. Even if some of these activities don't take place in mountain areas, they are recognized as a source of raw materials for a wide range of services. The sustainable development of the current economy requires the proposal and a implementation of some management strategies of mountain ecosystems. It is imperative that these strategies also consider ways to conserve natural resources found in the mountains. Therefore, it requires a management activity focused on the socio-economic development and protection of mountain resources.

For a long-term operation of the global economy is necessary to focus all the attention on protecting the natural environment, without discriminating against one of them. Current economic policies tend to pay more attention to those areas that provide a direct and immediate profit. However it seems this strategy argued, should be understood that there is interdependence between natural systems. This interrelation makes a system status operational to influence the operation of all other systems.

To achieve sustainable development objectives, working with professionals in various fields is required. The large number of economic, ecological, statistical, political studies may not be used because of insufficient cooperation. Implementation of measures to protect the environment and economic development is a responsibility of both ecologists and specialists in economic fields.

As a final conclusion, we believe that applying a global eco-economy would benefit both the environment and economic activities.

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A HEDONISTIC APPROACH TO CONSUMER BEHAVIOR DURING THE ECONOMIC CRISIS

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Abstract: *The article aims to study the hedonic consumption by taking a deeper understanding of how consumers choice and emotions have been affected by the economic crisis. The research goals are to identify the main factors that influenced the consumer´s purchases (price, income, sales and promotions). As expected the results showed that the economic crisis affected the level of pleasure felt when buying and the budget for shopping. Also the consumer becomes more sensitive to the products prices, sales and promotions.*
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Key words: hedonism; pleasure; consumer behavior; economic crisis; price

JEL classification: M 31, G 01

1. Introduction

At the end of 2007 the economic crisis started to be felt in U.S. and it was spreading all around the globe. The implications of the global economic crisis adversely affected the socioeconomic conditions of almost all countries in the world, but in varying degrees (Porfir'ev, 2010).

2008 represented the year when the economic crisis begun in Romania. This period can be characterized as being full of uncertainty, frustrations and vulnerability. Romanian consumers were more affected than previously thought. Initially, the European crisis was seen from afar, then was taken seriously after economic indicators also fell and media showed the first negative effects on economy.

The economies of the most important states from European Union where at risk (Germany, England, Norway) and so Romania. The consumer was affected by the crisis in two ways: psychological an financial. In those previous economic periods, the effect of income on well-being was actually quite strong among those who make less money, because within these people, differences in income translate into differences in how well basic needs are met. Once enough money is earned to meet basic needs, money in relation to happiness is a very personal equation. If money is what you value, then money, indeed, will make you happy. After the basic needs were satisfied the effect of income on personal happiness diminishes (Popa, 2011).

Ben-Shahar (2007) defined happiness as the experience of a combination of pleasure and meaning. Pleasure is the feelling of positive emotions and meaning entails a sense of purpose or a sense of fulfillment in life. Both are essential for happiness: seeking pleasure without a sense of purpose is hedonism and the pleasure gained in this manner may be ephemeral; for pleasure to last long, it should be derived and sought in the context of meaning. On the other hand, the pursuit of a purpose in life should be accompanied by pleasure, for pleasure, the author avers, is a precondition of a meaningful life (Wu, 2010).

Consumer behavior was modified by the lower yearnings, all of this lead to lower default value shopping. From a psychological view, the economic crisis lead to lower consumption of momentum, so consumption is associated with emotional gratification such as sensory pleasure,

aesthetic beauty or mental arousal, this took place when the pleasure is not a primary motivation for consumption (Iliescu&Petre, 2004, p. 114).

Research made by Dichter (1960) are perhaps the first under (Vigneron and Johnson, 1999) have advanced the hypothesis that consumer choices are influenced by non-cognitive reasons, irrational and unconscious. And, indeed, there are a number of products or services whose value is more emotional than their functional utility.

This paper starts with a discussion of the theoretical background of the hedonism in the section 1, then continues with a short description of the perspectives motivational hedonism and the emotional factors that leads to pleasure.

2. Literature review

The origin of the word „hedonism'' comes from the Greek word *hedon* which literally means pleasure or delight (O'Shaughnessy et al., 2002). Since the ancient time of hedonism was considered to be fundamental psychological idea then were guided both wise and ordinary people in their lives, their goal is pursuit of pleasure and well-being.

O'Shaughnessy defines hedonism as a concept that focuses on gaining pleasure and consider it fundamental to human life. As the few critics think, hedonism is something that victimizes consumers, so that they are forced to consume, and realizing that even this can lead to consequences that changes the psychological state of mind and their financial way of spending money. They say that today creates a new marketing concept called, hedonic consumerism, which undermines the ethical values, traditional prevalent in this society (hedonism in the context of purchase).

The period between 1960s and 1980s, was prosperous for consumer behavior research that had as its main purpose the consumer decision-making. Product acquisition was seen as an activity that passed through moving consumer stages: problem recognition, information search, evaluation of alternatives, selection and evaluation after purchase. Stages of decision making processes was seen as a utility or cognitive behavior of consumers.

After 1980, researchers have found that the emotional aspects of the acquisition process weren't studied in a thorough way, such as emotional part of the acquisition. Then he felt the need to emphasize the feelings and emotions consumer analysis, profound in terms of hedonic analysis (non-cognitive).

In acceptance of F. Fenouillet (2012) the motivational hedonism has four perspectives: hedonism of instinct, lack of arousal hedonism, hedonism as finding an optimum, hedonism as satisfaction to psychological needs. On an eudaimonic view, hedonism of impulse is much closer to the psychological needs related to impulse buying. The feeling of satisfaction is directly related to the hedonism impulsive. This mean that the society drives the consumer to buy products but given the importance of emotional state, the individual most of the time takes in consideration the emotions felt at the moment and lose sight of utility products he buys. One of the main effects of the crisis was that the consumer encountered difficulties in maintaining the same purchasing preferences.

According to the Maslow´s hierarchy, the new needs come when the previous ones are fulfilled. Once the physiological needs (i.e. food, water, sleep) have been satisfied, individuals turn their needs to the fulfilment of more advanced psychogenic requirements such as social acceptance and self-esteem (Engel et al., 1995).Most of our needs are not planed more over we buy products by instinctively. The purchase decision factor had greater emotional impact than the utilitarian factors. Most of the times the product creates a subjective substitute to its key features.

Consumption of different classes of products generates emotional arousal levels, and these depend the emotional desire to consume resources of the buyer. During the crisis consumers took some of his decisions and the consumer emotionally, although the price factor had a greater impact. Emotional factor was treated more research done by Babin, Darden and

Griffin (1994) and in other similar research that has been drawn that consumers may be portrayed as intellectual and emotional entities in a frame shopping. In consumer behavior can be observed by a predilection needs, both emotional and utilities. The hedonic consumer is influenced by the emotional value of the product and the acquisition represents for himself satisfying the need of self-esteem.

Consumers between the years 2008-2011, have become more likely to buy products and services that are strictly needed. If by that time (2008), products were purchased by an hedonic impulse and rewarding satisfaction of consumer desires, after the gauge year, the consumer has become more sensitive (self-conscious) about the things that brought them pleasure before. The financial stability period represented for the consumers a psychological state of security. In this instance, the consumer was influenced and the susceptibility to make decisions on impulse was shown by an investigation of Eun, Eun and Judith (2006), who demonstrated that the hedonic consumption has a significant link positive emotions of buyers.

The Maslow´s model had some changes regarding the needs and values, those become increasingly important to consumers during economic downturns; the hierarchical sense wasn't affected so much or in determining what level an individual or society has reached in fulfilling a certain level of needs. The self-esteem, respect of others and confidence become more important as personal assets than the friendship and family.

In the past, impulse buying was seen as a irrational consumer behavior. Rational economic behavior of a person may sometimes differentiated features such as consumer spontaneity. Style of a consumer purchase can be considered as impulsive. Impulse buying has been described as an unplanned purchase behaviour characterized by the sudden, powerful and often persistent, urge to purchase that is initiated spontaneously upon confrontation with a particular item, and accompanied by feelings of pleasure and excitement (Rook, 1987). Impulse purchases also entail a sudden mental match between the meaning of a product and consumer's self-concept (Arnould, Prince, Zinkhan, 2002, p. 349).

Impulse purchase distinguishes from other forms through mindless, habit and time-pressured purchases. At some point consumer may engage to make impulse buying and this type of buying is related to different characteristics of the products, consumer's culture and emotional factors.

The implications of buying are various, but when speaking about impulse buying there is a direction to take decisions based on the present emotions and the tendency of fulfilling imagined future needs. This may be sometimes become a problem because after acquiring the product there are two intense emotions of satisfaction and guilt. Based on observation made by other researchers the consumers could buy particular stuff despite awareness that they did not consider it appropriate and may later regret this experience and feel guilty.

The state of the person is given on income but also by the attitude, if it is to take psychologically. Consumer attitude puts happiness in things that are missing. After purchasing the desired product, consumer attitude changes, the pleasure is short lived, and is limited. We believe that limiting the pleasure is on the emotional value of the product, this emotion. As the product value is higher or the product has great significance for us both pleasure will be greater. On the other hand, we see that the product will determine the price lower and lower hedonic while, so pleasure is fleeting, and in terms of hedonic happiness will be limited in time.

Hedonism is actually given by our positive attitude to life and *t*urns largely on other attitudes that we can cultivate: self-respect and self-esteem, hope and optimism for a brighter future, gratitude for what we have received, humility in our expectations, relinquishing painful regret.(Mike W. Martin 2008).

Most times consumers after a hedonic purchase they needed a justification. People think the reasons for choice. Although it is difficult to imagine why getting things / objects become primary hedonic (feels good), because their benefits are very diffuse and difficult to identify. In addition hedonic alternatives often go beyond their need. Thus they are seen as a loss and their

acquisition or use is associated with luxury, indulgent (Indulgence) or guilt (Guilt). (EG, (Kivetz and Simonson 2002) (Prelec and Loewenstein, 1998)). Low prices may also further enable them to experience greater hedonic benefits of shopping (Jin, Sternquist, and Koh 2003).
Studies made on impulse purchase showed that the process of buying implies the happiness feeling it is determined by the action of purchasing a product with money. People who have money are considered to be happy if they are part of a group in which revenues are average, but the same can be said if it is part of a high-income group (high and very high income).Happiness in consumption can be divided into two categories: absolute and relative. Happiness in consumption depends on whether goods are inherent inherently evaluable or veiled. Happiness, taking a particular case of assets that depend on absolute desire, while desire happiness depends on relative property surrounds (Nicolao, Irwin and Goodman, 2009).

In other words, human happiness is on the goods of value, but also can be happy and things that are desired by society. Because humans are social beings, the desire to fit in a group is so large that buying products and things to feel belonging to the group. You can see that most times to be a friend or wish to have aspirations to fit in a group but have the same desires as those who are already, they will buy the product though it does not mean they will become more happy.

The same thing happens when the object / product desired, coveted is purchased but once the consumer gets used to it becomes an object reference that later become part of you, reflecting your image actually. Perceptual, good things become less in the same shape over time, even if objectively speaking, the object does not change (the object did not intervene, changed). The authors, Nicolao, Irwin and Goodman asked whether this notion of the 'hedonic treadmill' might cause people to be happy with less material purchases rather than hedonic purchases.

3. Methodology

In this research we used in the questionnaire the Likert scale in order to validate some of statements that we made regarding to the pleasure that the consumers felt when they bought products in the crisis period 2008-2011. We focused on the main factors that are influencing the hedonic pleasure when buying: economic crisis, impuls, emotions of buying and we focused on the reactions to a five-point scale ranging from strongly disagree strongly to strongly agree.
We conducted an exploratory study and applied the snowball method. The questionnaire was posted on a online platform. There were 121 completed questionnaires and 65 % of them where females and 35% males. Most of the people that completed the questionnaire where from Bucharest (92%) and the rest from other counties. The people that participated on the study had their age between 20 and 40 years old and over 75% of them had an university degree.

The purpose of the research was to measure customer hedonic satisfaction in the acquisition and influences bof the emotional factor and economic crisis. As the crisis started to be more obvious the consumer`s choices become more difficult to make. The pleasure of buying started to be affected by the crisis and the trend changed from buying into saving. The satisfaction perceived after buying was lower because the consumer was invaded by the feeling of guilt instead of pleasure, like before the crisis. We made the first hypothesis as the following:

H1: Satisfaction of buying a product, during the crisis, was lower than today.
During the crisis consumer took some of his decisions emotionally, although the price factor had a greater impact. Emotional factor was treated more in the research done by Babin, Darden and Griffin (1994). Studies made by Deaton showed that the consumer factors like unemployment and income had a great influence on the decreasing feeling of happiness. Other research made by the same author showed that enjoyment is actually higher, and happiness and smiling are exactly the same at the end of 2010 as they were at the beginning of 2008 when the crisis was affecting all the majors economic sectors (Deaton, 2011).

Satisfaction and the pleasure when buying diminished in the crucial period of the crisis and when the prices grown.The consumers couldn't afford the same products as before so they had to give up to some pleasures more expensive in terms of financial.
As we saw below the satisfaction lowered during the crisis. An important factor that affected the consumer was the income and the price of the products. Consumers made their choices more conscious, the quantity and quality, sometimes diminished as well because of the available money to spend. So we set the second hypothesis:

H2: The hedonic purchases are influenced by the sum of money available to spend
One important result of research on the role of price in influencing consumers' perceptions and purchase behaviors is the recognition that price plays a dual role in the way it influences consumer behavior (Lichtenstein, Ridgway, and Netemeyer 1993; Monroe 2003). In the traditional economic sense, price indicates the amount of money that buyers must give up to acquire the specific product or service. If it serves as an indicator of monetary sacrifice, price is playing a negative role. As the price increases the consumer belives that also the gaining increases and at the same time the pleasure for buying in high. The higher the price the greater the pleasure felt but the amount available for shopping. Many of us believe that money is a solution to existing problems, but really just feeding money to hedonic treadmill, the more we buy more so we want more (Brickman et al., 1971). Insofar as money is pursued in the belief it will make us happy, the paradox of money is a special instance of the paradox of getting. But it stands on its on in challenging our tendency to regard money as the solution to all our problems. If we take into account the monetary value we could say that happiness is and is not on money.But the existence of money creates the opportunity to buy products that leads us to feel pleasure. The paradox of money does not buy or bring happiness, but is only an illusion.(Martin, 2008)
In the third hypothesis we observed the consumer as he passed the period crisis, 2008-2011, as following:

H3: Hedonic buyers where more sensitive to the sales and promotions in the period of crisis
Transaction value refers to the psychological satisfaction or pleasure obtained from taking advantage of the financial terms of a deal (Grewal, Monroe, and Krishnan 1998). We propose that buyers will perceive greater transaction value from obtaining a good deal on their purchase in comparison with ordinary buyers. Because of economic crisis some consumers have the tendency to respond to sales and promotions and obtaining a good deal should be important to them. Buyers experience a "high" feeling of pleasure when buying. Bargains can provide increased sensory involvement and excitament among consumers (Babin, 1994).
Obtaining a good financial deal may even heighten this "high". Another reason is that a good financial deal can provide buyers an excuse to buy, allowing them to quickly satisfy their urge to buy, while at the same time reducing the strong feelings of guilt that are often experienced after purchases (Faber and O'Guinn 1992). The value of completing the transaction should be greater for buyers as their focus is pleasure (Monroe, 2012).
The forth hypothesis focuses on the hedonic pleasure obtained when buying products and they are influenced by price as the main factor.

H4: In the crisis period, the hedonic consumers bought products influenced by the price
The consumers tend to engage in higher levels of price comparisons than less price conscious consumers (Alford and Biswas 2002). Low prices may also further enable them to experience greater benefits of shopping (Jin, Sternquist, and Koh, 2003).
Some consumers however, may feel an added pressure to save money during an economic downturn, thus switching to lower priced food items. In Engel research, some participants felt better buying cheaper priced food items in order to save additional money, whereas some of the

other participants felt that the quality of a food related product was more important than the price, in downturns. Therefore one can argue that some consumers are motivated to buy cheaper alternatives when it comes to essentials such as food items, in order to save money during economic downturns, whereas others will not forgo the perceived quality in switching to lower-priced alternatives, even when they are additionally price sensitive (Engel et al, 1995).

4. Analysis and results

The article aims to contribute to existing literature on consumer behaviour, by taking a deeper understanding of how consumers choice and emotions have been affected by the economic crisis. Consumption generally depends on consumers having disposable income, feeling confident about their future, trusting in the economy and embracing values that encourage consumption (Quelch et al, 2009). With the wave of bad economic and financial news that has been at the forefront of world media since 2008, consumer confidence and buying power has experienced a steep decline; driving consumers to adjust the way they consume in fundamental and perhaps even permanent ways (Quelch et al, 2009 and Fiona Ruxton, 2010).

The hedonic feeling when buying had suffered a lot because the primary focus of the consumer is to ensure subsistence and then to fulfill other hedonic desires.

In this recession period (2008-2011) we observed that the consumer is influenced in a high rate by a list of shopping 25%, the income-53% and the quality of the product, 50%. A lower influence was felt on the impulse buying, 11% , the felt satisfaction before, and possession of a credit card.

The consumers often make decisions based on previous product purchases. This greatly influences his behavior on the shelves. Left by previous purchase satisfaction may result in the future to become true consumer product. The study also found that 19% of respondents were influenced to a large extent by the products previously purchased and only 9% of them were influenced to a lesser extent. Another feature of previous purchase is that 13% of consumers were influenced by emotion felt before purchasing.

The state of pleasure that underlies a product´s choice by consumers is personal satisfaction. TheConsumer perception of personal satisfaction has a very high state of satisfaction, 44% of people said that buying products and satisfaction of pleasure is made to feel happy. Economic crisis has affected 6% of respondents to a greater extent and 37% in moderately / medium. They were most heavily affected by the crisis in 2009 to a heavily extent followed by 2010. After 2010 the economic crisis started to fade away and the shopping basket increased. Feeling of happiness is experienced in shopping by 26% of respondents, and spending money on products gives psychological comfort for 35% of respondents (they agree with this statement) and only 8% chose a scale from 1 to 5 strongly agree. Although the economic crisis has affected many sectors, most consumers were able to accomplish small pleasures, this segment was 46% of respondents (agree) and 19% (total agreement). 21% of respondents buy products without being planned, on impulse. An important factor is the income. Many of those who maintain their lifestyle as before the crisis have incomes over 3000 Ron, they mostly have completed some form of higher education - master. 74% of respondents said that with few exceptions, have maintained the same preferences, and purchase satisfaction was perceived as average. 30% of consumers said economic crisis has constrained their consumption decisions. Most of the respondents answered to the question: *How long will it take you to decide if a product goes in your shopping cart or not?*, that it takes between 2-5 minutes (49%). 37% of respondents affirmed they take between 0-1 minutes to decide whether to buy or not a product.

The consumers become less loyal to certain products, some of them affirmed that they remained loyal to a fewer brands.

In order to maintain their business the managers should work hard to sustain a long term strategy of improving their products, renew their actual brands and get rid of old brands that don`t make profit enough to stay on the market.

A future research could investigate more about the economic crisis and changes of consumer behavior between sexes and their choices. Another direction could be the effects of the global crisis on e-commerce market and how they overcome the loses of that period and their strategies regarding this area.

5. Conclusions

Through our research we observed that the consumers habits and reasons of buying have changed because of the level of income. During the crisis period the consumers goals took other directions like becoming aware of their usually consumption budget.

The pleasure achieved by spending money diminished, than it was before the crisis. Now, consumers have become more careful in their income distribution in terms of products they buy and reducing their budget meant loosing a part of their pleasures. For some of the consumers shifting from buying expensive goods to less expensive changed their motives of buying. this affected their personality and habits of purchase.

In a few years it´s expected that the consumers purchasing habits and pleasure purchasing may return to their usual way after the economic crisis. The recession changed their life style and habits in a good way, the consumer become more aware of the money spent.

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THE CHALLENGES AND BUSINESS POTENTIAL OF SOCIAL MEDIA AND THE TRANSFORMATION OF NOWADAYS CORPORATE COMMUNICATIONS

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Abstract: *Customers presently interact with companies in ways unimaginable even five years ago. The rapid growth of Social Media provides organizations with a great deal of information and yet, marketing practitioners seem to have a limited understanding of what Social Media exactly means, how it can be best used and quantified. This article intends to provide some clarification by describing the concept, and emphasize the difference from related concepts. We then provide a classification of Social Media which groups applications currently subsumed under the generalized term into more specific categories by characteristic.Finally, we present some pieces of advice for companies which decide to utilize Social Media.*

Key words: Social Media; User Generated Content; Web 2.0; Social networking sites; Virtual worlds

JEL classification: M 31

1. Introduction

As an effect of globalization, of the IT revolution, of all the changes of past decades, people's needs have evolved: the world went through industrial society, information society and now it tries to adapt to the knowledge society. Before, people were satisfied with just having information, now they want to actively participate in the creation, transmission and sharing of it. Taking into account the continuous increasing importance given to the Social Media, it is clear that it has become an important instrument in the marketing practice which will be included in the marketing communicational mix in the future from the standpoint of integrated marketing communication. For a company, a cause or a person to stay relevant and connected to its public and consumers, it is clear that the traditional media are no longer enough but should be used together with Social Media.

Armed with a range of new communication tools, customers interact with companies in ways unimaginable even five years ago. The rapid growth of these new communication channels, commonly referred to as Social Media, provides organizations a great deal of information, as consumers join and create online communities in increasing numbers. Not all feedback is positive, but the value that can be extracted from this communication has enormous potential. Companies that monitor and act on these findings see a unique opportunity to improve their business performance. This may mean changing the way products are developed and marketed. It could mean creating new interdepartmental efforts to ensure proper dissemination of opinions and information received from customers. These new information channels require a rethinking in the definition of customer value for the current top management of companies and finding suitable methods and tools for evaluating the effectiveness of their marketing efforts through social networks.

More than 82% of the Romanian Internet users own at least one account on a social network, according to socialnetworks.ro, an Evensys initiative. Also, Romania is among the top 10 countries worldwide as rate of increase in the number of Facebook users. Companies are becoming increasingly interested in communicating with target audiences through social networks, but this approach can be successful only in the context of a coherent strategic approach to marketing through social networks, closely followed by an analysis of relevant and accurate measurement of the efforts needed and the results generated in terms of business value for the company.

Historically, firms have been able to control the information available about them publicly only by strategically placed press releases and highly skilled public relations managers. Nowadays, however, they are left in the open as mere observers, not being able to control or alter what their consumers post or comment on their brands, products and services or employees. This might seem as a natural evolution if

we take into consideration that the Internet started out as a giant Bulletin Board System (BBS) that allowed users to exchange software, data, messages, and news with each other (Kaplan, Haenlein, 2010). The current trend toward Social Media can therefore be seen as an evolution back to the Internet's roots, since it retransforms the World Wide Web to what it was initially created for: a platform to facilitate information exchange between users. This does not mean that we are back to the same point, because the technological advancements of the last 20 years have fundamentally changed the face of the Web and now enable a form of virtual content sharing that is not only different but also more powerful than the BBS of the late 1970s.

This article brings forth the challenges and opportunities that emerge from this evolution for companies, and provides a framework to better understand the rapidly evolving field of Social Media. We begin by providing a definition and classification of Social Media by looking at their background, technical specificities, and differences from other concepts such as Web 2.0, Marketing 2.0 and User Generated Content. We then focus on six types of Social Media——collaborative projects, blogs, content communities, social networking sites, virtual game worlds, and virtual social worlds——and present ways in which companies can efficiently make use of these applications. Based on this analysis, we then derive a set of recommendations companies should follow when thinking about developing their own Social Media strategy, be it with respect to these aforementioned types or other applications which might emerge in the future.

2. Defining Social Media

Even if the term Social Media seems to be overused lately by both consumers and managers or academic researchers, we can still find confusion regarding to what exactly should be includedunder this term, and how Social Media differ fromthe seemingly-interchangeable related concepts ofWeb 2.0, Marketing 2.0 and User Generated Content. Thus, it is only natural to provide insight regarding the roots of Social Media and what they include.

According to Kaplan and Haenlein (2010), the era of Social Media as we understand it today probably started about 50 years ago, when Bruce and Susan Abelson founded "Open Diary", an early social networking site that brought together online diary writers into one community. The term "weblog" was first used around that same time, and truncated as "blog" a year later when one blogger jokingly transformed the noun "weblog" into the sentence "we blog". The popularity of the concept rose with the wider availability of high-speed Internet access, leading to the creation of social networking sites such as MySpace (in 2003) and Facebook (in 2004). These two social networking sites along with Twitter helped coin the term "Social Media" and had a great contribution to the prominence it has today. The most recent addition to this group have been the so-called "virtual worlds": computer-based simulated environments inhabited by three dimensional avatars. Perhaps the best known virtual world is that of Linden Lab's Second Life (Kaplan, Haenlein, 2009c).

In order to formally define Social Media we must first draw a line to two related concepts often used in conjunction with it: Web 2.0 and User Generated Concept. First officially used in 2004, Web 2.0 represents the collaborative and interactive revolution of the traditional World Wide Web, symbolically named Web 1.0, promoted as such by Tim O'Reilly through the first O'Reilly Media Web 2.0 conference in late 2004. This way, the content and information is no longer exclusively offered by mass media, governments and companies to the visitors but also by other users interconnected through informal networks on the Internet, who actively participate in the creation, transmission and sharing of information all over the globe (O'Reilly, 2005). This means that the World Wide Web has become more interactive than ever, each user being able to enrich, alter and share the information galore already present. Concrete examples of Web 2.0 usage are: Flickr, YouTube, File sharing sites, Social networking sites such as Facebook or Twitter, Recruiting sites like Ejobs.ro or BestJobs.ro, Blogs and Wikis.For the purpose of ourarticle, we consider Web 2.0 as the platform for theevolution of Social Media.

While Web 2.0 represents thetechnologicaland ideological foundation, User Generated Content (UGC) can be viewed as the sum of all the ways in whichpeople make use of Social Media. The term, whichachieved broad popularity in 2005, is used frequently to describe the various forms of media content thatare created by end-users and publicly available.According to the Organisation for Economic Cooperationand Development (OECD, 2007), UGCneeds to fulfil three basic requirements in order to be considered as such: first, it needs to bepublished either on a publicly accessible websiteor on a social networking site accessible to a selectedgroup of people; second, it needs to show acertain amount of creative effort; and finally, itneeds to have been created outside of professionalroutines and practices.

Sandy Carter (2008), Vice President of SOA (Service Oriented Architecture) and Marketing, Strategies and Web Channels at IBM and one of the most influential leaders in Social Business and Web 2.0 technology, explains on her blog how we should understand the Marketing 2.0 concept. She explains how the combination between conventional marketing instruments such as direct marketing, e-mail marketing or event marketing and the new Web 2.0 technology such as Twitter, blogs, Facebook, MySpace, RSS brings forth this powerful marketing prodigy that is Marketing 2.0. In brief, the evolution brought by the Marketing 2.0 model is that the emphasis is no longer on the one-to–many communication and discussions (basically a monologue, one way communication) but on creating a continuous dialogue, many-to-many (two-way communication) between the company and its clients, thus being in permanent connection with their preferences and interests in order to remain relevant on the market.

Bearing in mind the three concepts clarified above, we can give a more detailed definition of what we mean by Social Media. Simply put, Social Media implies the use of web and mobile technologies to transform "conventional" communication into an interactive dialogue. Andreas Kaplan and Michael Haenlein (2010) define Social Media as "a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchange of User Generated Content."

Anthony Mayfield (2008), Vice President and Headof Content & Media atiCrossing UK, explains in his book "What is Social Media?" that the best way to understand this concept is as a group of new kinds of online media, which share most or all of the following characteristics:

- *Participation* - social media encourages contributions and feedback from everyone who is interested. It blurs the line between media and audience.
- *Openness* - most social media services are open to feedback and participation. They encourage voting, comments and the sharing of information. There are rarely any barriers to accessing and making use of content – password-protected content is frowned on.
- *Conversation* - whereas traditional media is about "broadcast" (content transmitted or distributed to an audience) social media is better seen as a two-way conversation.
- *Community* - social media allows communities to form quickly and communicate effectively. Communities share common interests, such as a love of photography, a political issue or a favourite TV show.
- *Connectedness* - Most kinds of social media thrive on their connectedness, making use of links to other sites, resources and people.

Whilst the great majority of articles and books written on this subject give concrete examples of the elements and groups which make up Social Media (Reuben, 2008; Mangold, Faulds, 2009; Zarella, 2010; Sterne, 2010), there is little information on the systematic way in which different Social Media applicationscan be categorized, especially taking into consideration applicationswhich may be forthcoming, as the online environment is so dynamic and prone to change. Two authors that actually did that in a systematic manner (Kaplan, Haenlein, 2010), relied on a set of theories in the field of mediaresearch (social presence, media richness) and socialprocesses (self-presentation, self-disclosure), thetwo key elements of Social Media. They present the social presence theory as the different degrees of social presence - defined as the acoustic, visual, and physicalcontact that can be achieved - different media allow to emerge between two communication partners.Thehigher the social presence, the larger the socialinfluence that the communication partners have oneach other's behaviour. Media richness theory is basedon the assumption that the goal of any communicationis the resolution of ambiguity and the reduction of uncertainty. They state that media differ in thedegree of richness they possess——that is, the amountof information they allow to be transmitted in a giventime interval——and that therefore some media aremore effective than others in resolving ambiguity anduncertainty. Applied to the context of Social Media, they assume that a first classification can be madebased on the richness of the medium and the degreeof social presence it allows. The concept of self-presentation is portrayed as the desire one has to control the impressions other people form of him in any type of social interaction people have. On the one hand, this isdone with the objective of influencing others to gainrewards and on the other hand, it is driven by awish to create an image that is consistent with one'spersonal identity. For example, the number one reason why people decide to create a personal webpage is the wish to present themselves in cyberspace (Schau, Gilly, 2003). Closely related to self-presentation is the last element of the social dimension of Social Media, self-disclosure. It is defined by the authors as the conscious or unconscious revelation ofpersonal information (e.g., thoughts, feelings,likes, dislikes) that is consistent with the imageone would like to give. Self-disclosure is a criticalstep in the development of close relationships

(e.g.,during dating) but can also occur between completestrangers; for example, when speaking about personalproblems with the person seated next to youon a bus, train or an airplane. Applied to the context of SocialMedia, they presented a second classification based on the degree of self-disclosure itrequires and the type of self-presentation it allows.
The complete classification the authors provide combining the two hereinabove mentioned dimensions can be visualised in Table 1.

Table 1: Classification of Social Media by social presence/media richness and self-presentation/self-disclosure

		Social Presence / Media Richness		
		Low	**Medium**	**High**
Self-presentation/ Self- disclosure	**High**	Blogs	Social Networking Sites (e.g., Facebook)	Virtual Social Worlds (e.g., Second Life)
	Low	Collaborative projects (e.g., Wikipedia)	Content Communities (e.g., YouTube)	Virtual Game Worlds (e.g., World of Warcraft)

Source: Kaplan, A. M., Haenlein, M. (2010), Users of the world, unite! The challenges and opportunities of Social Media, Business Horizons, Vol 53, Nr. 1, pag. 62

What we can observe here is that with respect to social presence and media richness, applications such as collaborative projects (e.g., Wikipedia) and blogs score lowest, as they are primarily text-based and hence only allow for a relatively simple exchange. On the next level are content communities (e.g., YouTube) and social networking sites (e.g., Facebook) as they enable the sharing of pictures, videos, and other forms of media in addition to the basic text-based communication. Scoring highest at this dimension are virtual game and social worlds (e.g., World of Warcraft, Second Life), which try to replicate all dimensions of face-to-face interactions in a virtual environment. Regarding the self-presentation and self-disclosure dimension, blogs usually score higher than collaborative projects, as the latter are rather focused on specific content domains. Moreover, similarly, social networking sites allow for more self-disclosure than content communities. Virtual social worlds require a higher level of self-disclosure than virtual game worlds, as the latter have strict guidelines that force users to behave in a certain way according to their character (e.g., as warriors in an imaginary fantasy land).

3. Social Media: Challenges and Opportunities

Details on each of these six different types of Social Media will be provided further, along with a discussion on the challenges and opportunities they offer companies.

3.1. Collaborative Projects

Collaborative Projects can be argued to be the most liberal form of User-Generated-Content, as they allow the simultaneous content creation by many end-users. One can differentiate between two types of collaborative projects: wikis and social bookmarking applications. According to Mayfield (2008), wikis are websites that allow people to add content to or edit the information on them, acting as a communal document or database. The best-known wiki is Wikipedia, the online encyclopaedia which has over 4 million English language articles and is available in more than 280 languages (Wikipedia, 2012). Social bookmarks and social news services are essentially peer-to-peer referral networks and each one is an expansion of the former "tell-a-friend" call to action. (Zimmerman, Sahlin, 2010). Using this, one can notify many people at a time rather than e-mailing a small number of people the link to a site or just some content. Because social bookmarks and social news services rely on popular input from "real people" rather than from algorithms, some Internet users place a greater value on these search results. Two examples of such bookmarking services are StumbleUpon and Delicious; they recommend Web sites, blogs, videos, products, or content.

Collaborative projects offer multiple benefits for companies. To start with, they're free — always a positive factor for online guerrilla marketers. In addition, companies may benefit in many other ways by using these services such as: improved search engine ranking, increased brand visibility and traffic,

increased readership and membership, increased earnings or triggering the "influentials"(Zimmerman, Sahlin, 2010). Apart from these clear opportunities, the collaborative projects can also present challenges for companies. Firms must acknowledge the trend of collaborative projects becoming the main online information source for more and more consumers. Hence, although not everything found on Wikipedia may actually be true, what matters is that it is believed to be true by many Internet users. This may be particularly crucial as regards to corporate crises.

3.2. Blogs

Perhaps the best known and the oldest element of Social Media, blogs are basically online journals with dated posts displayed in reverse chronological order. Dan Zarella (2010), in his book "The Social Media Marketing Book" describes a blog as a type of content management system (CMS) that makes it easy for anyone to publish shortarticles called posts. He explains that blog software provides a variety of social features, including comments, blogrolls,trackbacks, and subscriptions that make it perfect for marketing purposes and stresses the fact that blogs make great hubs for other social media marketing efforts, as they can be integrated with nearly every other tool and platform. Although blogs are usually managed by only one person, they allow for interaction through comments on the posts. Recently, blogs have begun to take other media formats than the initial text-based ones, even though they are still by far the most common type found online. Even if many firms use blogs intensively and even encourage their employees to do so, this type of Social Media does not come without risks. On the one hand, dissatisfied or disappointed customers can engage in creating protest websites or blogs to criticize the company offerings or to file virtual complaints (Ward, Ostrom, 2006), resulting in the public availability of negative and damaging information about the company and its products or services. Furthermore, companies can also be surprised by some employees writing negatively about them on blogs, after they have encouraged them to be active online, a consequence they have to accept.

3.3. Content Communities

Content communities, or media sharing sites, enable and ease the sharing of media content among people, as their name so vividly suggests. They organise and share particular kinds of content, the most popularcontent communities tending to form around photos (Flickr), bookmarked links (delicious), videos (YouTube) (Mayfield, 2008) and PowerPoint presentations (Slideshare). One major challenge for companies active in this area is the risk of content communities becoming a platform for sharing copyright-protected materials, as users are either not required to create a personal profile page or if they are, these pages usually only contain basic information, such as the date they joined the community and the number of videos shared. Although major contentcommunities have specific rules that ban andremove such illegal content, it is sometimes difficult to avoidpopular videos from being uploaded to YouTube. Conversely, the high popularity of content communitiesmakes them a very attractive communications channel formany firms, such as Cisco, Microsoft, Apple and Google, which rely oncontent communities to share recruiting videos,as well as keynote speeches and press announcements, with their employees, investors and public.

3.4. Social Networking Sites

Highly loved and promoted primarily by the young generation (20 to 29 years old) (Stelzner, 2012), social networking sites allow people to build personal web pages, profiles and then connect with colleagues, online or offline-only friends or just acquaintances to share content and communication. The biggest and best known social networks are Facebook, MySpace, and Bebo (Mayfield, 2008).Several companies are already using social networking sites to support the creation of brand communities (Muniz, O'Guinn, 2001) and even as a distribution channel for their products or services -mainly small businesses or freelancers find this possibility very attractive and cost effective.

3.5. Virtual Game Worlds

Virtual worlds are platforms that replicate a three dimensional environment in which users can appear in the form of personalized avatars and interact with each other as they would in real life and taking this into account, they are probably the ultimate manifestationof Social Media, as they provide the highestlevel of social presence and media richness of allapplications discussed thus far(Kaplan, Haenlein, 2010). Virtual worlds are available in two forms. The first one, virtual game worlds, requires its users to

behave in a certain way, according to strict rules as the whole virtual world unfolds as a huge multiplayer online role-playing game. Examples of virtual game worlds include ‘‘World of Warcraft,’’ which counts around 8.5 millionsubscribers who explore the virtual planet ofAzeroth in the form of dwarves, orcs, night elves or humansand fight monsters or search for treasures and Sony’s EverQuest, in which 16 differentraces of players travel into thefantasy world of Norrath. Marketers can leverage the high popularity of virtual game worlds not only by using in-game advertising - a similar concept to the product placement in movies – but also by using different elements specific to those worlds in traditional communication campaigns in order to draw the interest of the millions of fans and players.

3.6. Virtual Social Worlds

The second group of virtual worlds, the virtual social world, allows more freedom of behaviour to the players, enabling them to live a virtual life of their choice, as similar or as different from their real life as they imagine it to be. Similar to the virtual game world, the users appear as avatars and interact in a three-dimensional virtual environment; however, in this realm, there are no rules restricting the range of possible interactions, except for basic physical laws such as gravity. This allows for an unlimited range of self presentation strategies, and it has been emphasized that with increasing usage intensity and consumption experience, the players of virtual social worlds show behaviour that more and more closely mirrors the one observed in real life settings (Haenlein, Kaplan, 2009; Kaplan, Haenlein, 2009a, 2009b). One of the most popular example of virtual social worlds is the Second Life application, founded and managed by the Linden Research Inc company. Besides doing everything that is possible in real life,
Second Life also allows users to create content and to sell it to others in exchange for Linden Dollars, a virtual currency that is actually traded against the U.S. Dollar on the Second Life Exchange. These virtual social worlds offer a lot of opportunities to companies from a marketing point of view: advertising, communication, v-commerce, marketing research and even human resource and internal process management(Kaplan, Haenlein, 2009c).

4. Social Media and estimated corporate reactions to its ever-growing importance

Social Media have become such powerful and wide spread instruments among the consumers that the companies cannot afford to ignore them anymore or consider them a young people’s fad. Underestimating its influence over consumer behaviour is a mistake companies should not make. But what is even worse for a new social media marketer is to apply the same strategies from the offline broadcast world to the social Web. Hence, what any company and marketer should do first is analyze its brand communication and values and its positioning on the market, then establish measurable goals and objectives for its Social Media presence and specifically decide which Social Media tools can best accomplish this, of course taking into account the pre-established media budget.

Before any company even thinks of launchinginto a Social Media conversation, it has to listen. As almost any person does when joining a new forum, companies have to “lurk” inevery medium they’re going to enter to get a sense of the rules and customs, and of who the influentialpeople are. Furthermore, it is crucial to ensure that all chosen Social Media activities are aligned with each other, as nothing is more confusing than contradictingmessages across different channels.

What is true for different types of Social Media also applies to the relationship between Social Media and traditional media: the integration of the two is essential. Even though they might seem completely different they only represent the two sides of the same coin: the corporate image of the firm in the eyes of the customers.

While engaging customers in Social Media is of paramount importance for any company, it is also very important to support causes that are important to consumers, because people tell others about things to which theyare emotionally connected. Organizations can leverageemotional connections by embracing one ormore causes that are important to their customers (Mangold, Faulds, 2009). Moreover, companies should utilize the power of stories: the more memorablethey are, the more likely they are to be repeated and marketers should always make sure that all the Social Media applications used by the company can be freely accessed by all employees.

In the end, it does not matter what a company did good or wrong in Social Media if it cannot realistically measure or report this back to everyone involved and create a history for future references. Therefore, the four pillars of Social Media success are Monitoring, Analytics, Engagement& Reporting, with Collaboration & Workflow as a foundation powering all of them (uberVu, 2011). Also, what the company uberVu describes is that these four pillars follow each other in a feedback loop that allow

companies to observe thesocial media environment, orient themselves by understanding what the data is portraying, make a decision and act on it. Companies can then measure their impact and improve their approach for the next iteration.

5. Conclusions

For a company, a cause or a person to stay relevant and connected at the same time with its public and consumers, it is clear that traditional media is no longer enough for the job, and that they have to be utilized together with Social Media. The most noteworthy example on this is the path to The White House of Barack Obama, precisely because of his strategy to leverage the power of Social Media and to call to action both young people as well as the older audience, this way succeeding in becoming the most powerful man in the world from an unknown senator in just four years. There are many learnings from this case study taking into account the staggering figures: 500 million mentions on blogs, 137.922 followers on Twitter, 850.000 friends on MySpace. This is also pointed out by Eric Qualman in his book "Socialnomics: How social media transforms the way we live and do business": if Facebook would be a country, it would be the third largest one after China and India. Hence, companies no longer have a choice whether to use Social media or not, but rather on how well they put them into practice.

Today, more or less everything is about Social Media, it is the core activity of internet marketing. Because they allow firms to engage in timely and direct end-consumercontact at relatively low cost and higher levels ofefficiency than can be achieved with more traditional communication tools, this make Social Medianot only relevant for large multinational firms, butalso for small and medium sized companies, andeven non-profit and governmental agencies(Kaplan, Haenlein, 2010).

Future evolutions of Social Media may include the development of social shopping: companies will use social networking websites, particularly Facebook, to sell products within the social network of targeted local markets. In addition to that, more and more users will sign in with a social identity versus manually filling out a form on a company website, while Search Engines will incorporate social feeds and content, such as Facebook and Twitter updates.

Furthermore, content communities have a tendency to increase in importance for Social Media experts, especially sites like YouTube (Stelzner, 2012). Taking into account the present consumers' needs for freedom, mobility and the accelerated pace at which Social Media applications become obsolete the natural trend will be toward the rapid development of Mobile Social Media and integrating technologies. Other interesting future evolutions of Social Media and its methods of measurement may include, according to the pioneer of the field, NextStage Evolution company, actually "reading the minds " of consumers with the help of the World Wide Web, by simply visiting a site that uses the company's technologies and analyses.

The question remains, what will the next evolutionary step in corporate communications be when Social Media will become obsolete? The consumer needs point into the direction of filtering useless information, rumours or groundless promises, but still there are countless of possible surprising evolutions.

No one can accurately predict whether we will still be using MySpace or Second Life in two, five orten year's time. The unique way that the internetcontinually improves in response to user experience is drivinginnovation on an unprecedented scale (Mayfield, 2008). But what isbeyond doubt is that social media – however it may be referred to inthe future – is here to stay and transform our shared reality and with it companies' continuous efforts in finding competitive advantages on the market.

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STRATEGIC CHANGE IN SMALL ENTERPRISES: AN OPTION OR AN OBLIGATION?

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Abstract: *Strategic change is an important research topic especially in times of economic crisis. The goal of the present research is to study how small companiesmarketing strategies have evolved during the economic crises. Change was assessed from a context, content and process perspective and results show a variety of outcomes. Small companies are bound by entrepreneurs' core competencies. Thus a radical change is unlikely. The most frequently changed strategies arerelated to product, while positioning and pricing strategies are the most inflexible. Those who tried several changes seem to be in a better position.*

Key words: strategic change, marketing strategies, small enterprises

JEL classification: M 31

1. Introduction

Small enterprises have an important role in economic and social life of a country. In European Union (EU)98.7% of all businesses are small enterprises (with less than 50 employees). They provide 50% of the private sector jobs and contribute to 40% of the total value-added created by businesses in the EU. While small and medium enterprises (SMEs) continued to be the backbone of the EU´s economy, they had to operate in an uncertain economic climate. The crisis that hit the EU-27 in 2009, decreasing its GDP by 4.2 %, had immediate impact onSMEs. The number of SMEs in 2009 felt by 2.1%, with small and medium size firms being hit harder than micro firms. Despite this challenging environment, in 2010 the EU´s SMEs started to bounce back (European Commission, 2011).

In Romania were registered 553,089 SMEs in 2008, out of which 98.2% were small enterprises. SMEs situation became difficult since the end of 2008 when the economic crisis started. In 2009, 195.751 SMEs interrupted their activity which represents 35% from the total (Nicolescu, 2010). This dramatic situation raises the question if Romanian SMEs are prepared to deal with a difficult business environment by adapting their strategies according to the new conditions.

This article aims to identify the strategic changes adopted – from the marketing perspective- by small enterprises in Romania during the crisis, what factors influence them, how new strategic alternatives are generated, selected and implemented.

The paper is organized as follows: first we present the theoretical background followed by research methodology. Then we introduce an empirical study, present the results and discuss the conclusions.

2. Literature review

To resist during economic crisis, it is obvious that SMEs with declining performance cannot continue to do things like in the past, but they need to change. Change becomes the only solution to the problem. When practitioners are concerned about change, this is reflected also in the academic world. For example, restructuring, layoffs and the need to increase efficiency during 1990s generated a strong focus on change through business process reengineering (BPR) and this was reflected also in the academic literature (Fenton, 2007). The recession from the beginning of 1990s was another moment when academics were highly concerned with organizational change (Bohman & Johansson Lindfors, 1998). The literature covers several facets of change: strategic change, process change through BPR, technological change, etc.

Most researchers have focused on change in large companies, while relatively little research was done in SMEs. Two distinct research areas were highlighted in the last twenty years: strategic change and process change or BPR.

Strategic change means a significant change in company's strategies, structures, systems, processes and organizational cultures (Balogun, 2001; Balogun & Jenkins, 2003). It can be classified according to the extent of change - transformation and realignment - and the speed of change - incremental or "big bang" - into four types: (1) Evolution: a radical move gradually implemented, (2)

Adaptation: a sequential change generated by the need to align with the environment, (3) Revolution: a radical change that is based on simultaneous initiatives on many fronts and (4) Reconstruction: a necessary move to re-align how the company operates, usually reactive and quickly implemented.

The reasons for strategic change, its benefits and costs have also been investigated (Parnell, 1998). The most **frequently mentionedreasons** were (1) the level of performance, (2) changes in the external environment and (3) a more effective alignment with internal resources.

Regarding the **benefits of change**, the most important are (1) improved performance through a better fit with the environment, (2) placing the business in a better position to profit from an undeveloped market segment and (3) improving company's ability to adapt. The **costs of change** which have been most frequently investigated were the financial costs, the related risk that a change of strategy may negatively affect organizational culture and consumer confusion.

Of special interest is the **content of strategic change**, namely the future development alternatives (Bohman & Johansson Lindfors, 1998). If during periods of relative stability and favourable conditions strategic choices are addressed in a routinized way, during dramatic periods of recession, strategic choices are generated according to the limits of something called space for action. Space for action has an objective dimension expressed by earnings, financial performance - and a subjective dimension, defined by the way in which a company sees its choices as acceptable-unacceptable or positive-negative.

Not only is the content of a strategic change important but also the **processual aspects**. When a company faces a dramatic change, individual and shared meanings are reconstructed (Ericson, 2001). Therefore, implementing a strategic change is as important as its content. Implementations models were developed based on best practices. They are based on a set of five factors of success: commitment, social and cultural issues, communication, tools and methodology and interactions. The gender perspective can also influence the way in which change is managed (Paton & Dempster, 2002). Females favour a "softer", more holistic, participative and open approach. They prefer less systematic and formulaic analysis techniques and seem that are better equipped for multi-tasking. Beyond male-female clichés, it is obvious that implementing a strategic change requires **some capabilities and some tools**.

One of capabilities, called **strategic scanning**, is defined by how managers gather strategic information about events and trends. There are two complementary ways: focused search, when they are looking for specific information necessary to decision-making and scanning search, when data are collected to detect signals that indicate some changes in the environment and to prepare for them. This latter approach must be exercised and converted into a skill that improves organization's peripheral vision to identify early warning signals and therefore a rapid response and adaptation (Lesca, Caron-Fasan & Falcy, 2012).

Another important capability is **strategic flexibility**. It captures the extent to which new and alternative options in strategic decision making are generated and considered and is influenced by the cognitive models of decision makers (Combe & Greenley, 2004).

Similar to strategic flexibility, another capability was identified**: strategic agility**. This is actually a meta-capability based on three capabilities: strategic sensitivity (sharpness of perception), leadership unity (ability to make bold and fast decisions) and resource fluidity (internal capability to reconfigure and redeploy resources) (Doz & Kosonen, 2010).

Regarding the **tools used in strategic change**, it seems that in ambiguous situations creative action-based techniques are more useful than rational-logical techniques. Creative techniques rely on intuition and experimentation while rational-logic techniques are designed to reduce uncertainty by collecting and analyzing as many data (Kallio, Saarinen, Salo, Tinnila & Vepsalainen, 1999).

Another useful tool in strategic change, but unfortunately often used incorrectly is performance metrics (Melnyk, Hanson & Calantone, 2010). Companies trying to change their strategic direction must change performance metrics and focus less on intended outcomes and more on the means by which these outcomes are to be achieved. The main reason is that there may be issues with the incentive systems when the focus shifts from doing more of the same thing to doing something differently.

Beyond the content and process of strategic change, the factors, capabilities and tools necessary to implement it, we cannot ignore a significant problem, namely **inertia**. The business model of a company tends to be naturally stable and hard to change. Its stability is further increased by the search for efficiency which characterizes period of rapid growth (Doz & Kosonen, 2010). Therefore strategic inertia in decision-making can be extreme (O'Keefe & Wright, 2010). Even if the company exceeds inertia - usually forced by external negative factors - the trend is to minimize the impact of externally imposed changes. Repeating the same way of doing things has created a pattern that is difficult to change with a

new one, which can be costly and risky. That is conservatism to change is the result of another process, namely learning (Harrison & Easton, 2002).

BPR is also a form of organizational change aimed at transforming the organizational subsystems of management, people, information technology and organizational structures. Here change is seen in terms of business processes and the main goal is improved products in terms of cost and quality (Kettinger, Teng & Guha, 1997). Traditionally, BPR has been used mainly by companies with low business performance. Although there are a variety of BPR projects, most of them were rather operational and generated a performance improvement of working processes without creating radical changes across the entire company (Kallio, Saarinen, Salo, Tinnila & Vepsalainen, 1999).

The **drivers of BPR** are similar to those of strategic change: (1) internal inefficiency, (2) changed customer/supplier requirements and (3) external changes uncontrollable and unpredictable to the industry (Kallio, Saarinen, Salo, Tinnila, & Vepsalainen 1999). Models have been developed for implementing BPR projects (Teng, Grover & Fiedler, 1996) and a variety of methods, tools and techniques were elaborated. At least 72 techniques are used in BPR projects such as: role activity diagramming, fishbone analysis, process simulation techniques, out-of-the box thinking, and value-chain analysis (Kettinger, Teng & Guha, 1997). Many of them are intellectual property of major consulting firms and have been developed during the 1990s when either for justified reasons or the desire to be "fashionable", large companies started such projects. Even if nowadays the concept of BPR is less used due to its association with the period of restructuring and layoffs, the idea of constantly evaluating the business processes remains valuable (Fenton, 2007).

Although **research in SMEs** is relatively limited, it seems to be related more to strategic change than to BPR. The explanation is simple: their internal processes are simple and flexible and their limited resources did not allow waste.

One of the issues investigated, is the **role of ownership and management** in strategic change (Brunninge, Nordqvist & Wiklund, 2007). Thus, closely held SMEs exhibit less strategic change than other SMEs and the involvement of outsiders - directors, managers which don't have property rights but have decision power- has a positive effect on strategic change. The value that a team of management/shareholders can bring is superior - in terms of internationalization or access to foreign markets - compared to firms with one associate (Loane, Bell & McNaughton, 2007). More people means extended technical capabilities, greater knowledge of international markets, new business contact networks or access to financial resources.

Another issue investigated is **innovation management** in SMEs as a process of change (Hotho & Champion, 2011). Not all SMEs are the same, being identified three clusters: the first group innovates by focusing on internal optimization, the second group focuses on the external environment and the alignment to it and the third group needs to crystallize their ambitions in a clear strategic route before they can improve upon internal resources and capabilities (Sluismans, Beck, den Hertog & Lommelen, 2009).

Another issue investigated is transferring the **contacts network** from an owner-manager to another person. For SMEs, the contacts network is essential in identifying, creating and delivering value, so the transfer is essential in the evolution of the firm (Gilmore, Carson, Grant, Pickett & Laney, 2000).

A special case is **strategic change in new ventures**. For these companies, there is no question of changing the strategic direction to another one, but how to develop the initial strategic direction (Nicholls-Nixon, Cooper & Woo, 2000). This is the result of experimentation, trial and error process for adapting to the environment. Experiments can be related to peripheral aspects (product line extension, initiating price changes) or central aspects (product scope or partnership status). As the environment is more hostile, the frequency of strategic experimentations increases. But a higher frequency of changes positively influences firm performance in a less hostile environment.

Often organizational change research has been largely acontextual, ahistorical and aprocessual. This approach cannot capture and explain the phenomenon of dynamic change. Therefore change research should explore **context, content and process of change** together with their interconnections over time (Pettigrew, Woodman & Cameron, 2001).

3. Research methodology

To properly understand how entrepreneurs think and behave it is necessary to use research methods that allow a closer look to decision-making process providing an inside perspective. If the researcher is closer to the essence of the phenomenon, the results are richer and more authentic.It is

recommended rather to use qualitative researches like in-depth interviews, allowing respondents to express own opinions relative to the manner in which they manage their business, why, where, how and when, using own words(Gilmore & Coviello, 1999). Moreover, to conduct research on change, to examine this continuous process in context, a longitudinal research by means of comparative case study methods is recommended (Pettigrew, 1990).

The goal of the present research is to study strategic change- from a marketing perspective- in small enterprises (under 50 employees). The purpose is to find out how marketing strategies have evolved during economic crisis. The **research objectives** were: (a) Defining changefrom a business perspective, (b) Determining the cognitive models used in strategic change, (c) Describing the context of change, (d) Identifying the change content (how strategic alternatives are generated, the conditions necessary to generate those alternatives and criteria used for selecting between them) and (e) Evaluating the implementation of change in terms of management, costs and benefits.

According to the goal and objectives of the study, the exploratory research was the most appropriate type. The research strategy was qualitative and the research design was the case study. In order to capture as many relevant aspects and their dynamics **longitudinal multiple case study**was used. Multiple case study design allow researcher to compare and contrast findings while the longitudinal approach allows to understand change in organization (Bryman & Bell, 2007).

The unit of analysis is the small enterprise (under 50 employees) from various industries. The research sample was made of **four typical cases**: a construction company, a retailcompany, an Internet service company and a professional services company. The interviewed persons were entrepreneurs who were involved in company's management.

Each case was investigated during a period of twenty-two months from June 2010 till April 2012. Three semi-structured in-depth interviews were taken from each company. The main discussion topics were marketing strategies, organizational learning, strategic change and change management. The interviewer encouraged respondents to present what they consider important relative to the suggested discussion topics, without feeling limited by them

The interviews lasted between 70 and 90 minutes and were audio recorded. For the data analysis, the content analysis was applied. The analysis units were grouped by exhaustive and exclusive categories.

4. Results

Company A is a retail company with two associates (husband and wife) which started in 2004as an online store specialized in sports materials and equipments. After three years, in 2007 the first showroom is opened focused on bicycles. In 2009 opens the second store was opened which has also a service area for bicycles repairs. In the same year the company started a sport lifestyle program (organizing sport events e.g. bike trips) designed as a separate business unit.

At the first interview, in June 2010, future plans envisaged that by 2012 the company will expand with five more stores in the country (through a franchise). The company is positioned between the big sports retailers (Intersport, Decathlon, Hervis) with large supply and financial power and small shops opened by professionals. The company has a brand with a relatively high level of awareness. The customer segment is represented by medium to high income people, aged between 30 and 45 years who play sports for fun or fitness.

The product strategy is focused on product diversification by adding additional equipments/materials for sports like tennis or skiing. The sport lifestyle program is aimed to support sales, as it encourages customers to use the purchased product, to practice that sport: *"If you buy a racket and you are given the opportunity to play, you'll buy other things like tennis shoes, clothing. It draws you in and this means involvement and subsequent purchases."*

Because the company sells only premium brands and targets medium to high income customers, the prices were aligned at medium to high level *"Even if prices are higher, this is the segment that we target, making no compromise to weaker brands. We have only well-known brands*."

Regarding the promotion strategy, the company relies heavily on customer recommendations *"Word of mouth is working very well on the hobby side. They learn from each other what to do."*The company does not use other promotional techniques except some promotional events, which had good mass media coverage (radio) and even sponsors.

Regarding change, the entrepreneur perceives it as a departure from what is now *"If things do not work as you expected, somehow you have to adapt your behavior, to change the way of knowing"*. Business changes cannot be dissociated from personal changes and vice versa "*Personal change affects*

any business and vice versa. If I think about the last two years, most of business changes have influenced the personal ones."

Change in general, is influenced by how the entrepreneur perceives the future: *"I do not think that the future can be predicted but I think there are some paths, a corridor where things happen. Clearly I relate on the future, I don't wait to see some things happening ... and here's the vision, the strategy and I have a competitive advantage because I was able to anticipate some things in the market and this gave me confidence in myself. I rely on the rational side, on thinking and observations."*

Regarding the context, in the last two years the company has experienced a significant decrease of sales. Except for major retailers whose sales increased during this period, small businesses were highly affected some of them were bankruptcies. This situation influences how the entrepreneur reacts *"When I see an opportunity I am enthusiastic, willing to do, I have energy, time to analyze, to discuss with others... on the other hand (a threat, n.a.) I try to postpone, I think maybe it is not necessary, maybe things will recover, I avoid to talk about the subject. "*But both situations - a threat or an opportunity-incite change *"When you are given a kick in the ass you are forced to make some changes ... and some of those changes may not be bad"*. Instead, in the comfort zone "when you are on track", you do not initiate changes.

Regarding the moment of change, the entrepreneur is aware that either due to his personality or overload with routine activities sometimes he postpones the changes. The cost of delay is significant: *"If you wait ... you risk others do it before you. If you don't do it the moment you thought of, if you do it a year later there are already many there and the impact is not the same"*. This was the case with an idea of tennis championship that has not been implemented.

Regarding the content of change, it is important that the company has the ability to generate as many quality solutions. And this means creativity "*Some are more creative and not everyone has the talent to generate new solutions,"* a method *"[...] to keep your ears open to what others say... clients, friends, anyone, to listen to atypical opinions"* and willingness to modify your routines *"[...] if you are open enough to question your thinking way, maybe you will see things differently."*

A new idea generation exercise could be fostered by involving as many participants but the employeesare less motivated and the other associate has a different personality *"She deals with operational issues and I have the vision. The evolution direction came more from me than from her. It is very difficult that every time I have a new idea she starts with a negation... I mean the beauty of a discussion, I think if you generate negative emotions, when you are cut off so ...<how do you know?>, <others have done it and it didn't work >... you lose energy. "*

Changes in strategy focused on product area. It is intended to introduce soon a new product category – running*"A diversification of products and services that I think is needed, on portfolio level I still have ideas that are on standby and some of them will happen this year if it goes well, others will happen over three years. It's an evolutionary change, most are improvements."*

The positioning strategy is the same - a specialized multisport shop - and the customer segment remained unchanged, even though revenues dropped. The entrepreneur is unwilling to address other segments because it would be inappropriate with the brand and he would feel uncomfortable with other customers *"I would rather prefer to close temporarily, because it hurts my brand. If I have started in one way and then I go with something else, I will alienate the existing customer base that will no longer find itself in my brand. And I will try to get in a market that I don't know and I don't like."* Another product strategy employed, was lateral expansion by organizing sport events. The problem is that this kind of activities consumes financial resources, time and commitment while the financial results -at least for some events - will come in two-three years.

In conclusion, the major change of marketing strategy was not about marketing mix or targeting and positioning, but on the vision side, how the business was designed *"Comparing with 2009 the perspective is different. Till now we should have five stores in the country, a franchise and instead we are in the survival mode. I saw the company as something big with 100 employees and now I see it with 3-4 people. From this growth pathway I am now in a situation that I see it as a family business, a source of income."*

Company B is a software testing company. It was founded in 2005 by four partners with IT background and has 40 employees. Testing activity is considered a niche business because customers are large companies with complex applications (e.g. billing, human resources software). The majority of customers are from telecommunications, banking and oil industries, companies which can be managed only with information technology (IT) support. As their number in Romania is relatively limited, the company began to expand into foreign markets, especially in the Middle East. The employees represent

the most important resource because if the company invests in their professional development (training, certifications) they can provide a high quality service. In 2009 the company saw at its foreign customers an opportunity, namely the need for another type of service called business technology optimization. The company is getting involved in this activity and after completing a project that was highly appreciated it gets another five projects. Competitors are, in general, Indian firms *"[...] not necessarily competent but hard-working. If you say < stay there!>, he stays there from morning to night and works."*

The quality standard of services offered by this company is high and therefore the fees are medium to high. *"From my point of view you cannot live in this market if you don't provide quality. We are so. If one comes and tells me <you are too expensive > and I cut the price at half and I do a sloppy job, I don't know how to do it. We know only how to do it well. "*

In terms of customer acquisition strategy both in Romania and on foreign markets, they work with a large developer or a local company to use their networking. They didn't invest in their own sales force as it would be too expensive and therefore they use their own specialists for pre-sales activity. Promotion strategy is based mainly on customer recommendations *"[...]here it does not work with TV advertising."* The company's website serves only for presentation, it is a way for the potential customers to check them. They have tried to participate at specialized fairs but *"It is more for appearance. We went to the fair, so as the world could see us."*

In June 2010, the firm faces the following situation: five projects from foreign markets are in standby because the beneficiaries temporarily stopped the development. But the company decides to risk and opens an office - that requires some investments - in that foreign market. All four associates support this decision, knowing that the results will come in the next two years.

In the last two years the company has revised its financial targets *"I thought it would be good to change our targets a bit because it would not be very realistic, especially when we are interested in survival."* Even if they didn't achieve the past results, the context is not alarming.

In terms of change content, the company has focused heavily on the second line of business and started to learn how to use different kinds of products of another vendor, less expensive. Although they tried to directly approach the customers using their own networks, they failed *"We have tried, but I cannot say we were very aggressive. What's the idea: think of a big customer and the systems he has, if I'm wrong and he loses millions of Euros, what he can do to me, but to put me in jail. But he has still lost the money ... (while if he works, n.a.) with a large partner, he knows that he can sue him and recover the money.*"The focus on the second line of business comes from the changes that have occurred in the software testing services market *"This business (software testing, n.a.) is in an uncertain situation because many competitors came out. If last year we were three, maximum four companies to a bid, now we are ten and I expect some of them, especially those who are new, to come with dumping prices just to enter and after that they'll see what they'll do. "*

Changes in the product strategy were driven by their specific field of activity *"However, we are in an industry where something new always appears. You must read and learn.“*
Learning is - for this company - an essential process: *"I believe that by learning we are preparing for the future. The fact that we want to go to attack that market, plus we have learned that those customers don't want always X products, so we get ready to provide other products... from my point of view is learning."*
In the last two years the firm didn't change the customer segment- large banking and telecom companies - due to the specific services they provide: *"We are targeting the same customers, as small customers we don't have what to offer."*

A real problem has proven to be the pricing strategy. Due to the relatively high level of prices, the external partner started to use them only to win contracts because they had the necessary competencies to respond to a request for proposal. Once the contract was signed, the external partner used cheap, Indian implementers. For the reasons outlined above, the company has been consistent and refused to discount the price as this would be reflected in the quality of services. Thereby they were not co-opted in external projects. Starting this year, the foreign partner began to feel the cost of this strategy because customers were not satisfied with the quality of services. Consequently he started to work again with them including repairing the poor quality work of those cheap implementers.

Although the company seems that it doesn't have gone through radical strategy changes, the major change is at the shareholders level. Although initially all four associates have agreed the new strategic direction - focus on the Middle East market with a new line of services - after a while two of them refused to continue *"Divergent business views began to appear. For a job like his to work, people should have a common direction. When the other two didn't want to go on that business line, we didn't*

understand". The cost of strategic change was the separation of the associates. The associates who were involved in company's operational activities were those who believed in the strategic change: *"For me, this company is my life ... and I and the other are the ones who actually developed it. The others were involved in the initial investment, came with important information, where opportunities could be ... but if they think that is enough, I don't like to fight with them. I want to go with this company, you need to survive."*

Company C is a construction company founded in 2006 by a single shareholder who has extensive experience in construction. Initially it starts with four employees and was growing rapidly to twelve due to the economic boom from 2007 and 2008. The main objectives were to develop the business, to purchase construction equipments not to depend on others. The plan was to hire an engineer for the intermediary management level but the economic crisis stopped the development plans.

The firm is working in civil and industrial constructions and is positioned to provide all inclusive services. Those competencies that the company does not have are provided with the help of collaborators. The company is recognized for the quality works and additional services they offer: *"I work from head to tail, the client does not need others and besides I do everything. I am supplying with materials if needed, if people are asking me to go with them to choose the tiles, I go with them to choose the tiles, although it is not my job. I mean, I do more than is usual."*The product strategy can be characterized by customization: *"I consider being very important to adapt to the customer and don't try to go into an area where you want. I give him the appropriate advice without imposing them. The quality is that accepted by the customer, he defines it."*

The entrepreneur believes that the price he is charging is at the medium level and it is justified by the fact that his employees are properly paid. To provide a quality service, he realizes that employees are a critical resource and therefore he keeps them motivated. In terms of customer acquisition strategy, the major approach is referral: *"I rely heavily on recommendations, this means that each client must be more than satisfied, to very satisfy."*

The effects of the economic crisis in constructions were disastrous. If till 2009 the company's objective was development, starting with that year the main objective was survival. The problem is that this objective cannot be sustained for a long period of time *"[...] two-three years ago I wanted to be on the market until the market rises. Now, this is not an option anymore. Three years have passed since then, it's time to make profit or to change the industry."* The entrepreneur finds that the constructions market has changed dramatically from pre-crisis years. But although he is aware that a change must be made quickly, he is postponing: *"I know it's a big problem with inertia, but I cannot define how big it is ...the problem is that when things go normally, at some level, you don't take actions."*

The entrepreneur sees no solution to this problem, change content is unknown *"For one year or so, I am thinking about it, I didn't managed to clarify myself ... I know I have to make changes but I don't know what changes."* Unlike the situation when in the external environment opportunities were identified and solutions were obvious, this new environment creates problems for which is more difficult to find solutions*, "An opportunity leads you to change, it shows you the steps, and you know what to do. When confronting a threat you must find your way and this is much harder."*

The entrepreneur takes into account to reduce the price, hoping that sales will increase. But this would mean to give up to his employees and take some poorly trained, even if he does not believe that's right: *"I was still keeping my people who worked well and very well, I cannot go now to look for people to do that thing that cost 100 lei per day, to do some poor quality work, I wouldn't be able to make this change. I cannot do it, I will not accept it and I don't think I should."*

Although the entrepreneur is considering changing its field of activity which is a radical change, there is also hope for another type of customers or another "type" of product: *"I want to see how to enter the business market, corporates, institutions "* or *" People still have to live somewhere ... probably they are going to need smaller dwellings, new house with ground floor plus three floors and apartments of 60-80 sqm."*

Changing the field of activity does not necessarily mean that the construction company will disappear*"[...] and now I am thinking to let the construction company. Not to demolish it, but to leave it. But first, we have to find another business, and then to leave it."*

Company D is a company with two associates, which provides Internet services and was founded in 2002, initially as a hobby. It has five employees mainly with data-entry jobs, to solve what could not be automate. The company has developed a portal that provides aggregate information about online shops offers and visitors are forwarded to those companies' websites. The company has two types of customers:

the end user who receives information and the online shop which receives a potential customer. The portal was designed as a general site that provides information about different kind of products, mainly electronics and computer components. In 2010 the company planned to expand into services area like banking and tourism.

The company has defined from the beginning a clear positioning*: "The place where you can find information about prices"*. The benefit it offers is speed of search and the value added is information. In the same year, the company has redefined the pricing system as the first tariff plan - by number of visitors and number of products - could not cover small online stores. Moreover, the company has planned to develop the end users base, by stimulating interactions between them and creating an active community. End-users are closely tied to the products offered on the portal.

The promotion strategy is exclusively on the Internet. There were some attempts to promote the company using Internet paid advertising but the results were poor.

The long term objective of shareholders is to develop the company to a level where it can be sold profitably: *"We grew the business, we made it work and then we will sell."*

Regarding the changes made during the last two years, the company managed to develop the end users community: "*We have implemented it, it's alive and working. It doesn't have all the functionalities planned at the beginning but most of them are. As far as time and resources allowed us.“*

Currently the associates are concerned about the portal graphics *"The fact that you want to add new information in a predefined space, forces you to change."* The associates tried to identify those changes that must be made with minimum effort but maximum impact. This seems relatively simple because the initial portal architecture was properly designed. The entrepreneur recognize that there is some inertia: *"There is biological inertia, a tendency to go on automatic pilot those activities that can be transferred. As you want to introduce changes in those automatic activities, you will find resistance. As you want to introduce changes in things that are creative, you're in the right area. "*

The major change mentioned by the respondent is not at company level, but rather at personal level, it is about a new way of understanding: *"The change relates to the transition from a pro-active approach, from making to a more reflective-receptive attitude, to pay attention to signs, to accept them in my life or not."*

A change of attitude on a personal level has consequences on the business side. For example, accepting that two opposing views can make sense simultaneously, the entrepreneur is willing to try such an approach in the company *"Let's take mobile phone shopping. If I want to accept this new concept... I realize that its implementation requires giving up something that already exists and works ...and what you want to bring it doesn't fit with what you have. What are you going to do? Follow the instinct and try to integrate it? And let the old and the new that contradicts [...] and in this way you can order by mouse or by phone ... it is white and black, it's both."*

The entrepreneur has a holistic view of change*: "There are two types of changes: those that you can do on a chessboard with some chess pieces. No matter how you try, there are a finite number of moves that you can do, because that's the game structure. Changes in a closed system mean that I do some permutations, and after a while I'll repeat them. On the other hand, there are open systems that accept infusion from another system ... the so-called intuition, inspiration is something that comes from outside and that says < what if the chessboard is bigger?>".*

Such a vision is not built with traditional tools such as senses and thinking: *"You can gain a new understanding that you cannot represent it in any way with the senses or intellect or experience. It can happen to put things together and suddenly you find yourself on top of a building and you see things differently. “* A new vision requires the involvement of other people: *"If I want to implement what I believe, I need other people to resonate. Because I cannot implement it alone and I expect others to follow [...] you cannot find conformity without a previous personal understanding. As others will understand things similarly we will try to change to the qualitative side. "*

5. Conclusions

Change means for all respondents doing different things. It is seen as a deviation, more or less significant, of what is done today or as a redefinition of what they are or do. Change can be viewed on a personal level or at company level but we should not ignore the influence that each side has on the other one. How change is defined, is influenced by how the respondents relate to the future. There are a variety of cognitive models: some believe that the future is complex and unpredictable and therefore they must adapt quickly to what is happening, others believe that even if you do not know the future you can

prepare by learning, while another one has a relative rational approach and believes he can identify some patterns of future development.

Change is triggered by positive or negative factors, some internal other external. The difference between scenarios is significant: a change generated by a positive factor, such as a market opportunity, is totally different compared with a change triggered by a negative factor, such as a falling demand. In the first case the entrepreneur is involved, motivated, optimistic, and eager to try various solutions while in the second case he tries to delay, to avoid thinking about the problem in the hope that it is a temporary situation. Moreover, in the first case is much easier to identify solutions to the problem - the change content - while in the latter case the solutions are much harder to find. The assumed risk in positive scenarios is higher than for negative scenarios. Although entrepreneurs know that the change moment should not be delayed, for reasons that seem rather personal, there is a general inertia, a postponement of action. Even if the general context of change is the same for all respondents - the economic crisis - its effects vary from case to case: for some are dramatic because it raises the question of whether to quit entrepreneurship or to change the industry, for others not so dramatic, even insignificant.

As for how to generate new strategic alternatives, these are based either on seeing the same things but differently (e.g. the client that wants to build a house is not willing to take it from scratch, but rather prefer to buy a house already built at "gray" that can be customized) either see other things (e.g. shopping by mobile phone). The most frequently mentioned changes in marketing strategy were at the product level. All respondents are trying to expand the product range or come up with additional services. It should be noted however, that entrepreneurs are tied to their core product either by their professional competence (construction company, IT services and Internet services) or by hobby (sports equipments store). It is therefore extremely difficult for them to migrate into another area of activity that they do not know. In terms of pricing strategy, this seems to be the most "inflexible" and this derives from the positioning strategy. All respondents offer products/services of high quality and for them is difficult to reduce this level in order to charge a lower price: either that they did not know how to make poor quality products or because they don't accept such a compromise. Communication strategy has remained unchanged since entrepreneurs do not think, in general, that standard promotional techniques have any benefit for them. They count on recommendations and word-of-mouth but they did not try to be proactive, to stimulate referrals to generate new customers. Rather they preferred to address a different type of customer or other geographic markets to increase sales.

It is interesting to note that generating new ideas of strategic directions is much dynamic in companies with more than one associate. . This is because the confrontation between two or more views creates solutions. It is true that these solutions can either unite the associates around a common strategic direction or separate them. The criteria for choosing a solution / strategic directions are both financial and nonfinancial: risk, convenience, professional pride and group welfare.

The implementation of changes seems to be relatively organic. They planned the framework of change, not the details and activities. Roles and responsibilities seem clearly divided. The major costs of change are related to selecting a wrong direction or resistance to change. The main benefit - beyond survival and development - is that a good change invigorates them, give them confidence and energy to continue.

The fact is that for all respondents, change is a necessary thing that should be stimulated, both in good times and in bad times.

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PERMANENT PROMOTIONAL EXHIBITION ABROAD, CASE STUDY OF ROMANIAN EXPORT CENTER IN SHARJAH

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Abstract: *This present paper is meant to show, based on the experiment developed for the first time in Romania, that the concept of single country permanent exhibition used as an instrument of export promotion, may act as an export inhancer. Business organizations from Romania have organized for the first time, a permanent exhibition on the national flag în Sharjah UAE in 2011.*

Experience acquired in the first year of the exhibition has been gathered in this paper which is arguing that the benefits of such promotional instruments requires time, proper selection of companies and managerial skills.

Key words: export promotion instruments, permanent exhibition

JEL classification: M 3, M 16, P 45, O 53

1. Introduction

1.1. Romanian strategic approach on export development

The globalization and trade liberalization makes harder for the companies to identify and anticipate the constrains on the foreign markets.Cautious financial institutions, new restrictive credit rules and banking regulations required a bolder behavior of the comapnies trying to recover slowly from the global financial crisis through exports on foreign markets.

In this context, small and medium enterprises need the tools and financing solutions including public authorities support as alternatives to find business partners on foreign markets. For the businesses innovation, branding are valuable assets but beside it public support might be essential to find customer.Along with public goods such as attractive reforms and legislation or friendly businnes environment, new instruments to support export companies may be requiered.

The present context requires essentially changes at company managerial level engaged in international trade and export activities in terms of increasing capacity for innovation and cooperation in the network, in clusters or internationale value chains in order to develop most sustainable competitive advantages.

The present context requires also change in the management of trade support institutions - Trade Promotion Organizations – in order to identify and apply the best solutions to support the effort of export companies, to create competitive advantages on foreign markets. The emergence of new trade powers and the growing importance of non-EU markets have caused structural changes into the global trading flows redirecting a part of the export to non-EU target markets.

In this context the Romanian exporters should make significant efforts, difficult for SMEs without support services, to meet the new business models and to overcome the present model of doing exports in EU,based on lohn arrangements and subcontracting. They must focus their efforts towards increased value addition and develop their value chain in order to be closer to the buyers. This requiers value chain management, innovation and developing international brands.

Addressing new constraints, requires better export strategy, analysis, new marketing skills and determination to continue changing the way export is managed. The most important cause of low value added exports, based on labour intensive, „cut-and-trim" type is related to the way managers are looking to their exports, as production function only, with marketing function non existent or weak, under-developed.

A bottom up National Export Strategy (NES) , based on structural dialogue and consultations with the businesses was firstly developed and implemented in the period 2005-2009. After that, the

strategic cycle has been renewed during 2010-2014. Romania's National Export Strategy 2010-2014is meant to have an essential contribution to the positive development of exports due to bottom-up approach through consultations and partnerships with enterprises based on good practices, developed into a comprehensive methodology by International Trade Center in Geneva.

The strategy had to address major constraints of business community identifying ways to overcome these constrains in order to achieve competitiveness In the second strategic cycle new initiatives has been envisaged in order to bring sustainability in export development.

Regarding the export promotion the two strategic cycles made in consultation with the businesses since 2005 has lead to introduction of new instruments to support and promote exports targeting mainly to promote competitive identity of the Romanian exports through active sector and regional branding.

Promoting brands and branding become key words in export promotion. Since Few Romanian brands are internationally recognized, main areas of intervention were decided to be active promotion of existing brands and developing new brands.

Before 2005, most of the promotion actions and support were targeting to assist existing exporters, that means only those companies which already had export contracts in their business activity.NES is now targeting other two categories of customers as important as the first category of existing exporters. Those categories are:

- Aspiring exporters, firms that do not export, but have limited knowledge about foreign markets and strong plans to get access on foreign markets;
- Potential exporters, those companies which do not exports and are ignorant about export advantages and even afraid to get acces on foreign markets, due to high risks percieved to be difficlut to overcome when doing exports.

Strategy takes into account now new instruments to bring those type of exporters closer to the markets through:

- stimulating the participation to specialized fairs as visitors, supporting the development of export strategies and training in this regard (the "Passport to export" program);
- creating regional centers of export promotion for existing, aspiring and potential exporters;
- better market information particularly on market access area;
- increased availability of business information on opportunities in foreign markets;
- awareness programs and meetings to encourage local companies to become international, to expand outside;
- identifying target markets and support at the enterprise level to penetrate these markets;
- providing general advice and assessment of export capacity;
- assistance to encourage business alliances between producers to increase production capacity and diversify production and external marketing;
- providing specific information such as international standards;
- providing relevant information and statistics on market reflects, the growing importance of these activities due to globalization and relocation;
- providing assistance of local enterprises in order to increase their ability to adapt to specific customer requirements;
- strengthening the *know-how* and knowledge transfer between present exporters and potential exporters of the sectoral associations.

1.2. Regional export center - a strategic option

One important strategic objective NES2010-2014 is to stimulate a geographical shift or reorientation of part of the exports towards non EU markets. In order to do that promotional instruments and activities has to focus on non EU target markets. *More fairs and trade missions will be organized in non-EU markets in a so-called 40-60 scheme, where at least 40% of the evvent should be outside EU.*

The concept ofregionalexhibitions center in non EU countries, became, in the new strategy, an important new instrument of promotion since it ensures a longer presence of 1-2 years in a foreign market to exhibit products.This new type of instrumentshas become inrecent yearsan effective methodusedby thenationalpromotionalorganisms. *The advantage*of this methodis that it provides aconsistentpresenceon thenational export offer on atargetmarket.

In this way, once established, the permenant exhibitions may becomecenters for launchingexports on targetmarkets*, acting like export incubators or hubs to find proper routes on the market*.Indeed representatives of the companiespresenton this centers can identify most profitable routes

and distribution centers, can have their offer visualised by potential cusotmers and can get more information in the market compared to a shorter presence of 2-4 days offered through participation in a trade show or international fair.*Especially SMEs, uanble to act like big, well established companies, and unkown in the markets, may take crucial advantage* .

Based on these considerations, the Ministry of Economy,Trade and Business Environment together with the Romanian Trade and Invest (Romanian national trade promotion organization) entered into consultation during 2010 with the Romanian export association in the Export Council about the opportunity of such an instrument.

Romanian National Export Council is a private-public partnership which by law is responsable to elaborate and implement a NES and to find new instruments of export promotion.

Article no.1.

(1) Sets up the Export Council, organizational structure at national level, with public-private character, without legal personality, beside the Ministry of Economy and Trade, with the aim to harmonize the sectorial, intersectorial and regional strategies to The National Strategy of Export as well as to determine the targets and priorities in the export field.

(2) The Export Council has responsabilities in the fields of co-ordination and harmonization of the activities of elaboration and unitary implementation of sectorial and intersectorial strategies and politics, as well as to monitorize the system of supporting and promotion of export with state budget financing.

(3) The Export Council is formed with representatives from public institutions, employers' and professional associations with competences and activity in the export field, mentioned in the annex that is integrant part of this Decision. The Export Council is an open organizational structure, to which may also adhere other public institutions and associative structures from the private sector with competences in the export field, according Export Council rules and functional regulations.

Article no.2. The Export Council has the following competences :

a) harmonize the sectorial, intersectorial and regional strategies within the framework of The National Strategy of Export, with a view to determining priorities for export growing ;
b) identify resources of public and private financing to fulfil programmes and actions mentioned in The National Strategy of Export ;
c) propose programmes to assure the increase of the competitivity of the export offer ;
d) initiate actions to increase and diversify the export of goods and services with high added value ;
e) analyse the current problems of the foreign trade activity and formulate proposals to improve it ;
f) suggest modifications of the legislative framework to elimine the export barrieres and generate an increase of the export volume ;
g) support the develop of the activities of promotion of servicies and specialized assistence to exporters ;
h) monitorize progress, results and impact of implementation of the measures, instruments and mechanisms of supporting and promotion of the export with state budget financing included in the National Strategy of Export ;
i) mediatize actions, programmes and measures regarding the growing of the export.

Article no.3.

(1) The leadership of the Export Council is assured by two co-presidents, representing the public sector and the private sector, nominated from the members of the Council during its first meeting.

(2) In order to fulfiling its competences, the Export Council may organize sectorial committees.

(3) The Secretariate of the Export Council is assured by the General Directory Export Promotion from the Ministry of Economy and Commerce. To assure the activity of the secretariate, the table of functions of the Ministry of Economy and Commerce is extended with 3 positions of public employees.

After these consultations many business associations agreed to support creation of such a center in UAE. It has been decided that the center should be the place of a permanent exhibition under national flag in Sharjah UAE. Institutions and associations in Romania and Export Council were encouraged to develop in this location a permanent exhibition center under the auspices of the Sharjah Chamber of Commerce. It was considered an attractive location situated inside the International Expo Centre Sharjah.

„Romanian General Expo" in Sharjahwas established in the international exhibition center of Sharjah Chamber of Commerce on April 2011. The launch of the exhibition was made in a favorable

context in offered by the the Islamic Conference in Sharjah held in April 2011. The conference was organized by O.I.C. (Organization of Islamic Countries) with the main objectives to increase cooperation trade and joint investment between the 57 Member States of OIC. In parallel with the conference the International Islamic Exhibition took place.At this event the Islamic countries had sent exhibiting companies, which triggered a large numbe of visitors. Part of the influx of visitors and experts, commercial partners and potential buyer have been redirected to the in Romanian exhibition space.

Since Sharjah Expo Center is organizing during the whole year, a part of the traffic of visitors towards the center was ensured by this good positioning. Thus, the exhibition enjoyed visitors from the Arab countries as well from India, China, Thailand, Turkey, Indonesia, Egypt, Iraq, Bangladesh, Australia. Romanian Trade Center gave to those interested, the opportunity to know the potential of the Romanian industry, to see the goods and the Romanian product performance and to establish contacts with Romanian companies present in the stand.Organizing the center in such a place allowed the right promotion to a vast consumer market of 1.4 billion people which level of consumption is largely covered by imports (993 billion USD).

A new model of promoting Romanian products internationally was created. The exhibition was aimed not only for exports to the U.A.E.(United Arab Emirates) but also in other countries and the Middle East. Organization of the pavilion and promotional activities were done based on the brand manual ,,Romania, your reliable trade partner", a registered export brand.

Sharjah showed to be a good location for this purpose and recognized as such by the national government promotional organisms in China, India, Egypt and more recently U.S. (United States). All these countries have or intend to open a regional exhibition centers in Sharjah, near the Chamber of Commerce and Sharjah Expo International Expo Center.

All countries that have such projects based their decision on the following considerations:

- economic and commercial position of Sharjah's emirate in the U.A.E.(most industrialized place where there are many re-export companis) and the U.A.E. in the Gulf and Middle East countries (the logistics processing center and re-export);
- pro-national regional exhibition centers in the emirate authorities, who as a result of cooperation between the U.A.E., has specialized in supporting such centers and provide framework conditions to encourage the creation of national promotion centers.

T*he presence of the companieis in the Romanian Trade center in Sharjah* that took place during *three successive stages* as follows:

In the first stage of the exhibition (April - July 2010) 34 companies exhibited out of which, till end of March 2012, after allmost one year, two companies have opened stores in U.A.E.

In the second stage (July-November 2011)at the number of 34 companies listed in the first stage (that continued to exhibit) 8 additional companies were added, resulting 42 companies present in the exhibition center. This fact was possible by rearranging of exhibiting area.

In the last stage they have shown interest to exhibit a number of 19 firms. Most of participants have expressed for a extended presence of export supply in Sharjah emirate using the opening provided by the organizers considering that they will have better chances of entering on the UAE market.

During these stages Romanian companies had the opportunity to participate in the business meeting wich were organised for each participating company.In conclusion throught this way of promoting, Exhibition Centre refresh and improved their substantial range of products and the export demand has increased and diversified in terms of assortments.

1.3. Performance evaluation Sharjah Exhibition Center

Romanian companies present in the center had the opportunity to better prospect the market and to gether information on competitors or on market acces conditions not only on Gulf markets but on Middle East markets too.The representatives of Romanian companies got valuable information about technical and quality requirements, about prices. But, the most important advantage was the fact that they were able to get closer to the potential buyerr, to understand distribution channels and to meet their representatives.

Also in the category of positive results we mention the following aspects:

- Romanian businessmen present in the center benefited from match-making events, creating good prospect for export deals and identified new opportunities to attract foreign investments;
- Most of participants, rather coutious at the begininig about their chances on the market, became after 6 months of presence more confident on the potential benfits of an extended

presence in Sharjah. Using the opening provided by the emirate organizer, SS General trading, exhibitors considered after one year of presence that such a presence gave them better chances of entering on market;

- The offer of Romanian export companies became stage by stage more consistent, comprising a very wide range of producs ans services such as: industrial equipment, furniture and clothing specially designed for the Middle East market, ingredients for food processing industry, traditional Romanian food (jam of Topoloveni) marble, building materials and wood products, clothing, footwear, glassware, electrical, equipment and environmental services, renewable energy, higher education and research services, household products;
- According to report made by participants export pre- contracts have amounted to 22,742,000 US dollars.

In order to understand and better measure the impact of Sharjah Center *a study was conducted*.Information needed to assess the effectiveness of this model to promote foreign export were collected through *questionnaire tool*. This was the means by which representatives of exhibiting companies provided answers to questions that would lead to important information for achieving the purpose of research. The main objectives of the study include:

- identify sector profile of the firms participating in the exhibition Sharjah
- classification of exporting companies present at the exhibition the following categories: potential exporters, aspiring develop;
- identify the major obstacles percieved by Romanian exporters ;
- measure percieved attractiveness of U.A.E.and Middle East markets in terms of: obtaining export licenses, transfers of technical documents or samples; endorsement of the technical parameters of products for export, making advance payments, delivery dates; shipping and transport conditions, discriminatory trading conditions;
- measure the export capacity of Romanian companies ;
- measure percieved addvantage of location in Sharjah Expo;
- identify the most appropriate ways of presenting the Romanian offer in terms of design presentation stands.

The information collected, processed and analyzed helped to establish the following *conclusions*:

1. Romania's participation in the General Exhibition Sharjah 2011 was a significant achievement opening the way for a good practice to support the advantages of permanent export market to be better capitalized.
2. Whole the experiment gravitates around the importance of the existence of individual brands in export on non EU markets. Romanian companies which based their exports on cut and trimm subcontracting on EU discovered new path of strategic development, through creating more powerfull brands.
3. Out of the 57 companies participating in the International Exhibition Sharjah 2011, 14% represented technical industrial companies, 12% clothing and fashion design sector, 9% other (consulting services, construction, chemistry, gardening, IT, education services) , 7% and decorative art glass, pharmaceutical products and cosmetics 5%, 4% furniture and articles of wood.
4. Most ofthe exhibiting companies familiar with exports, 50% of exhibitors making sporadic exportin small quantities with low-impact turnover and 50% are developed exporters which conducted operations consistent with the major contribution in export turnover.
5. The main obstacles encountered in the export activity, in the opinion of respondents are: the absence of efficient distribution channels, price of their products compared with the competition that requires are thinking of the production function but also improving logistics , the obligation of making advance payments (necessary condition for the first delivery of products), shipping and transport conditions.
6. Most of respondents considered that the Romanian economy is attractive both in the UAE and Middle East market in the terms of trade and export, but unattractive in terms of investment.
7. In terms of export capacity of Romanian companies, the image forme disfavorable among exporters.Most of them are confident that through a good distribution chanel they are able to take a market share;

8. The image of the promotional center is relatively favorable among participants which agree most of them that localtion inside the Sharjah Expo was a good choice and the center may act in the future as an efficient export incubator;
9. Most percieved advantages of the Romanian Exhibition Centre in Sharjah Expo, according to respondents opinion are: promoting the economic potential of Romania in the UAE and the Middle East and boost exports to these markets.
10. Regular repetition of this type of exhibitions in the Center with participation of diversified Romanian export companies is viewed favorably by the exhibitors.
11. Regarding the presentation of the Romanian offer in terms of stand design , the opinion is divided equally between the two models namely:
- general stand „all products" type or multisectorial
- thematic stand for a limited number of interrelated products or, at least, an arrangment were sectors should be clearly diveded in different rooms
12. An Internet presence of the center (web site or portal) is viewed as an efficient promotional toolby the exhibitors.
13. Introduction of some additional selection criteria to enter in the center of Romanian companies is looked differently. On one hand some respondents are considering a selection based on degree of matching the products to the market needs is important. But there are also opinions which draw attention on the fact that all the companies should have acces on this center if they consider they have chances to export.
14. Regarding the quality ofmatch making services ensured by local organizers, SSGeneral Trading,respondents are divided.Even some respondents consider that the services were good (cosmetics, food, bio and health products,glassware, furniture), others considers that the company is not able cover all type of businesses interested to get orders on the market;
15. Most companies had business contacts useful and practical ways to continue expressing the view that Sharjah Exhibition Centre sould continue in 2012 an beyond.
16. Most of Romanian companies have not a coherent strategy to access the Middle East market and have not developed marketing mix at the managerial level (lack of promotional materials, low capacity ofcommunication and adaptation).
17. Organizers are unable to cover with complete market studies all categories of export products which may be a main vulnerability of the Centre.
18. There are significant cultural barriers regarding business development in terms of communication, mutual trust and ability to think long-term collaboration, both from the Romanian companies and Gulf companies.

In terms of opportunities and effectiveness of this in the Exhibition Centre there are following categories of companies:

- Companies which got export orders in the market or are in advanced stage to get contracts on the market;
- companies that are in process of registration with their products on the market (food, cosmetics, health care);
- companies that have not signed export contracts, mainly due to high prices of the products, but still retain their interest of U.A.E. market;
- companies that have expressed their intention to leave the center having no real export possibilities.

Considering that this is the first time when such a promotional instrument is used,in less then one year of existence, evidence show that is premature to guage the exact impact of the center on Romanian exports on the market, in spite of the fact that there are first indications that the center is already contributing to growth of Romanain export on the market which doubled on 2011 compared with previous year.

2. Conclusions

Experience acquired in the first year of functioning offers the possibility to continue work with specific adjustments required in the management of center.

In 2012 the exhibition center should be streamlined so as to become a veritable incubator Romanian export companies. For a better management of the Sharjah Expo Centre various solutions should be considered such as:

- more carefull selection of participants in the center based on market study research able to identify companies best placed to be effcient on the market;
- better match making services ensured by local organizers;
- periodic campaigns to promote the export offer of the center channel or potential for promotion and marketing (specialized fairs, road shows, display products to distributors, event center, media target groups of customers);
- organizing in the center seminars and thematic events;
- analysis of monthly activity reports received from the SS General Trading (local partner) and setting with SS General Trading ways to improve services;
- continue organizing three events in the Sharjah Exhibition Complex, in May, July and November 2012, with the participation of at least 45 new companies and innovative creative products.

Romanian experience reveals that Romania's permanent exhibition in Sharjah U.A.E. is a valuable experiment that with a better management can help overcome some important constraints of the market acces for Romanian exporters such as those related to market research, product promotion, identify the best distribution channels, certification procedures.

This center can be a valuable alternative to other export promotion instruments provided by the public authority but a more accurate evaluation of its performance may take place after its second year of existence has passed.

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ROMANIAN SME's OVERALL SATISFACTION WITH THE USE OF ONLINE MARKETING TECHNIQUES: AN EMPIRICAL MODEL

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Abstract: *Online marketing techniques have been adopted by Romanian Small and Medium Enterprises to different extents. While some online marketing techniques are more popular than others, the general perception towards the usefulness of using them is favourable. Moreover, most of Romanian SME's initial expectations towards the outcomes of use are confirmed, resulting in a high degree of satisfaction with the decision of turning to online marketing techniques for meeting companies' goals. However, our main analysis is not descriptive in nature. We thus employ a modified framework of initial ECT-IT in order to test and validate an empirical model of Romanian SME's overall satisfaction, as a function of perceived usefulness and confirmation of initial expectations. Our hypotheses are validated with Least Square Regression analysis and the model's fit indices are presented.*

Key words: online marketing, techniques, satisfaction, SME

JEL classification: M 31, L 81

1. Introduction

A pervasive online presence has become compulsory since more and more consumers use the Internet on a frequent basis. More than half of the EU population is using the Internet on a regular basis for different purposes, which also include information gathering for products and services (Eurostat, 2011). Statistics yield serious implications especially for retailers whose main target is young consumers: nine in ten young individuals aged 16-24 use the internet regularly (Eurostat, 2011) giving retails the possibility of almost full potential reach. Thus, integrating both offline and online marketing efforts can offer a competitive advantage in attracting and retaining customers.

There are several online marketing techniques that companies can adopt and adapt to the very specification of their overall strategies. In a study on 500 US companies, the most effective reported online marketing techniques are: e-mail marketing, online social media, blogging, micro-blogging, paid advertising (banner ads, pay per click), search engine optimisation, but also content-based online marketing (newsletters, white papers, e-books) (Hinge Research Institute, 2011).

Hinge Research Institute also reports a strong correlation between growth, value and the adoption of online marketing strategies. High growth, high value companies are more likely to use online marketing strategies. Also, companies that have obtained more than 40% of their leads online tend to have superior financial performance (Hinge Research Institute, 2011). Hinge Research Institute concludes that the online marketing strategy can be very attractive from a return on investment perspective.

Especially small and medium enterprises are likely to adopt inexpensive, modern marketing techniques due to their ease of use and general affordability (Nathan, 2012). The AT&T Small Business Technology 2012 Poll reports that 79% of the 1200 small US nationwide enterprises are using word-of-mouth for promoting their business, 63% are using company's websites and 39% are using social media channels (Nathan, 2012).

According to Rogers' Diffusion of Innovation theory, individuals can adopt an innovation and latter continue or discontinue its use (Rogers, 1995). As well as individuals, enterprises can continue or discontinue the use of online marketing techniques at any given time.

This paper's aim is to explain why enterprises continue to use online marketing techniques in order to sustain the overall marketing goals. In order to meet this paper's objective, we have employed and adapted the ECT-IT framework to the specificity of our study. Expectations-Confirmation Theory for IT usage has been adapting the expectation-confirmation paradigm to the study of IT related information systems (Bhattacherjee, 2001).

The rest of the paper is structured as follows: the second section of the paper emphasises more on satisfaction as key variable in ECT-IT framework, the third section of this paper presents current study's methodology followed by data analysis and results. The last sections deal with conclusions, limitations and acknowledgements for this paper.

2. Theoretical background

Much research effort was directed towards the study of consumers' satisfaction with their purchase decisions and less effort towards studying enterprises satisfaction with their marketing decisions. Marketing managers take various decisions, have expectations regarding the outputs of their decisions, judge the outcomes in term of meeting expectations and report either satisfaction with prior decisions or dissatisfaction with their decisions. Satisfaction leads to a continuance intention to use, act or perform certain behaviour (Bhattacherjee, 2001).

Satisfaction has been widely defined as a post-evaluative judgement over a particular decision (Oliver, 1997; Churchill and Suprenant, 1982). It is an attitudinal variable, and as such is an important determinant of intention as per Technology Acceptance Model (TAM) (Davis et al., 1989).Judgement of satisfaction is entirely subjective and individual and depends on the individuals' initial expectations (Oliver, 1997), while perceived usefulness represents salient beliefs that are developed based on realisticconsideration of actual situational factors (Davis et al., 1989).

Similarly, the confirmation-disconfirmation paradigm shows that satisfaction is an evaluative outcome of the gap between performance and expectations (Oliver, 1997), with higher performance levels associated with more positive disconfirmation and increased satisfaction. Perceived usefulness refers to beliefs regarding performance.

An individual is more likely to be satisfied with experience or decision when he or she perceives better performance, therefore greater usefulness. The effect of perceived usefulness on behavioural intention has been consistently reported in most empirical studies in various contexts, including information technology and electronic commerce (Gefen and Straub, 2000). In this sense, an individual is more likely to continue usage when such usage is perceived to be useful.

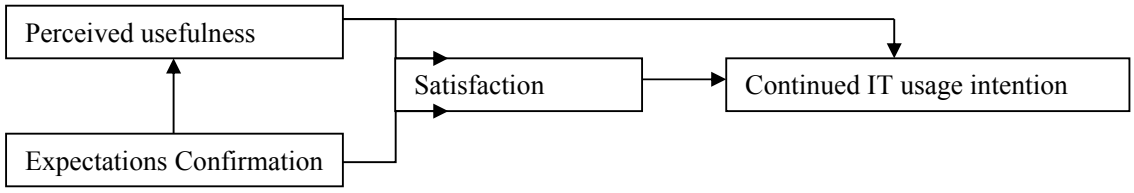
The role of satisfaction in predicting behavioural intentions is well established in the marketing literature (Anderson et al. 1994; Cronin and Taylor 1992; Oliver 1980; Patterson et al. 1997). Recent studies demonstrated that satisfaction can also be considered a key predictor of intention to continue IT usage (Bhattacherjee 2001).

Bhattacherjee develops the ECT-IT framework which position that continued IT usage is a function of satisfaction and perceived usefulness. In ECT-IT framework, the main predictors of satisfaction are post-usage perceived usefulness and the confirmation of initial expectations (Bhattacherjee 2001). Satisfaction is an affect (attitude), captured as positive (satisfied), indifferent, or negative (dissatisfied) feelings (Bhattacherjee 2001).

The rationale of the framework is as follows: an individual forms some initial expectations about the performance of IT before using it. The degree to which his/her expectations are met leads to both satisfaction/dissatisfaction and a perceived usefulness of the IT. Satisfaction is determined by a confirmation of expectations which means that the IT performance rose to his or her expectations. Dissatisfaction occurs when initial expectations are not met.

EDT-IT framework of reference is outlined in Figure 1.

Figure 1: ECT-IT framework (Bhattacherjee 2001)



3. Research model and hypotheses

We employ ECT-IT framework as a base for study SME's overall satisfaction with online marketing techniques. The model proposed is shown in Figure 2. The reasoning of the model is the following:

Before making a decision, individuals form initial expectations about possible outcomes resulting from different courses of action (Zeelenberg et al, 2000). Expectations form the basis for all kinds of behaviour (Olson et al, 1996). The outcomes of a certain decision or behaviour are measured in terms of results. When the results of a certain behaviour met individuals' initial expectations then expectations are confirmed. Thus, we state our first hypothesis:

H1: SME's initial expectations about the possible outcomes of implementing online marketing strategies will positively influence their confirmation.

The initial expectations can be confirmed, disconfirmed or positively disconfirmed over time. Various studies of expectation-confirmation paradigm validate the assumption that confirmation of expectations leads to both increased satisfaction and increased perceive usefulness of an act/decision/behaviour (Bhattacherjee 2001, Oliver 1980). We thus state our second and third hypothesis:

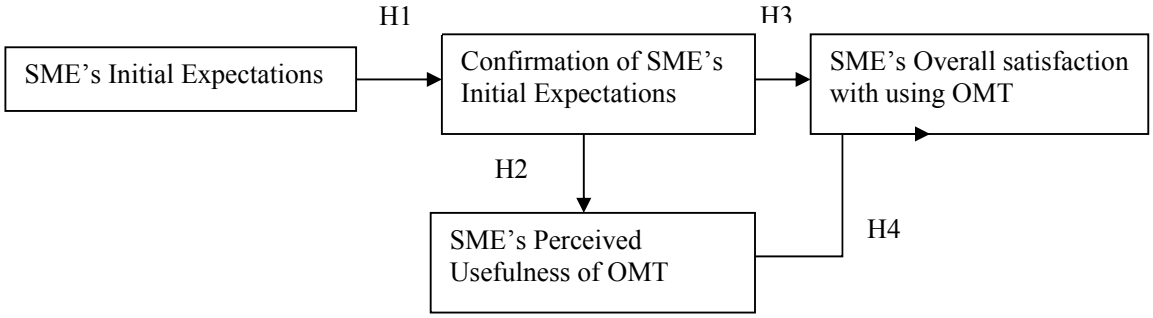
H2: SME's confirmation of initial expectations will positively influence overall satisfaction with using online marketing techniques

H3: SME's confirmation of initial expectations will positively influence perceived usefulness of using online marketing techniques

When judging the outcomes of certain behaviour, individuals draw some conclusions to the usefulness of behaving in such way. It is important to note that these perceptions are post adoption of the behaviour and they lead to increased satisfaction. We thus state our forth hypothesis:

H4: SME's perceived usefulness of online marketing techniques will positively influence overall satisfaction with using online marketing techniques

Figure 2.Model of SME's overall satisfaction toward the use of online marketing techniques



4. Methodology

In order to collect data from a representative sample of Romanian SME, a database with over 3000 of firms was purchased. From this database we selected only those firms having the slightest online presence by choosing those e-mails accounts which were set up on company's domain name (name@companydomainname.ro). A total of 1605 e-mails addresses were selected. We have written a cover letter expressing the purpose of the study and kindly asked the potential respondents to return the questionnaire attached to the e-mail. A total of 171 Romanian SME returned the questionnaire with a 10.65% response rate. 5 questionnaires were however incomplete and dropped from the analysis resulting a number of 166 valid questionnaires.

Each construct measuring initial expectations, confirmation of expectations, perceived usefulness and overall satisfaction had 4 items, totalling a number of 16 items. Descriptive data was also gathered using multiple-answer questions.

The proposed model was analysed with the help of IBM SPSS Statistics software package, and the procedure has two important steps, the reliability and internal consistency analysis of the construct variable and the path coefficient analysis which consists in a series of successive simple and multiple linear regressions, in order to establish the Beta standardized coefficients to validate the hypotheses and the Pearson R Square coefficient of determination for the dependent model's variables. Data analysis and results are presented in the next section if this paper.

5. Data Analysis and Results

Before the analysis, the database was checked for missing values, duplicate answers and unusual cases or outliers. There were only five cases of multiple missing answers which were removed, the database being ready for further analysis.

5.1 Descriptive statistics

Our sample of 166 Romanian SME will be analysed according to field, turnover and age or experience of the company (Table 1, Table 2 and Table 3).

Our sample's field of activity consists mostly of services, ITC, fashion/design and Finance/Accounting. The most active industry in the online environment is the services industry, including tourism services, transportation and education services. The next important segment consists of IT & C firms, which include hardware components and software products selling online stores and computer related services like components assembly, debugging, repairing or software installation.

As per turnover, most of the online active companies accounted for a turnover between 50.000 and 500.00 Euro (86%). Only 8% reported a turnover over 500.000 Euro and 7% under 50.000 Euro.

Most of the firms in our sample have 5 to 10 years of market experience.

Table 1: Field

Finance/Accounting	7%
IT&C	18%
Food industry/HoReCa	12%
Engineering	5%
Marketing and research	8%
Services (education, transportation, tourism)	23%
Furniture/decorations	7%
Fashion/Cosmetics	11%
Other	9%

Table 2: Turnover

under 50.000 Euro	7%
50.001- 200.000 Euro	33%
200.000 – 500.000 Euro	54%
over 500.001 Euro	8%

Table 3: Age

Less than 1 year	3%
1-4 years	38%
5-10 years	57%
more than 10 years	14%

Most of the Romanian SME use content marketing, search engine marketing techniques and e-mail marketing in order to achieve their marketing goals. All companies relate to content marketing, having a corporate website or corporate blog. Around 78% engage in both search engine optimization and search engine paid advertising to increase their rank in search engine results' pages in order to reach a wider target audience, 64% rely on e-mail marketing by using either opt-in mails for promoting their products or services, offering discounts and generating quick response from the customers, or newsletters in which describe new products launches, characteristics, improvements, campaigns, testing and others, in order to establish a long-term relationship with the customers. Almost half of the respondents use social networks, from which the most used by far is Facebook, followed by LinkedIn and Google Plus and 39% turn to paid advertising which includes banner ads, pop-up messages, advertising video and audio clips, flash animations and games especially on other websites, social networks or blogs.. 34% of the questioned companies use other forms of online content marketing which can include articles, white papers, e-books, presentations, tutorials, catalogues, leaflets, brochures all with marketing purposes. Only 6% of our respondents uses media content, which remains an untapped potential, being both economic and efficient online marketing technique, especially if the case of video clips, being well known the big number of worldwide users that Youtube or simillar websites like Google Videos or Trilulilu in Romania have. Also the other forms of media content websites which include podcasts, documents and presentations have greatly expanded, like Slideshare.net, Podcast.com or Itunes from Apple.

Table 4: Online marketing techniques

Paid advertising (banners, pop-up, Flash)	SEM (SEO + PAID)	E-mail marketing (Opt-in and newsletters)	Social networks (Facebook, Google+)	Media content (Youtube, Trilulilu)	Content Marketing (website, blog)	Other Content (articles, white papers leaflets)
39%	73.5%	64%	47.5%	6%	100%	34%

Further, we will analyse Romanian SME level of initial expectations, confirmation of expectations, and satisfaction with online marketing techniques. Before implementing various online marketing techniques, Romanian SME had high initial expectations regarding the outputs of use. Most of the Romanian SME agreed that they expected an increase in sales volume, company's reputation and notoriety and a wider target audience (Table 5).

Table 5: Romanian SME initial expectations towards implementing online marketing techniques

	Mean	Std. Deviation	N
Before turning to OMT, we were hoping that OMT implementation would increase our sales volume	4.36	.624	166
Before turning to OMT, we were hoping that OMT implementation would help us reaching a larger target audience	4.21	.703	166
Before turning to OMT, we were hoping that OMT implementation would increase our company's reputation	4.09	.695	166
Before turning to OMT, we were hoping that OMT implementation would increase our company's notoriety	4.30	.656	166

From table 6, we can observe that most of Romanian initial expectations were confirmed. Implementing online marketing techniques can and will increase sales, increase company notoriety and reputation and wide the target audience.

Table 6: Romanian SME confirmation of initial expectations

	Mean	Std. Deviation	N
Indeed, the use of OMT increased sales volume	4.30	.585	166
Indeed, the use of OMT helped us reach a larger target audience	4.30	.690	166
Indeed, the use of OMT increased our company's reputation	4.02	.700	166
Indeed, the use of OMT increased our company's notoriety	4.36	.662	166

As a result of expectations' confirmation, Romanian SME are satisfied with their initial decision of using online marketing techniques in order to achieve online marketing goals.

Table 7: Romanian SME satisfaction with online marketing techniques

	Mean	Std. Deviation	N
We are content with our decision to use OMT	4.44	.637	166
We are happy with our decision to use OMT	4.17	.669	166
We are pleased with our decision to use OMT	4.19	.687	166
Overall, we are satisfied with our decision to use OMT	4.40	.660	166

5.2 Items' Reliability and Internal Consistency Analysis

Internal consistency is a measure that tests whether several items of each construct produce similar scores. Cronbach's alpha with values from 0 to 1 was employed in order to test if the items were properly selected for each construct. According to George and Mallery, a Cronbach's alpha value greater than 7 is acceptable and a Cronbach's alpha value greater than 8 is good (George and Mallery, 2003)

The first construct analyzed (Table 8) is Initial Expectations [IE] that has a good Cronbach's Alpha value of 0.809. This value will be improved after *Item 3 - Before turning to OMT, we were hoping that Online marketing Techniques [OMT] implementation would increase our company's reputation*will be removed from the construct, thus resulting a final Alpha of 0.814, the item's corresponding row value from Cronbach's Alpha if Item Deleted column. The Corrected Item Total Correlation, which shows the correlation between the item and the scale score minus the item of interest, item 3 in this case, is 0.503, the lowest from the column, but over the accepted value of 0.3, confirming again that the removal decision is justified.

Table 9 shows a Cronbach's Alpha value of 0.821 for Expectation Confirmation [EC] variable, which is very good, showing an accurate items' description of the construct. No item should be removed,

because all the Cronbach's Alpha if Item Removed values are under 0.821, resulting that the construct can't be improved.

The Inter-Item Correlation Matrices for the two variables were also computed, and all the inter-items Pearson R coefficient of correlation values were over 0.3, the accepted limit for ordinal Likert type items, except the R involving the Item 2 and Item 3 intersection from [IC], which was 0.281, but regarding the fact that item 3 was removed from the construct, this inconvenience disappeared.

Table 8: Initial Expectations [IE]

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	
.809	.808	
Item-Total Statistics		
	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Before turning to OMT, we were hoping that OMT implementation would increase our sales volume	.701	.722
Before turning to OMT, we were hoping that OMT implementation would help us reaching a larger target audience	.577	.785
Before turning to OMT, we were hoping that OMT implementation would increase our company's reputation	**.503**	**.814**
Before turning to OMT, we were hoping that OMT implementation would increase our company's notoriety	.735	.708

Table 9: Expectation Confirmation [EC]

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	
.821	.821	
Item-Total Statistics		
	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Indeed, the use of OMT increased sales volume	.562	.811
Indeed, the use of OMT helped us reaching a larger target audience	.630	.782
Indeed, the use of OMT increased our company's reputation	.637	.779
Indeed, the use of OMT increased our company's notoriety	.759	.720

Table 10 : Perceived Usefulness [PU]

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	
.753	.751	
Item-Total Statistics		
	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Generally, use of OMT is useful for achieving marketing goals	.550	.696
Generally, use of OMT increases a company's profit	.632	.647
Generally, use of OMT increases a company's target audience	.606	.664
Generally, use of OMT increases a company's efficiency	**.416**	**.761**

Table 11: Satisfaction [S]

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	
.844	.845	
Item-Total Statistics		
	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
We are content with our decision to use OMT	.750	.773
We are happy with our decision to use OMT	.592	.839
We are pleased with our decision to use OMT	.701	.792
Overall, we are satisfied with our decision to use OMT	.679	.802

The next two model's construct variables will be further subjected to the same analysis.From Table 10 results a Cronbach's Alpha value of 0.753 for Perceived Usefulness [PU] variable, over 0.7, but which can be slightly improved after *Item 4 – Generally, use of Online Marketing techniques [OMT]* is removed from the construct, resulting a final Alpha of 0.761. Item's associated Corrected Item-Total Correlation value of 0.416 is the by far the lowest from the construct.

For Satisfaction [S] (Table 11), the Cronbach's Alpha is 0.844, the best from all the constructs, and no item has to be removed.

The Inter-Item Correlation Matrices were also computes for these variables, and except an R coefficient involving the Item 4 removed from [PU], all the values were over 0.3, showing that the items accurately describe the same construct or latent variable.

After the reliability and internal consistency analysis and the removal of the two inconsistent items, the four construct variables were built using the Mean option from SPSS.

The Correlation Matrix shows the Pearson R correlation coefficient for all the variables' intersections and its associated Significance level or probability (Sig.). All the coefficient values are over 0.5, showing strong correlations among the variables, and their probability is under 0.01, thus the all the results being significant.

The Correlation Matrix is very useful when examining the mediating effect of some variables and to see relationships between variable that haven't been hypothesized in the model.

Table 12: Pearson Correlation Matrix

		[IE]	[EC]	[PU]	[S]
[IE]	Pearson R	1	.647**	.568**	.579**
	Sig.		.000	.000	.000
[EC]	Pearson R	.647**	1	.635**	.879**
	Sig.	.000		.000	.000
[PU]	Pearson R	.568**	.635**	1	.713**
	Sig.	.000	.000		.000
[S]	Pearson R	.579**	.879**	.713**	1
	Sig.	.000	.000	.000	
**. Correlation is significant at the 0.01 level (2-tailed).					

5.3 Least Squares Regression Model

The second important step of the analysis consists in three successive linear simple and multiple regression for each dependent variable of the proposed model. The regressions are made with IBM SPSS Statistics using method Enter and Least Squares technique.

Table 13: Model Summary

Dependant	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
Satisfaction [S]	**.902[a]**	**.814**	.811	.23788	1.797
a. Predictors: (Constant), Perceived Usefulness [PU], Expectation Confirmation [EC]					
Dependant	**R**	**R Square**	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
Expectation Confirmation [EC]	**.647[a]**	**.419**	.415	.40783	1.859
a. Predictors: (Constant), Initial Expectations [IE]					
Dependant	**R**	**R Square**	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
Perceived Usefulness [PU]	**.635[a]**	**.403**	.400	.38835	2.441
a. Predictors: (Constant), Expectation Confirmation [EC]					

Table 6 – Model summary shows the Pearson R correlation coefficient and Pearson R Square determination coefficient values, the last showing the strength of the regression. The best R is for Satisfaction [S], 0.902, which is a dependent variable explained by two predictor variables, [PU] and [EC], thus explaining the strong relationship. The R square of this multiple regression is 0.814, meaning that [S] as dependent or outcome variable can be explained by [PU] and [EC] as independent or predictor variables in a proportion of 81.4%.

Expectation Confirmation [EC] and Perceived Usefulness [PU] as dependent variables are explained through two simple regressions by [IE] and [EC] as predictors, having good similar R values of 0.647 and 0.635, showing strong relationships.

The Durbin-Watson statistic values are between 1.5 and 2.5, the recommended interval in order to not exist serial autocorrelation in the residuals, thus the independence of the errors regression assumption being validated.

For each of the three regressions the ANOVA table was computed, and all the Sum of Squares, Mean Square and F values are very high for a probability under the Significance level of 0.001, showing that the cumulative effect of the predictors on the dependent variable is strong and consistent.

The next step of the regression procedure consists in analyzing the Standardized Beta Coefficients (Table 14) which will compute the Beta or path coefficients associated to the relationship among model's variables in order to validate or invalidate the hypotheses.

Table 14 : Standardized Beta Coefficients

Dependant: [S]	Standardized Coefficients	Sig.	**Dependant: [EC]**	Standardized Coefficients	Sig.	**Dependant: [PU]**	Standardized Coefficients	Sig.
	Beta			**Beta**			**Beta**	
[EC]	**.715**	.000	[IE]	**.647**	.000	[EC]	**.635**	.000
[PU]	**.259**	.000						

The Beta coefficient values are all significant, under 0.001, and have values over 0.2, thus all of the model's hypotheses are validated. All the relationships are very strong, over 0.6, except the effect of [PU] on [S], which has a pats coefficient value of 0.259, showing a weaker influence of the predictor. This happens because the dependent variable [S] is explained by two independent variables, [EC] and [PU], the second having a stronger influence and an associated path coefficient of 0.715, the greatest from the model. Although the Beta between [PU] and [S] is 0.259, the Pearson R correlation coefficient of this relationship is 0.713, very high, but lower that the R between [EC] and [S], which is 0.879 for a probability under 0.001 level.

The Standardized Beta coefficients (Table 14) also computed for each of the three regressions the Tolerance coefficients, which are all over 0.5, and the Variance Inflation Factor (VIF) values, which are under 5, thus validating the lack of multicolinearity assumption. Next, the Colinearity Diagnostics tables computed the Condition Index value of 23.971 for the multiple regression with [S] as outcome, which is between 15 and 30, showing a moderated risk of multicolinearity, but regarding the ordinal variables using five points Likert scales, this is normal and accepted. For the two simple regressions, the CI values were under 16, showing no major risk of multicolinearity, thus the lack of multicolinearity assumption for linear regression being once again validated.

The last important regression condition, the residuals' distribution normality, will be next verified using the graphic method.

Figure 3 : The Histogram of Standardized Residuals

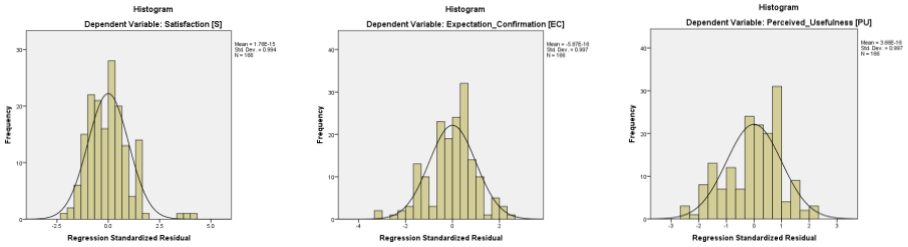
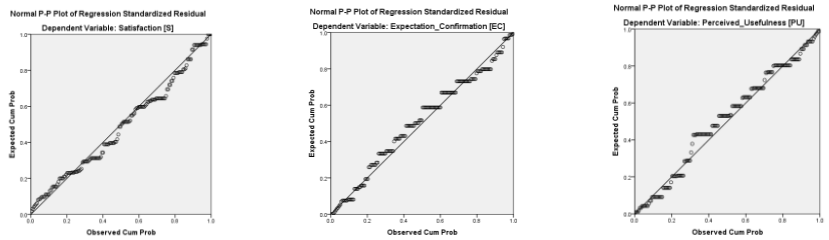
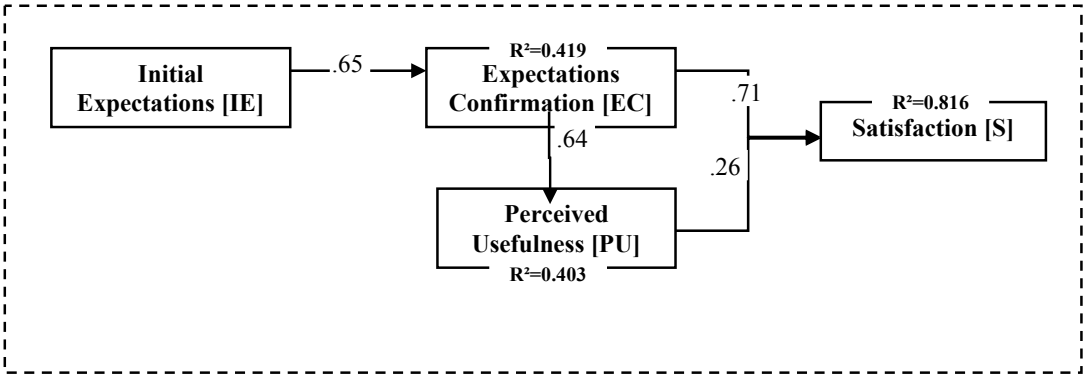


Figure 4 : The P-P Plot of residuals



The Histogram of Standardized Residual (Figure 3) shows the residuals values follow a normal bell shaped Gaussian distribution, validating the residuals' normality assumption. Next, the P-P Plot (Figure 4) shows that the residuals can be estimated with a straight regression line, being symmetric to this line, once again confirming the residuals normality distribution regression assumption.

Figure 5 : Model of SME's overall satisfaction toward the use of online marketing techniques



Expectation-Confirmation paradigm can be adapted to the study on SME satisfaction with online marketing techniques. Marketing Managers evaluate their satisfaction based on the confirmation of their initial expectations and the perceived usefulness of implementing such techniques. Our proposed model can explain 81.6% of the variation of satisfaction.

If initial expectations are confirmed, then marketing managers will perceive both an increased usefulness and an increased level of satisfaction with their decision to adopt and implement online marketing techniques.

The study shows that initial expectations are high; the initial expectations items have means from 4.09 to 4.36. Initial high expectations are mostly confirmed; the expectations' confirmations items range from 4.02 to 4.36. This leads to an increased satisfaction with the decision of using online marketing techniques (the satisfaction items ranging from 4.17 to 4.47) and increased perceived usefulness of using online marketing techniques (the perceived usefulness items ranging from 4.03 to 4.45).

Although this study provides meaningful implications, it has some limitations. First, the model was empirically tested using a sample of Romanian SME. Thus, it cannot be assumed that the sample is representative to the worldwide population. Future research should replicate this study and test this conceptual model in a different country or culture setting. Second of all, some authors may argue that the sample size of 166 Romanian SME may not be representative for the entire investigated population. Third, the predictive power of the model can be increased if several other satisfaction predictors are validated and included in the model.

6. Acknowledgements

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THE ANALYSIS OF THE TOURIST BEHAVIOR DURING THE ECONOMIC CRISIS IN ROMANIA AND IN EUROPEAN UNION

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Abstract: *The tourism industry is undoubtedlyaffected bythe global economiccrisis. This study aims to provide a perspective from the point of view of changes occurred in the tourist behaviour in a less-favourable economic environment like the current global economic crisis but also in terms of looking for proper solutions. The research objectiveis tohighlight the manner in which the crisis caused changes in the tourist behavior. This paperisan exploratory research, based on the evolutioninrecent years of indicators relevant to the investigation and seek sconfirmation of the fact that 2009 was the peak year for tourism crisis.*

Key words: tourism, consumer behaviour, global economic crisis

JEL classification: D 12, G 01, L 83

1. Introduction

Was the crisis predictable? Aside fromWorldConspiracyscenariosit can be concludedthatthere were enough voices that warned about this danger. Were theytakeninto account, evenas ahypothesis?Apparently not! Andthis isperfectlydemonstratedscientifically if wetakeinto accountdata fromfieldsaspsychology, sociology, anthropologyand evensimple observationofnativeintelligenceas crookJosephWeil(1875-1976). Inhis memoirsWeilmakesafineirony, a perfectpsychological portraitofhuman nature: "The desire to get somethingfor nothingwasveryexpensivefor manypeoplewho hadto dowith meorwith othercrooks. But I found thatthis is how things works.According to my estimation, the average personis 99% animal and 1% human. The animal part triggers very few problems. Butthat 1% human leads toalldisasters. When people will learn that-althoughI doubt it -they can notwinsomething out of nothing,crimewill diminishandwe will all livein greatharmony." (VerticalNews, 2012)

This briefreflectionof Weil fits perfectly with the pre-crisis world situationandconciselydescribesthesocio-economic situationof Romaniaafter 1989!

But the economic experts, theAmerican ones, who had sophisticated and abundant forecastmodelsandeconomicdatabases, what have theypredicted?

Here's whatCharlesR.Morrissaysin the introductiontothe bestseller"The economic crisisanditsprophets": "Of the 102 separateforecastsmadeboth forunemploymentandtheGDP, 101 were wrongin the same direction. Notethat the forecastswere madein late 2007or early 2008, when thecreditcollapsewasalready widelydescribedin thepressfor months,and the government was takingextraordinary measurestodiminish theeffects." (Morris, 2010)

How is it possible ina market economyin whichthere areeconomistsandleadingeconomicinstitutesforecast, where thecompetition for winning clientsdepends on thequality ofstudiesandforecastingaccuracy, to be wrongin such adegree? Moreover,asCh. R.Morris claims: "They did not understand whatis happening, orhad no ideaaboutthe overall effectsof the phenomenon". The explanation, in my opinion, liesin whatWeilarguedmore than30 yearsbefore. Aneconomic analysisis not completeandmaynotbeaccuratewithoutenclosingsocio-cultural knowledge(psychology, anthropology, sociology, economichistory). It turned outthat astrictlyquantitativeeconomic analysis, madewiththe best modelsbyleadingeconomicexperts, cangive errors, often veryexpensiveand unpredictablein amplitude, without taking intoaccountotherrelateditemspertaining to thementioned.

The economic theoryis basedon twobasicprinciples: 1)economiclawshavedemonstratedlong-termvalidity, 2) large numberof rational economicagents(hypothesis). (Maliţa, M., Georgescu, C., 2010)I

would like tointervenein whatProfessorLucianLiviu Albu, director of theEconomic ForecastingInstituteof the Romanian Academy, claims in "Economy at a crossroads? But what about economic science? ", part of the work " Romania aftercrisis: re-professionalization" by using the word"hypothesis". In my opinion, the twoprinciplesoutlined abovewere basedon the assumptionthat economic and decisional specialists, operatinglocallyand worldwide,are rational. The crisis hasremovedthis assumptionso there is a major requirement forchanging theparadigm.

Were there voices thatforecast this crisis? Yes, there were. Wecan be proud, asRomanian, that amongthem wasAnghelRugina, renownedscientistin economics, Professor ofEconomicsandFinancefromNortheasternUniversity inBostonwhere heremainedtill theretirement,in 1986. By the age of95 yearswhen hediedin theU.S. (Dinu, C., 2008), the famous scientistvisitedRomaniaseveral timesafter 1989and in 1990 he spokeaboutthe American economythat was, in hisopinion, on the brink. It tookmore thana decadeand a halffortheRomanians and the worldto understand thesmoothnessandsoliddocumentation ofthe famousscientistAnghelRugina.

ChR.Morrispresents usthree otherrespectedvoicesof the U.S. economic stage, Buffett, SorosandVolckerwhosaw thecurrentfinancialcrisisandthe devastatinglong termeffectsand thatsharedtheir predictions to the world. Unfortunatelynobody took their opinions into account, not even theWallStreet finance specialists, or the U.S. authorities. (Morris, 2010)The samescenariohappened inRomania during1990 to 2000, whenscientistAnghelcameto his native country and proposed to the officialsa well argued scientific plan foreconomicrecovery, a plan that willbeimplemented byone ofAmerican statesafterthe economic crisis. The romanian scientistfirmlybelievedin aneconomic miraclepossiblein the Romania ofthose years, which was in aterriblecrisis. (Dan, C., 2005)

You can not helpwonderinghowhumannaturehas changedover this past 2000 years? Too little, from the time when, athousand years ago, theambassador that broughtbad news(even realandjustified) used to be decapitated and theone whobroughtgood newswasfilled withgifts!

2. Which are the causes of the current crisis?

There are undoubtedlymany causes for the crisistriggeredin late 2007and early 2008. According toSoros, the recent credit crisisis"the end of60 yearsbig bubbleaboutcreditcreation." There are three "hidden causes" in Soros's view: 1) the silent commitment of central banks to absorb the irretrievable debt of member banks dating from 1930; 2) the expansion of trade and the globalization of financial markets and the willingnessof the nations with emerging economies (often obtained through persuasion) to maintain large dollar reserves, 3) U.S. tax regulators have virtually abdicated after 1980. (Morris, 2010)

According toProfessorLucianLiviu Albu, this is "not the economists fault", although he recognizesthat someof thecauses of the crisis "are not recognized by us, theeconomists". Twoforces havebroughteconomic systemin hazardous areas, inhis opinion: the public opinion(often manipulated) and the"natural" tendency towards populismof the politicians, to which we could add the profit pursuitofeconomic agents, the pursuit foreasygainsofemployees(supported by trade unions), for arapidandexcessiveconsumption, for increasedmaterial benefits for some. (Malita, M., Georgescu, C., 2010)

In my opinion there are the samecausesthat ledto the disappearance ofgreat empires, great civilizations, causes that are reducedultimatelyto whatgreatconWielnoted.

3. The currentglobal crisisandinternational tourism

The crisis hasreachedclearly allthe sectors of the society. Tourism, especiallycultural tourism, which is considered by UNESCOcapabletosolvemanyproblemsindevelopingcountriesand not only,was alsoaffected.

AccordingtoWTOdata, the numberof international arrivalsgrew from435 millionin 1990to 675in 2000and 940in 2010. Growth wasstrongerforemerging anddeveloping countries, from 31% in1990 to 47% in 2010.

Table 1: International touristarrivals

	International touristarrivals(million)			Shares of the market (%)			Variation (%)	
	2008	2009	2010*	2008	2009	2010	09/08	10*/09
Worldwide	917	882	940	100	100	100	-3.8	6.6
Advanced economies[1]	495	474	498	54.0	53.7	53.0	-4.3	5.1

Emerging economies[1]	421	408	442	46.0	46.3	47.0	-3.2	8.3

Source: (Data compiled by the author based on UNWTO, Tourism Highlights, 2011 Edition) * OMT June 2011
[1] IMF classification

At thelevel of world tourismit is noted that theeconomiccrisis made its presence felt in 2009. That year, the number of internationaltouristarrivalsfell by35 millionfromthe previous year,andin 2010grew by58 million, reaching940 million,with23 millionmore thanthe year beforethe crisis.

According to thedata onadvancedeconomies, arrivalsfollow asimilartrend, there is adecreaseof21 millionarrivalsin 2009compared to 2008, whilegrowth in2010 was24 millioncompared to 2009andonly 3millioncompared topre-crisis.

Emerging economiesare experiencing adeclineof13 millionarrivalsin 2009compared to 2008, 2010registered asignificant increaseof21 millioncompared topre-crisisand34 million compared to 2009.

Thisisreflected also in thesharesof the world marketheld bythese economies. The advancedeconomiesare experiencing aconstant lossof shareof the world marketsince 2008 and the shares of the emerging economiesare growingconstantly. (table no.1)

The 54% of themarketheld byadvanced economiesin2008 (the year before the crisis) is reducedto 53.7% in2009 (the crisis year) and to53.0%in2010 (considered the year ofrecovery fromcrisis). Foremerging economies, the 46% percentin 2008 increases to 46.3%in 2009 and continues to growin 2010, reaching47.0%.

Thistrendprovesthat emerging economies, although the number of arrivals decreased (13 million) in 2009 they havewonslightly inmarketshare(0.3%), this increaseis maintainedin 2010(0.7% compared to 2009and1% comparedwith2008). Overalllosseswerelowerforemerging economies compared to the advanced economies. Possible reasons can be thedecrease in purchasing power inadvanced economies, that made the consumer of tourismproductsand services to focus toward emerging marketsbecause of lower tariffs. Also, thiscanrepresentanadditional argumentin support for the opinion of different worldorganizations (UNWTO, World Bank, UNESCO, European Commission) thattourismcanbean engineof sustainable development, especially foremerging countries. (table no 1)

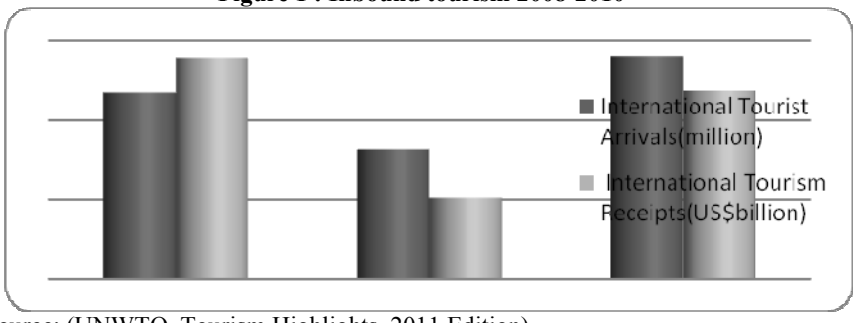
Table 2: International tourism receipts

	International tourism receipts(billion)				**Pricesvariation constant (%)**		
	2007	2008	2009	2010*	08/07	09/08	10*/09
Localcurrency					1.7	-5.6	4.7
Dollars	857	939	851	919	5.7	-9.1	6.2
Euro	626	639	610	693	-1.0	-4.8	11.8

Source: (UNWTO, Tourism Highlights, 2011 Edition) * OMT June 2011

Inabsolute numbers,receiptsfrom international tourism emphasizes thecrisisevents because we can seeadecrease inrevenueworth 851 US $(610euro) in comparison with the year previous to the crisis-US$ 939(639euro) and in 2010there is anincrease inrevenues - US $ 919(693EUR). (table no. 2)

Figure 1 : Inbound tourism 2008-2010*



Source: (UNWTO, Tourism Highlights, 2011 Edition)

In real terms, the declinein international tourismreceiptswas5.6%in 2009compared to 2008and theincreasein 2010compared to 2009was 4.7%, in 2008 the receipts were1.7%compared to 2007. (Figure 1)

The crisis effectson cultural tourismcould bedevastating. InVilinius, the Capital of Culturein 2009, the turnover for the sector was expected to increaseby 15%, but the Lithuaniadeep recessionlowered this figureby 15%. However,the title ofCultural Capitalallowed the Linz citytobethe onlyAustriancitythatrecorded that year a growthwith 11.4for the number of overnight stays. (Peter Inkei, 2010)

According to aEurobarometersurvey, culture/religioniseasily less-preferredasreason for travelin the analyzed period(2008-2010).

Table 3: The major motivation for going on holiday in 2010 (%)

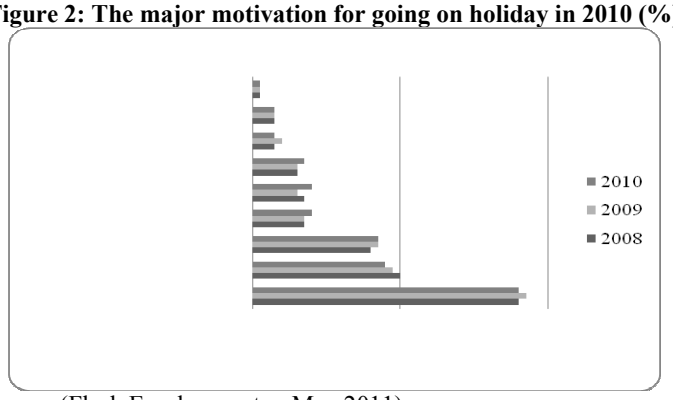
	2008	2009	2010
Rest/recreation	36	37	36
Sun/beach	20	19	18
Vissting friends relatives	16	17	17
City trips	7	7	8
Culture/religion	7	6	8
Nature	6	6	7
Sports – related	3	4	3
Wellness health treatment	3	3	3
DK/NA	1	1	1

Source: (Flash Eurobarometer, May 2011)

The data presentedshows thata percentage of7% ofreasons to travel werecultural/religiousin 2008, in2009 the percentagedeclined to 6%, in 2010willincrease to8%.

In themotivations ranking, with 36% in 2008, is situated “rest andrecreation” reason,growing to 37%in 2009, and returningin 2010 to36%. Amongthe travel reasonsthatgrew in 2009 therewere “Visitsto friends”-17%in 2009, compared to 16% in 2008and “Sports”-4%in 2009compared to 3% in 2008. (table no. 3)

Figure 2: The major motivation for going on holiday in 2010 (%)



Source: (Flash Eurobarometer, May 2011)

Figure2showsthat threemotivationsfortravellinghave increasedin percentagein 2009 - rest/recreation(37% in 2009versus 36% in2008), visitingfriends(16% in 2008 to17%in2009), sports-related (3% in 2008and4%in2009). Other threemotivationsrecordedin 2009the samepercentage asprevious year-citytrips(7% in 2008andstill7%in 2009, increasing to 8%in2010), nature (6% in2008, 6% in 2009increasingwith onepercentin2010), wellness health treatment (3% inallthree yearsanalyzed), the remainingtwo reasons droppedinpercentin 2009increasingslightlyin 2010.

Inconclusion, theanalysis of motivations for going in holidayis not relevantfor studyingthe evolution ofthe crisis. (Figure 2)

4. Analysis of tourism behaviour and its dimensions

By using thestatistical analysis of population income and expenditureindicators, the expenditures components relevant for tourism, and also tourismindicators we aim toidentify thosechanges in touristbehaviorthat occurred along with the emergence of the globaleconomiccrisis.

Thecomparative study between the evolution of indicators "average gross nominal monthly earnings"and "total household expenditure"intheanalyzed period show us the remarkable lowgrowthratestarting 2009, and continuingthroughout the2009 to 2011.

Average gross nominal monthly earningsgrowthhas suffereda significant reductioninthe period2009 - 2011compared to the period2001 - 2008, from an average of22% to an averageof 4.6% over the pastthree years, as can be observed in table no. 4. In2009, 2010and 2011the average gross nominal monthlyearningsincreased byonly4.77, 3.08 and 5.94percentage pointscompared toprevious years.

Table 4: Average gross nominal monthly earnings, Romania (lei/ employee)

Year	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Average gross nominal monthly earnings (lei/employee)	422	532	664	818	968	1146	1396	1761	1845	1902	2015
Growth rate (%)	-	26.06	24.81	23.19	18.33	18.38	21.81	26.14	4.77	3.08	5.94

Source: (National Institute of Statistics, http://www.insse.ro/cms/files/statistici/comunicate/abf)

Total expenditureof householdshaveexperienced asimilar evolution: between 2001 - 2008an average increaseof20.8percentage points(with a minimumgrowth ratein 2005- 9.5%), and asignificantlyreducedgrowthrate in2008 – 2011 period(with a minimumgrowth ratein 2010ofonly 0.8%). (table no. 5)

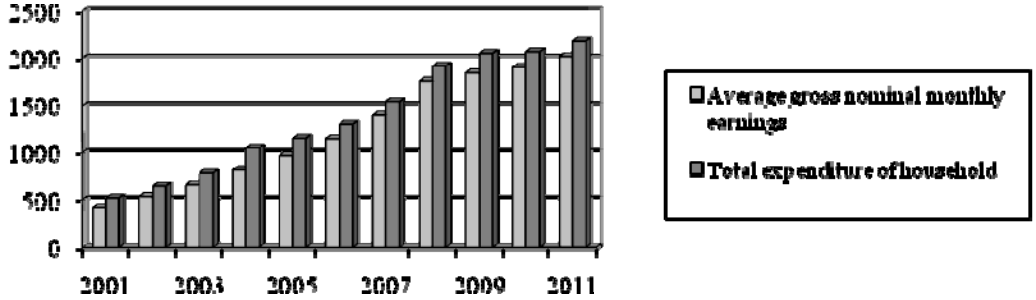
Table 5: Total expenditure of household, Romania (lei/ employee)

Year	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Total expenditure of household (lei/employee)	516.5	651.7	781.5	1050	1150	1304.7	1542	1915.3	2047.3	2063	2184
Growth rate (%)	-	26.2	20	34.4	9.5	13.5	18.2	24.2	6.9	0.8	5.9

Source: (National Institute of Statistics, http://www.insse.ro/cms/files/statistici/comunicate/abf)

In Figure3 we can see the similarevolutionof the two indicatorsanalyzed-with lowergrowthin 2005 andalowgrowth rateduring2009 to 2011. Year2010 ischaracterizedinbothcases bythelowestgrowthrate(3.08%, 0.8%).

Figure 3: The comparative evolution of the two indicators , 2001 - 2011



Source: (Data from the National Institute of Statistics, http://www.insse.ro/cms/files/statistici/comunicate/abf)

The population expenses that are found in"Hotels andrestaurants" categoryhaveknownduring2004 - 2008a high growth rate, with an annual averageof approximately 29%. In 2008we observe asignificant decrease inthe annual growth rate, which isonly 10%, so thatin 2009to fallby 22.6percentage points, reachinga valueslightlyhigher thanthat of 2006. (table no. 6)

Table 6: Structure of total consumption expenditure of households – Hotels and restaurants, Romania

Year	2002	2003	2004	2005	2006	2007	2008	2009
Final consumption expenditure of households (euro per inhabitant)	1500	1600	1900	2500	3100	3800	4100	3300
Hotels and restaurants (%)	4.3	3.9	4	5.2	5.2	5.1	5.2	5
Hotels and restaurants (euro)	64.5	62.4	76	130	161.2	193.8	213.2	165
Growth rate (%)	-	- 3.26	21.8	71	24	20.2	10	- 22.6

Source: (Eurostat, http://epp.eurostat.ec.europa.eu)

"Recreationandculture"expendituresdecreaseslightlyin 2003 (- 2%), to grow from 2003 to 2008andreached a peakin 2008,of209.1euro perinhabitant. In 2009there is a similar situation to the "Hotels and restaurants"indicator,when the expenditure volumedecreased by22.7percentage pointsand reacheda value of161.7eurospentperinhabitant(table no. 7)

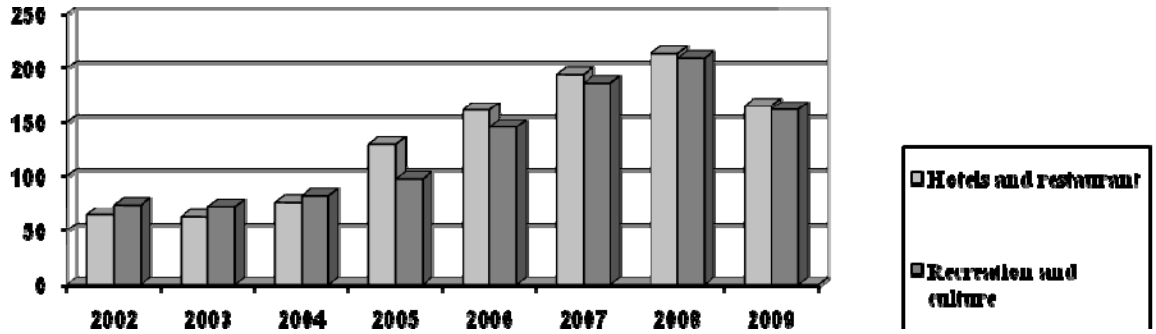
Table 7: Structure of total consumption expenditure of households – Recreation and culture, Romania

Anul	2002	2003	2004	2005	2006	2007	2008	2009
Final consumption expenditure of households (euro per inhabitant)	1500	1600	1900	2500	3100	3800	4100	3300
Recreation and culture (%)	4.9	4.5	4.3	3.9	4.7	4.9	5.1	4.9
Recreation and culture (euro)	73.5	72	81.7	97.5	145.7	186.2	209.1	161.7
Growth rate (%)	-	- 2	13.5	19.3	49.4	27.8	12.3	- 22.7

Source: (Eurostat, http://epp.eurostat.ec.europa.eu)

In Figure 4we can see the evolution of the two categories of expenditure analyzed. If in the 2002 – 2004 period expenditure on recreation and culture overcame those generated by hotels and restaurants, 2005 brings a change in the hierarchy. During 2005 - 2011 spending for hotels and restaurants will be higher than those generated by recreation and culture. Year 2009 brings for both expenditure categories a sharp decline (by 22.6% and 22.7 %).

Figure 4: Structure of total consumption expenditure of households, 2002-2009 (euro/inhabitant)



Source:(Eurostat, http://epp.eurostat.ec.europa.eu)

If in Romania, 2009 was the yearofdeclinefortourists expenditures, for the twocategories of consumption (Restaurants & HotelsandRecreation&Culture), 2008 isthe beginning of thedecrease for EU. Ifin2003 – 2007 values keep rising, withinsignificantfluctuationsof 0.1 or0.2 percentage point,in 2008, these valuesdecrease, reachingminimumlevelsin 2009, increasing slightly in 2010. (table no. 8)

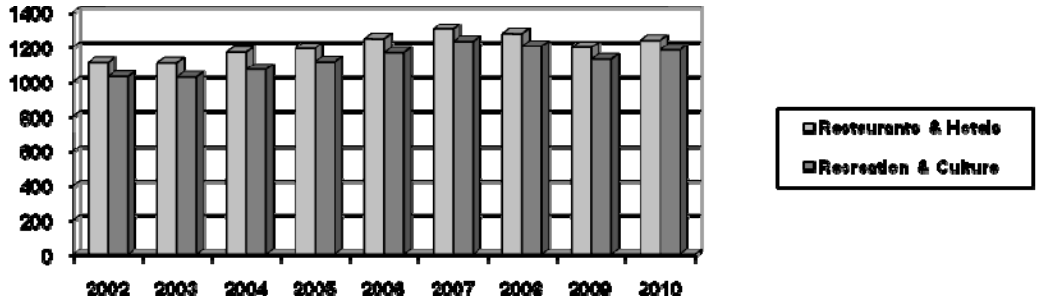
Table 8: Household consumption by consumption categories for European Union (27 countries)

Year	2002	2003	2004	2005	2006	2007	2008	2009	2010
Final consumption expenditure of households (euro/inhabitant)	11700	11800	12300	12800	13400	14000	14000	13300	13900
Restaurants and hotels (%)	9.5	9.4	9.5	9.3	9.3	9.3	9.1	9.0	8.9
Recreation and Culture (%)	8.8	8.7	8.7	8.7	8.7	8.8	8.6	8.5	8.5
Restaurants and hotels (euro/inhabitant)	1111.5	1109.2	1168.5	1190.4	1246.2	1302	1274	1197	1237.1
Recreation and Culture (euro/inhabitant)	1029.6	1026.6	1070.1	1113.6	1165.8	1232	1204	1130.5	1181.5

Source: (Eurostat 2011, http://epp.eurostat.ec.europa.eu)

InFigure5we can see the similarevolutionof the twocategories ofconsumption.

Figure 5: Evolution of „Restaurants & Hotels" and „Recreation & Culture" consumption categories, EU, 2002 – 2010



Source: (Eurostat 2011, http://epp.eurostat.ec.europa.eu)

For both arrivalsandnight spent in collective accommodation establishments2009was ayear ofdecline.

Tourist arrivals hasan increasing evolutionin2004 - 2008, with apeak of7.125 millionpeople in2008, to fall by13.8percentage points in 2009. The decrease in the number ofarrivalscontinuesin 2010, reaching 6milliontourists.

The night spent indicatorexperience asimilar evolution: an increaseduring2004 - 2008, in 2009 is decreasing to17.325 milliontourists, to reach 16 milliontourists in 2010, the minimum figureregisteredthroughout theperiodanalyzed.

Forbothindicators we can observe thedecreasingevolutionin2008 - 2010, 2009 representingthe first yearof decline,yearassociatedwiththe beginning of economic crisisinour country. (table no 9).

Table 9: Tourist arrivals, nights spent in collective accommodation establishments and average length of holiday, 2004 - 2010

Year	2004	2005	2006	2007	2008	2009	2010
Arrivals (million tourists)	5.639	5.805	6.216	6.972	7.125	6.141	6.072
Nights spent (million)	18.501	18.373	18.992	20.593	20.725	17.325	16.051
Average length of	3.28	3.16	3.05	2.95	2.9	2.82	2.64

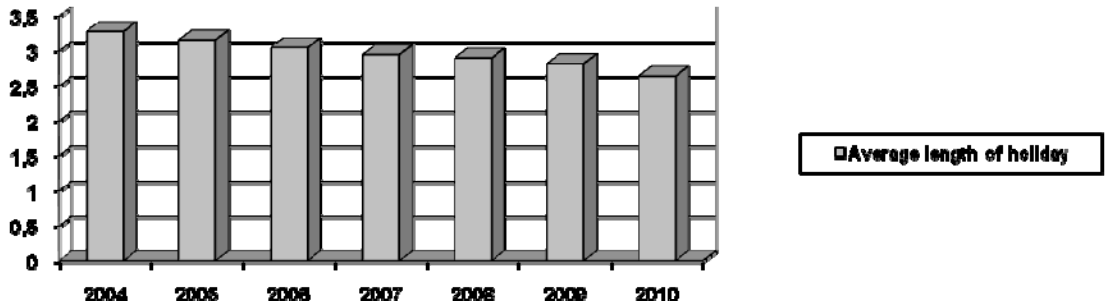
holiday (day/tourist)							

Source: (National Institute of Statistics, https://statistici.insse.ro)

Theaverage length of holiday is a very important indicator fortourism activity, calculatedusing touristarrivalsandnights spent indicators. In Romania, theaverage length of holiday in2004 - 2010has beencontinuously decreasingfrom3.28days /touristin 2004 to2.64days /touristin 2010. (Figure no. 6).

The decrease inthe average lengthof holidaymayvery well bean effect of the economiccrisis, touristsoptingforshortervacations.

Figure 6: Evolutionof the average lengthof holidayin2004 - 2010



Source: (Calculationsaccording to data releasedby the National Instituteof Statistics, https://statistici.insse.ro)

Thetourism intensity evolutionfor Romania is similar to the one of other indicators analyzed –an increase from 2005 to 2008, to decrease in 2009 by 16.3 percentage points. Year 2010 brings a drop of 7.2%. For European Union, tourism intensity decreases starting 2008, from 4671 to 4691 nights/1000 inhabitants to reach 4470 nopti/1000 inhabitantsin 2009. (table no 10)

Table 10: Tourism intensity (total number of nights spent per 1000 inhabitants)

Year	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**
European Union (27 countries)	4398	4579	4672	4671	4619	4470	-
Romania	852	848	879	955	963	806	748

Source: (Eurostat, http://epp.eurostat.ec.europa.eu/portal/page/portal/tourism/data/database)

5. Conclusions

Consumer behavior is a component of the economic behavior of people, which is a manifestation of human behavior in general. It reflects human behavior when purchasing and consumption of material goods and services. (Catoiu, Teodorescu, 2004). In an attempt to define the behavior of tourism products and services consumer, we can say that it represents all acts, attitudes and decisions the consumer make regarding the use of his income to buy travel products and services.

In analyzing how the global economic crisis has affected the tourism industry in general, and Romanian tourism, in particular, studying the changes occurred in the behavior of the tourist is of great importance to specialists in the field. Such a study can highlight the needs and desires of today's tourists and can draw lines for implementing programs and projects that can be the solution to the current situation of tourism.

Even if fulfilling basic needs has priority, in periods of economic crisis people continue to travel, but the consumer behavior is different from periods of economic abundance. Due to the recession, people will be using limited income to satisfy basic needs firstly and will use the surplus to cover more elevated needs, like traveling, and for saving.

In the UNWTO, Tourism Highlights, 2011 Edition it is mentioned the fact that the recovery in international receipts lags that of international arrivals. This is typical in periods of recovery when,

following major shocks, volume (arrivals) tends to recover faster than income (receipts), as competition is tougher and suppliers make serious efforts to contain prices, with tourists also tending to travel closer to home and for shorter periods of time.

Therefore, as a conclusion of the analysisperformed, there are a few features ofthe tourist during economiccrisis times that can be traced:

- Touristsare takingfewervacations, shorter andcloser to home;
- Theyaremore sensitive toprices offered bytravel agenciesandothertravelservice providers;
- They are much more attentivewhen theyspendmoneyon vacations;
- The amount spentperpersonon vacationis lower;
- Giving uptwoholidaysper year(one summerandonewinter) infavorof only onevacation;
- The average length of holiday is shorter;
- Optingforpackagessuch as city-breaks, of 2-3 days,includingweekends;
- Destinationsthat offera good quality–price ratioandfavorableexchangerateshavean advantagesince thepriceisacriticaldecision factor;
- The decrease inthe number of holiday days andthereceipts willbe morepronouncedthan thedecrease in the numberof arrivals;

Our recommendations to stimulate tourism demand areadopting strategies to increase, diversifyand personalize the offer. In this sense it can be made an in-depth research into studies and surveys conducted by institutions with financial power such as Flash Eurobarometer.

Widening the circle of customers is anessential condition for a global market and an intensifying competition, especially in periods of recession.

The promotion of products, in parallel with research and analysis of consumer preferences is often vital. In this sense one could give an example of Romania where the promotion of agricultural and natural food and agro-tourist pensions have not received a specific promotion and their number decreased according to statistics.Knowing that their financial strength is small we can create a promotion program conducted by institutions and government agencies by maybe charging a modest fee, if the program is successful and their business turnover increases.

In this sens, Tigu G. says:„Romania has a huge tourism potential, but the promoting campaigns never produced the desired effects and they lacked coherence and continuity."

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A CRITICAL ANALISYS OF BRAND EQUITY EVALUATION METHODS

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Abstract: *Evaluating brand equity can be a difficult and complicated task in practice because it is almost impossible to capture the impact of all "brand-building blocks" and their impact on brand equity on a multidimensional level. Not only the brand itself determines its brand equity, but marketplace multipliers and consumer mindset also hold a significant importance in the process of evaluating brand equity. The aims of this paper are to highlight the applications and main critiques for each method and to suggest an approach that minimizes these drawbacks in order to propose a better method for evaluating brand equity.*

Key words: brand equity, brand value, comparative methods, holistic methods, brand evaluation

JEL classification: M 31

1. Introduction

Both marketing scholars and practitioners around the world agree on the fact that a brand can be one of the most important assets of a company. Strong brands can have a leading advantage over weaker brands because consumers are more likely to make a positive evaluation of certain brand and branding aspects based on the information they have access to (Hoeffler, Keller; 2003). Building a strong brand can provide substantial benefits to companies both in the form of financial rewards and in the form of competitive advantage. From this point of view a key question arises:"what makes a brand strong?". The way in which consumers evaluate related marketing information regarding a brand and the brand itself depends on both direct and indirect mechanisms. For example, a consumer may choose a strong brand over a weaker brand because of the existence of a strong loss aversion determined by the perceived risks of making a wrong decision when buying a product, or just based on their evaluation and interpretation of certain brand characteristics, such as the high quality of the branded product. The power of a brand can be determined by analyzing its brand equity and the different sources that have a significant influence over it. By understanding these core issues, companies may start to create and sustain a strong competitive advantage. In this circumstances, evaluating brand equity is a key aspect in the process of creating a strong brand.

It is important for brand managers to have an unhindered understanding of the equity in their brands in order to facilitate a proper brand management. In order to study brand equity, academics have proposed three distinct perspectives (Keller and Lehmann 2006): brand equity can be the result of a customer based evaluation process (Keller, 2001), a company based evaluation process (Kapferer, 2008) or a financial based evaluation process (Bahadir, Bharadwaj and Srivastava 2008; Mizik, Jacobson 2008).

According to a customer-based brand equity model, customers can develop over time a stronger or weaker attraction and attachment to a certain brand as a result of their past experiences with the value proposition represented by the brand itself. Because brands create value to customers through a complex and unique chain of events (Keller, 2003), it is important for brand managers to fully understand this process in order to evaluate brand equity. Basically, the brand value chain starts with the firm's marketing activity that influences the consumer mindset, which in turn affects the overall brand performance and the shareholder value of the brand. The consumer mindset represents everything that customers think or feel about a specific brand and is the result of a holistic evaluation process of the brand. This process is based on costumers' past negative or positive experiences with the brand. Thus, by understanding how customers experience a brand, companies can develop strong marketing strategies for their products and services. Brand experiences may differ from consumer to consumer and can arise in a variety of settings. Brakus, Schmitt and Zarantonello (2009) suggest that consumers' brand experiences can be broken down into four dimensions (affective, intellectual, sensory, behavioural). Each of these dimensions is differently

evoked by every brand and differently perceived by every costumer. Therefore, the true strength of a brand resides on how good a brand is at "winning the heart and mind of consumers". It can be concluded that brand equity is the result of how consumers think as individuals, feel and act regarding a specific brand.

On the other hand, from a company perspective, brand equity represents no more than the additional cash-flow generated by the presence of the brand name in comparison with the situation when the same product or service is sold without the presence of the brand name (Kapferer, 2008). Because brand value is viewed in terms of potential profits of various brand assets mediated by the brand market strength, both of this dimensions needs to be properly measured or estimated. Also, it has to be taken into account that between brand assets and brand strength there is no direct consequence established, but a conditional one. For example, Nike can charge premium prices (brand strength) for its sneakers as a consequence of a high brand preference or attachment. Thus, evaluating brand equity requires a model for assessing brand and attribute effects on consumer mindset and their responses to the brand. This model must measure and highlight, in financial terms, the relationship between specific components of brand equity and sales.

According to a financial-based brand equity model, the value of a brand is given by the stock price the brand brings or could bring on the financial market. This perspective is based on the presumption that the value of the brand on the financial market can reflect investor expectations regarding the future-cash flow generated by the brand. As Bahadir, Bharadwaj and Srivastava (2008) suggest, companies with strong marketing capabilities can negotiate higher prices for their brands, because these capabilities are a strong assurance for future performance of brand portfolios. This kind of approach creates the necessity of a model that predicts the evolution of brand value on a macroeconomic scale and focuses on the importance of the brand as a signal to the investment community.

In accordance with the three distinct perspectives described above, in practice various instruments and methods are used to evaluate brands and to measure brand equity. Our primary interest *is to highlight the applications and main critiques of each method and to suggest an approach that minimizes the specific drawbacks for eachmethod with the goal to serve as support for creating a better method that can be used for evaluating brand equity.*

2. Comparative methods for evaluating brand equity

For measuring specific benefits arising from a strong brand equity and capturing the consumer mindset, marketers can use comparative methods. These methods are based on research studies that examine in detail consumer behaviour and attitudes towards a specific brand. This category includes marketing-based comparative approaches, brand-based comparative approaches and conjoint analysis that combine the first two methods (Keller, 2007).

2.1. Brand - based and Marketing - based comparative approaches

Consumer attitudes towards a specific brand are the result of two important and distinct factors: the brand itself and the associated marketing program for the brand. Keller (1993) suggests that measuring the effects of the brand itself on brand equity requires experiments in which one group of consumers responds to an element of the marketing program when it is attributed to the brand, while another group responds to the same element when it is attributed to an unnamed brand. Afterwards, consumer responses from both groups need to be quantified and compared. By holding the marketing program "fix" and examining consumer behaviour to the brand itself, marketers can isolate the effects that the brand exerts on consumer behaviour. This method is vastly used in practice in the form of so called "blind tests", in which a heterogeneous group of consumers use or evaluate a product with or without knowing the brand. In these tests, consumers may make inferences in terms of prior brand associations based on their past experiences with the product category of which the tested product belongs to. This inferences will most likely refer to a brand that consumers' feel is representative for the product category (Thompson, Rindfleisch and Arsel, 2006). A brand that has a high brand equity is expected to have a particularly strong mitigating effect on consumer perception regarding brand attributes for a distinctive product category. As a result, strong brands that posses desirable brand attributes can be used as benchmarks in this kind of studies.

Also marketing program changes may trigger various consumer responses. By holding the brand "fix" and examining consumers' response to the marketing program, it enables marketers to determine financial returns generated as a result of brand investments in a marketing program. The purpose of this

approach is to isolate the increase in sales or marginal revenue generated by different marketing activities used during a past period of time. In practice, this method is used for examining price premiums and price elasticity, for assessing customer response to different advertising strategies or to explore potential brand extensions. Also using a marketing-based comparative approach can provide valuable information regarding the clarity, relevance, consistency or distinctiveness of the program. The ease of usage and implementation of this method is somewhat negated by the difficulty of discerning if consumers response to changes in the marketing program are the result of brand specific effects or more generic class category effects.

Brand choice is the result of both a stimulus-based (as a result of external factors such as components of a marketing program) and memory-based (as a result of prior judgements or knowledge about the brand) complex process that is built on the fluency that arises from costumers negative or positive experiences with the brand (Lee, 2002). Therefore, a solid brand equity has a significant influence on brand knowledge structures and strongly affects the way consumers interpret and evaluate brands. By combining both brand-based and marketing-based comparative approaches for evaluating brand equity, researchers and marketers can gain a deeper understanding on how brands affect consumer behaviour and choice.

2.2. Comparative approaches based on conjoint analysis

By using conjoint analysis, marketers can make a profile of the consumer decision process regarding specific brands. By asking consumers to arrange in order of importance specific brand attributes, marketers can determinate the relative importance of each attribute for an individual consumer. This type of analyses allow studying different aspects of the company marketing program (e.g."pricing") or different brands simultaneously. Also, they can provide valuable means of assessing advertising effectiveness, the impact of different brand attributes on prices or brand image. Furthermore, a conjoint analysis can be used to measure both consumer-level brand equity and firm-level brand equity at the same time. Ferjani, Jedidi and Jagpal (2009) suggest that consumer-level brand equity is the sum of incremental WTP (the price at which a consumer is indifferent between buying and not buying the product) due to the main effect of the brand, the incremental WTP due to an enhanced attribute perception of the brand and the differences in price sensitivity for a branded and the hypothetical situation of the same non-branded product. The proposed and tested model is based on conjoint analysis and can also be used for estimating firm-level brand equity as the incremental profit a company would earn in any market conditions by using the brand name for its products compared with the hypothetical situation of selling non-branded products.

The main advantage of a conjoint-analysis comparative approach is that it provides an objective financial-metric for measuring firm-level and consumer-level brand equity at the same time. Also, it can provide valuable data regarding the tradeoffs consumers are making when evaluating specific brand attributes. Some major limits have to be taken into account when using a conjoint analysis as a brand equity evaluation method. First, consumers make errors when evaluating hypothetical scenarios regarding brands because they are having real difficulties when appraising unrealistic brands or undesirable brand attributes (Keller, 2007). On a second note, important brand-building blocks, such as brand resonance, can be completely missed when conducting such an analysis. For a large array of products, the risk of leverage and competitive overlap of brand associations affecting some brand attributes is also very high when using this method.

3. Holistic methods for evaluating brand equity

Brand equity can be viewed as a result of a conjugated action that involves a multitude of various factors. Generally value is dependent on the evaluation goals. Therefore, the brand may contain not one unique and aggregated value, but many. Building a strong brand begins when firms invest in a marketing program targeting customers (Keller, 2003). In these circumstances, the utility of such an investment needs to be properly quantified. If comparative approaches can be used to determinate specific benefits of core dimensions of brand equity, holistic methods evaluate in concrete financial terms or abstract utility terms the importance of each brand-building block. Holistic methods attempt to measure the impact of different factors on the overall market strength of a brand in order to predict future market performance. These methods are based on complex studies that are often conducted by large companies specialised in brand evaluation and strategic brand management.

The usage of holistic methods for evaluating brand equity is a relatively new practice. Various models that attempt to quantify and provide a meaning for different dimensions of brand equity in terms

of utility have emerged. But many researchers and marketers feel that a magic formula that tries to convert the multiple dimensions of brand equity into one meaningful number is arbitrary because it is based on invalid assumptions. This is mainly due to the fact that holistic methods ignore future investments in marketing programs, tend to contain too much subjectivity and may confound brand strength with company strength or intangible assets with brand equity (Keller, 2007).

3.1. The Young&Rubicam brand asset valuator model (Y&R BAV)

In response to the growing need of marketers to better evaluate the value drivers of their brands, Young and Rubicam (Y&R), one of the leading advertising companies in the world, proposed in 1990 a model for evaluating brand equity named Brand Assets Valuator (BAV). This model is built on the premise that customers' perception measurements regarding universal brand characteristics can be used to determinate brand value. The vastly accepted Y&R BAV model is used by Aaker (1996) to sustain "the brand equity ten", one of the most popular academic approaches regarding brand equity building-blocks. A short summarize of the BAV model is presented in Table 1.

Table 1: Y&R BAV model for measuring brand equity

Y&R BAV pillar	Fundamental perceptual metric	Scale used	BAV Data	Significance and role of the pillar
Differentiation	Unique Distinctive	Yes/No Yes/No	% responding Yes % responding Yes	Indicates the perceived distinctiveness of the brand and its ability to differentiate from competitors
Relevance	Relevant to me	1-7 scale	Average score	Reflects the brand market power by measuring perceived importance and personal relevance of the brand
Esteem	Personal regard Leader High quality Reliable	1-7 scale Yes/No Yes/No Yes/No	Average score % responding Yes % responding Yes % responding Yes	Reflects how well the brand can fulfil its promises by measuring the level of regard consumers hold for the brand and the valence of consumer attitudes
Knowledge	Brand familiarity	1-7 scale	Average score	Measures consumers' awareness and understanding of brand identity
Energy	Innovative Dynamic	Yes/No Yes/No	% responding Yes % responding Yes	Indicates future orientation and capabilities of the brand to meet and adapt consumers' needs

Source: (Mizik and Jacobson, 2008)

The main advantage of the Y&R BAV model is that it is easy to understand and use by any brand manager and it can be applied to almost any type of brand or product. Also, the Y&R brand pillars provide solid incremental information to accounting measures in predicting and explaining company stock market performance and can be combined with specific financial and accounting methods for measuring ROI of future marketing programs.

The main disadvantage of Y&R BAV model is that it focuses only on costumer-based brand equity and tries to link it with actual and future stock performance, totally ignoring firm-level brand equity. As Kothari (2001) suggests, anticipated and unanticipated measures of accounting performance, especially current revenue and future earnings have a very strong impact on stock market performance. Practically, stock market participants will evaluate a company based on both current term accounting performance (brand profitability), but also on information relevant to future market performance (customer based brand equity). A strong brand contributes to current and future value of a company. Even if, Y&R makes a clear statement that BAV pillars such as Differentiation, Relevance or Energy may account up for 66% of future growth value of a brand and BAV pillars such as Esteem and Knowledge represent 33% of current operating brand value, in the future Y&R must integrate current and future brand accounting performance in the BAV model for a better evaluation of brand equity.

3.2. The Interbrand brand valuation model

Probably the most complex brand evaluation model on the market, Interbrand's model is based on the assumption that today's brand value is determined by the incremental earnings the brand is expected to generate in the future (Interbrand, 1997). The main difference from the Y&R BAV model is that Interbrand's model follows a financial-based brand equity perspective.

According to VanAuken (2000), brand essence can be defined as a short description of the core brand value that resumes in a few words the heart and soul of the brand. Because this kind of approach on brand essence cannot lead to a fair evaluation of brands in concrete financial terms, brands are viewed as being an essence rather than having an essence. This is based on the premise suggested by Barnham (2009) that brand essence can be considered as unchanging in time because it emanates from the brand's values. In accordance with this perspective, Interbrand uses a methodology for measuring brand value based on an income approach.

In order to capture the complex process of value creation for a brand, Interbrand uses a five-step evaluation method (Interbrand, 1997). First, a solid market segmentation is done, for a better emphasis on the value creation process specific to each market segment composed of a homogenous group of consumers. For each distinct segment, a financial analysis is performed, consisting of a revenue forecast (the economic profit generated by the brand). Also, for each segment a role of branding index (RBI) is calculated based on the various drivers of market demand and the relative influence of the brand exerted on these drivers. In order to reveal the strengths and weaknesses of the brand and the brand risk profile, a competitive benchmarking for the brand is performed. Finally, the brand value is calculated as the sum of the net present value (moderated by RBI) of the forecasted brand earnings for each segment and discounted by the brand discount rate (reflected by the brand risk profile)

Because Interbrand's model can be easy to generalize, any type of brand or product can be the subject of such evaluation. But marketers and researchers need to take into account all of the general critiques regarding holistic methods when using them to evaluate brand equity. As a holistic method for evaluating brand equity, Interbrand's model has some inconveniences, but maybe the most noticeable drawback is the complete ignorance of consumer mindset from the brand equity evaluation methodology. Even if The RBI is based on specific costumer related indicators such as awareness, loyalty or satisfaction, the complex causal relations between the consumer mindset and brand equity are not explained by Interbrand's model.

4. A new perspective on evaluating brand equity

Brands are valuable assets for any company because they possess a high value-creating potential based on their brand equity. Brands will fail to achieve their entire value-creating potential where brand managers pursue strategies that are not orientated to maximizing the shareholder value (Doyle, 2001). Thus, brand equity must always be viewed from a financial perspective. But, brands are something more than high value company assets or mere value identifiers for consumers. They provide a unique and distinct experience for each individual consumer. The high value-creating potential of a brand resides in the power of the brand to evoke and create such experiences. For example, a high brand awareness may not necessarily translate into sales for the brand or a high loyalty rate does not translates into high revenue margins for the brand owner. Brand equity must not be understood as the incremental value a brand name can grant to a product or service, but as a positive behavioural response evoked by brand-related aspects. As a result, evaluating brand equity must not focus on measuring the incremental value generated by a brand but on the strength and intensity of behavioural responses triggered by consumers' brand experiences.

In quantum mechanics, it is impossible to both measure the momentum and the position of a particle at the same time. This is called the Heisenberg uncertainty principle. Basically, the act of measurement of the momentum of any given particle, will produce errors when determining the position of that particle and vice versa. This basic physics concept, can be extrapolated in regards to branding and evaluating brand equity. The act of observing consumer relationship with a brand changes their behaviour and their reactions to the brand, thus altering the consumer mindset. Furthermore, because brand experiences are subjective internal consumer responses (Brakus, Schmitt and Zarantonello 2009) that can vary in strength and intensity on an individual basis, the act of measurement this responses provides a lot of information about what individual consumers feel or think about a brand, but little to no information about what consumers will actually do. Therefore, it is not only important how we measure brand equity, but is of more importance what we chose to measure regarding brand equity. Often, brand managers and researchers will only pay attention to brand aspects that are easily measurable. By doing this, a lot of precious information will be missed.

Ailawadi, Lehmann and Neslin (2003) suggest that brand equity can be measured directly using market-level data. Other researchers propose that in order to estimate brand equity, market-level data should be combined with primary data that was used to measure consumer-based brand equity

(Srinivasan, Park and Chang 2005). Regardless of the approach on evaluating brand equity, behavioural responses evoked by brand-related aspects also need to be measured in order to evaluate properly brand equity and to obtain a holistic picture of brand value. The major difficulty is combining financial, attitudinal and behavioural data in one model for evaluating brand equity. So far, researchers failed to provide a clear solution to this problem, but some key features of a different perspective on evaluating brand equity are emerging from this study.

Firstly, the causal relation between different brand-building blocks needs to be properly highlighted. A larger emphasis on key-factors that affect the consumer mind-set, the brand market performance, and consumer behaviour is needed. Not all dimensions of brand equity have a similar impact on brand choice or effects on consumer behaviour. For example, brand awareness, a core dimension of many brand equity evaluation models is a good indicator of customers' attitudes, but fails to describe their behaviour. In order to purchase a specific brand, a customer must first acknowledge its existence, but knowing about a brand is not a guarantee that one will actually buy it or even consider buying it when faced with the purchase decision. Traditionally brand awareness was described as the ability to recognize a brand (Keller, 1993). In this case, a shift from brand awareness towards brand salience is much needed, because brand salience is a solid indicator of the likelihood that a brand will be a part of customers consideration set when faced with the purchase decision. Also, the relative impact on brand equity of different brand equity dimensions on an individual basis needs to be quantified.

Secondly, not only what consumers receive, but how they receive it is very important. Brand choice is affected by a multitude of factors that are moderated by subjective consumer perceptions. These brand feelings and attitudes are stirred by brand functional advantages that need to be properly emphasized and quantified in a model for assessing brand equity. Because of the nature of the variables that are required to be measured, abstract utility terms are to be used over concrete financial terms. These abstract utility terms must describe each brand-building block in relation with the core brand attributes, consequences and values perceived by customers.

Thirdly, some of the key aspects of brand equity require qualitative understanding, because they are impossible to capture by structured procedures (e.g. conjoint analysis). For example, customers interactions or experiences with a brand are subjective and to some extent arbitrary but they are decisive on how consumers evaluate brands. Another example regards different consumer responses to sensorial aspects of a brand. As Lee and Labroo suggest (2004), perceptual and conceptual fluency affect not only consumers judgments and feelings, but also affect the holistic evaluation of a brand. Determining the quantitative impact on brand evaluation of these two key aspects and their correlation to specific brand equity building-blocks is necessary for a better brand equity evaluation method.

Finally, it must be clear that it is impossible to create a perfect method for assessing brand equity due to the complexity of different qualitative and quantitative aspects involved. In order to overcome this situation a complex approach that combines both qualitative and quantitative aspects is needed. Also, this approach must lead to the creation of a brand equity evaluation method that is applicable to all products and services regardless of the influence of cultural factors. For example, brand positioning maps or brand mental maps can be combined with conjoint analysis or holistic models for obtaining a clear and better picture on brand equity and its effects on firm value, sales and consumer behaviour.

5. Conclusions

One of the top questions regarding brands is "Where does the power of the brand reside?". For a proper brand management, marketers should gain a clear understanding of what makes their brands strong and how much they worth. It has a significant importance how we measure the strength and value of the brand. Even if, brand evaluation is a relatively new concept, researchers and marketers made a notable progress regarding this area in the last two decades. Because there are many sources of brand equity, and many possible outcomes of brand equity related to consumer behaviour, an integrated model for evaluating brand equity that captures and quantifies all dimensions and outcomes of brand equity has not yet been created.

At the moment, the usage of comparative methods or holistic methods are the two possible solutions for the problem of evaluating brand equity. Each of this specific methods has one or several applications and some inconveniences. Comparative methods are easy to use and can provide a deep understanding on how the brand affects consumer behaviour and choice, but may fail to quantify the impact of key brand-building blocks or fully miss some important dimensions of brand equity. On the other hand, holistic methods try to capture and quantify all key factors related to brand equity, but they

tend to contain too much subjectivity and may ignore future investments in brand related marketing programs. Therefore, the need for a better brand equity evaluation method that minimizes the disadvantages of the current methods used in practice and is applicable to all products and service is more promiscuous than ever. Upon reflection, it may seem that issues related to current brand equity evaluation methods are not that significant, but the need for a integrated model for measuring and capturing all aspects and dimensions of brand equity is frequently raised by practitioners. Future methods for evaluating brand equity must focus on causal relations between different brand-building blocks and brand market performance and measure the influence of these relations in abstract utility terms. Also, they must determinate the quantitative impact of perceptual and conceptual fluency of different qualitative aspects of brand equity and combine structured procedures with qualitative techniques for capturing the impact of all dimensions of brand equity.

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PRICE STRATEGY IN THE INTERNATIONAL MARKETING

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Abstract*: Due to the present economic crises, the companies price strategy has gained even a larger importance, being linked to its survival on the market. Companies have a wide range of possibilities regarding price strategies and each of them has to choose the most appropriate in terms of long term objectives (mainly the profit). Prices can be influenced by: restrictions due to the political environment, technology, distributors, consumer price sensibility, the introduction of the euro currency on the European Market and others brand consolidation, building a competitive advantage, the value for the consumer.*

Key words: price strategy, profit, competitive advantage, consumer.

JEL Classification: M 30

1. Introduction

A successful price strategy is a key element of the marketing mix strategy. This is linked to the surviving of the company itself. The multinational companies are facing a lot of specific problems, unlike other companies that have a strictly domestic approach.

The multinational company's objective is not only to obtain profit in each country that is activating in, but also the transfer prices, meaning the prices between different components of the companies (such as subsidiaries).

2. Sections

The presence of companies on the international market calls for a decision about the price strategy followed by the company. There are numerous marketing analysts who are arguing that the decision about the price is the most difficult.

1. A company can choose from the following generic price strategies (Muhlbacher, 2006):

1.1. Standard pricing:

In the case of this strategy, the company perceives the same price on each market that is hosting its products. This way, the producer is establishing a unique price, that he is offering its products to the distributors on different markets. The final consumer is the one that is paying all the supplementary cost generated by the journey of the product on the distribution channel. As longer as this is, the more will escalade the costs.

This type of strategy is easy to be taken care of by the company (there are no concerns about the existing differences on each market), but also it represents the strategy that is list considering the differences between national markets regarding the summations of the consumption.

1.2. Standard formula pricing:

In the case of this strategy, the company is not using the same absolute price level, but a standard formula to calculate the price on each market. Next to the cost elements that are arising in the case of standard pricing strategy (the international price is cumulated with taxes, transport costs and insurance and other from the local market), other cost elements that are specific to each country are brought together. In these way, the cost elements that appear in the case of standard pricing (at the international price are added taxes, transport and insurance costs and other on the local market), other cost elements that are specific to each national market are added (such as specific promotional costs to the strategy of the company on each market). In the end, the price on each market can experience some variations.

1.3. Price adaptation strategy:

In the case that the company is deciding to choose this strategy, it is granting the local managers a larger autonomy in establishing the prices on each market.

Such a strategy is considered to be very successful in terms of relating to the customers need and taking into consideration the specific of the local market. Considering the segmentation realized for each national market (meaning the criteria for the segmentation on the markets) the local prices can have important variations.

A common phenomenon associated to the price adaptation strategy consists in „parallel imports" or „interbrand competition". In the moment in which the price differences for the same product between two local markets become too large, some distributors from the low prices market will begin to export the product on the higher prices market. Also, the consumers will begin to buy the product from the market that has the lowest price. Such a process is significant in the context of European integration and relationships between the producer and the distribution channels.

1.4. Strategic pricing:

In this case, the company is making the decision of establishing the price level on each market by taking into consideration its competitive position within the market and also its strategic objectives. On a certain market in which the company has a small market share, the price can be lower than on the market in which the company possesses a lieder position. In the same time, establishing the price on each market can rapport to the level prices of the competitors. The strategic positioning of the company on different markets can determine significant differences among absolute prices.

1.5. Internal pricing strategy:

The strategy of internal pricing consist in transferring different resources between the companies subsidiaries from foreign markets, taking into consideration the specific legislation regarding taxation, profitability and others. The company decides the prices among its subsidiaries that have to be subordinated to internal objectives, such as profit transfers and minimizing taxes paid by it.

2. The strategy of the multinational companies and the fiscal policy

The fiscal policy is the main tool that is used by the authorities to influence the national company's behavior in the national economy in general or in a certain industry, in particular.

A multinational company has obviously a different perspective and several times other interests then a national/local company. The most important arise from the fact that the first ones are activating in more countries, meaning different jurisdictions and have a global perspective and constitute a powerful impulse for optimization the global results and to benefit from the existing differences between the existing differences between commercial and fiscal policies among foreign countries.

2.1. Global profit

Considering the main interest of the managers of any company, local or multinational, the global profit is their most important objective. As long as a company is activating in a country that has a week development of the financial market, so long it will use the transfer forms between subsidiaries in order to obtain a larger profit. In the case of regular transfer of the financial result, due to the exchange risk, the profits could be lower than the first case.

A company that has global operations will have as primary interest profit maximization obtained on an international scale. Although there are situations when the companies management has as priority profit maximization in a different region (the country where the company has the main headquarter), the common objective is to increase the absolute size of the total profit of the entire companies.

A company that has activities on a global scale will normally have as main objective obtaining the highest profit as possible. Although there are situations when the companies management has as priority maximizing the profit of one particular region (the provenience country in most cases), the main reason of operations internationalization is to obtain a large profit of the entire multinational companies.

The size of the company's profit depends on three elements, that been: total income, the total expenses and also the taxes played to the fiscal authorities of each country. The companies are very well informed about the fiscal policy of each state in which the companies is activating.

Multinational companies are facing the decision of investing in a production facility of a country with permissible fiscal policy. The fiscal policy can be considered in general a source of competitive advantage. There are a lot of controversies in the specialty literature about the concept of „fiscal competition", taking into consideration that a lot of states are trying through a relaxed fiscal policy to

attract investors despite other countries, especially in certain areas that the government is especially interested in. Changing the structure and location of the production actives of global companies is implicating a higher cost and a larger period of time then the transfer of funds from one subsidiary to another, no matter the adopted form of transfers (financing, research & development expenses and others). Also, changing the promotion strategies of some of the company's products involves a certain period of time until these expenses will transform into incomes.

It can be accepted that the companies decision about the structure and the location of the productive assets involves taking into consideration certain factors that are linked to the absolute advantage (the physical distribution of the production factors, as well as the consumers), in compares with certain physic locations, the national economies for example.

The idea is that although the taxes amount is a very important element in taking the decision to activate on a certain market, it is not always the most decisive one (for instance the Cayman Islands will never be the highest steel producer or have the best airplane industry due to the low taxes).

The strategy of a global company that has subsidiaries all over the world is to maximize the total profits. The transfer prices are helping the companies to achieve this goal. If we take into consideration a multinational company that has two subsidiaries in different states that have specific tax levels for profit (in the A state is a high fiscal policy and in the B state a low fiscal policy). In this case the company will try to maximize the global profit by reducing its exposure in the state that has high profit taxation and to transfer its incomes to the state that has low profit taxation. These means that in the transaction between the company's subsidiaries, for the one in the A state, services will be underestimated and for the one in the B country will be overestimated. The result is compared to the price of the company's product if there would have been no fiscal difference between the two states.

The multinational companies are entitling to make such funds transfers inter-subsidiaries that are perfectly legal and to establish the prices for these transactions.

There is a discussion among the financial community regarding classifying these „artificial" profit transfer within a group as fiscal evasion, taking into consideration that the affected state (A in our case), can see these transfers as artificial reductions of the financial brut results, meaning the taxation base. The fiscal evasion is assuming breaking the accounting and taxation legislation.

If practicing transfer prices is not forbidden by the A state (there is no specific legislation about the inter-subsidiaries transactions), they cannot be considered illegal. This is obvious in the case that the multinational company can experience real difficulties in establishing an „objective" value of the transactions between its entities, especially when their objects are unique activities.

2.2. Restrictions due to the political environment

The government can have a direct or indirect influence on the prices. Along measures referring to fees and taxes, it can impose in a direct way the maximum price level. The main reason for this measure is the inflation control.

A multinational company that is under price control has to face a very difficult situation due to the fact that in order to raise the prices it has to wait for a general 30 – 45 days period of time. The company has to justify in writing the fact that is no longer obtaining profit and it is in danger to close the operations in the resp ective country. That was the explanation of the pharmaceutical companies that are activating in the Chinese market (Wang, Y., Song, J., 1999).

Another case is represented by Coca-Cola that has withdrawn its products from the shelves until it obtain an approval for raising the prices in Mexico. Glaxo Wellcome had revised their decision to enter on the Pakistanis market due to the price control.

Problems are arising because on this market of countries that are establishing a maximum value for the prices, in general also is fixed a minimum value for wages that companies have to pay to their employees and the business becomes unprofitable. The state is the one that is losing due to a very small number of companies that manage to survive in such a market.

3. The implications of adopting the unique currency euro on the marketing strategy of the companies.

In January 1999, the euro currency was launched by the European Union. At 1 January 2002, it became the single currency used on the territory of 12 European Union's member states. Its existence has as a main implication eliminating barriers, which means that is very easy to use by the multinational

companies that are activating in the countries that are using euro (it is no longer necessary the money exchange).

According as the internet has seen an impressive evolution it is very easy for the consumers to order the product that is evaluated in euro, from any European Unions country. The consumers can easily choose high quality products at the lowest prices.

4. Forces with a powerful impact on the prices:

There is a general impression about the prices, that there tendency is to diminish, because the company is forced to commercialize its products at prices as much competitive as possible (Dickinson, H., 2005). The general forces with an impact on the prices are the following:

4.1. Technology

a) In owner days the technologies are rapidly changing, forcing the companies to continuously invest large amounts of money to always keep up with the new ones. Also, selling the old technologies (old models of telephones, televisions and others) are made at lower prices due to the scale economies, but especially to the consumer's availability to new technologies.

b) Ever larger internet use represents a threat to the companies with a classical distribution, because new competitors are arising, with the capability of practicing low pricing by using the internet distribution.

4.2. Business internationalization

As the companies are entering on the international market, they are facing an intensified competition, so maintaining a reasonable price level is a necessity in order to survey on global scale. The consumers are better informed and they are also ready to cross borders for purchasing goods at a better price.

4.3. Distributors

For the moment a large number of companies have aroused, that are internationally recognized for their low prices. Some examples would be: Easy Jet, Ryanair, Wal-Mart, some food stores, like Aldi, Lidl and others. These companies have in common the strategy of diminishing as much as possible the costs, especially for distribution and they are also using economy of scale.

4.4. Consumer price sensibility

After the last recession, the consumers are no longer willing to spend large amount of money for expensive products, preferring only high quality at low prices. Also, a lot of consumer are buying only when the products are on price reductions periods.

4.5. Brand consolidation:

Any promotional activity for the companies brand is equivalent with very high costs, but this are money well spend because it is an investment in differentiating in compares with the company's competitors. It is very difficult to achieve a brand that is recognized a leader in technology due the short period of time that a product can be considered innovative.

5. Methods of establishing the price level:

In general, the main method in establishing prices is the costs level. However, in most cases, it be considered a simple method, because the main objective of any company is represented by obtaining profit.

5.1. Building a competitive advantage:

There are situation when the company is having a hard time differentiating its products in compares with the competitors. It can be said that these process is vital for the company.

Some examples of such products can be: sugar, salt, steel, coffee and others. In the case of the coffee there are specific aromas that can be obtained and a good promotion is placing the products in the consumers mind as a premium one. Respecting the deadlines from the contract in an industry that many

competitors are not serious, can become a competitive advantage (in constructions for example is very hard to build a reliable name). Also if a certain company is ready to offer discounts if it is not respecting the deadlines, it can be also perceived as a competitive advantage.

5.2. An often encounter practice in forming the price is represented by auctions. A standard document has to be fulfilled with all the products specifications and is offered at the disposition of anyone interested. Then the bidding process can begin. After receiving all the offers in a certain amount of time, the winner will be selected, meaning the company that made the best offer.

Auctions are used also in the case of selecting the suppliers, when the respective company is trying to obtain the lowest prices for raw materials.

5.3. Prices for new launched products

The main decision about the prices that the management has to decide about is commercializing products at low or high prices. In order to make a good decision about establishing the right price, the company is taking into consideration the following elements:

5.3.1. The strategic position of the company

The strategic position of the company refers to establishing the target segment of consumers and trying to create a competitive advantage. When computers were created for the first time, three target segments were taken into consideration, considering the value that each of them was attributing to it. The first segment was represented by engineers and scientist that were attributing the higher value to the computers by the possibility of making easy their duties on the workplace. The second segment was composed from the book - keepers and banks, that were granting a high value to the computers, but lower than the first segment. The third segment was represented by a large public that attribute only a small value to the benefits of the computers. Slowly, it becomes an accessible product for all segments of consumers, at reasonable prices.

The strategic positioning is influencing the price because the product can be commercialized to the most interested customer at higher prices, but as the desire to buy of some segment of the market is descending, the prices will follow this tendency.

5.3.2. Launching the products:

In the case of launching a product, the price must take into consideration all the other marketing mix elements. The price must be correlated with all the other marketing mix elements. In the case of linking the product strategy with the promotional one, two strategies can be identified: cream strategy and enter strategy (Jobber, D., 2007.)

a) A combination between a high price and an intense promotional effort is developing a rapid creaming strategy. Examples of companies that are using this type of strategy are: Nike, Coca-Cola, BMW and others.

b) A combination between a high price level and a slow promotion is leading to a slow creaming strategy. Some examples of companies are: Rolls - Royce, Bosch and other, in other words famous companies that can afford to establish from the beginning a high price for their products and do not need an intense promotion.

c) A rapid entrance on the market is obtained by a powerful promotion and small prices. The main goal is to earn rapidly market share. For example, Easy Jet used that strategy to convince British Airways clients to switch their preference to them. Other companies with fast entrance on the market are Tesco, Volkswagen Polo and others.

d) Difficult entrance on a market can be seen as a result of a low price combined with a slow promotion. For instance, the store food chain Aldi is using these strategy in order to cut all unnecessary costs.

5.3.3. Market characteristics that are allowing launching products at a high price:

- The existence of an important competitive advantage (a last minute technology, such as companies from the aeronautic sector, computers industry, mobile phones and others),
- in some markets, the consumer is not the one paying the products (for instance air transport companies are raising the price in the case of acquiring the ticket with more than seven days before the flight and if the day of Saturday is not included, because it is taken into consideration the profile of a

businessman and the companies that are sending their employees to business trips poses enough capital in compares with a simple tourist that is flying to reach a vacation destination);

- If the company has a monopolistic position (if it is the only or the dominant company that is making an offer on the market);
- Excessive demand (for example when the request for diamantes is higher than the offer, then the prices are rising);
- in the case there is a pressure (especially of time) in buying a certain product (for example a company that has a major demand in acquiring as fast as possible the necessary raw materials and it is willing to pay a higher price for them to the company that can make the delivery).

5.3.4. Conditions that are allowing establishing a low price :

- A low price is the only alternative of the company to enter on a market (the product has no competitive advantage, the market has a multitude of competitors and others);
- By commercializing products at a low price the company is trying to attract a large number of clients, being able to benefit from scale economies;
- A product can be commercialized at a low price but the company can charge its clients for very expensive after sale services;
- A low price can act as an entrance barrier for others competitors (the company is satisfied with small profits to discourage a new competitor that cannot benefit of scale economies and it is practicing higher prices);
- by using predatory pricing, that are referring to practicing very low prices a period of time, until their main competitors are eliminated (even with the risk of experiencing some loses), followed by high prices due to the subsequent monopolistic position. This behavior is restricted by the competitive legislation of the European Union, under condition that the company's actions can be proved to produce damages to the consumers.

5.4. The value for the consumer

In establishing certain prices the main element that has to be taken into consideration is the value for the consumer. A particular person can be willing to pay a higher amount for some products.

The companies have to be ready to take advantage of this opportunity, especially

being able to customize products (this means considering specific customers needs and preferences). For example, in the moment of purchasing an automobile there is the possibility to select a certain color, tapestry and others, this offer being very attractive to the customers.

b) Another case reminded previously is the one of creating a competitive advantage due to an innovative technology. The purchase of a phone that is „last generation" brings a lot of satisfaction to its owner (it has an element of prestige that can be useful in the workplace).

c) Another important element constitutes the implication - of the company that is commercializing the respective product - in activities of socially responsible marketing. This element is making the product to have higher prices (due to the constant preoccupation of the company to offer healthier products that are respecting the environment and others). The consumer is not only ready to pay a higher price, but to enjoy participating to accomplishing a good deed (after someone is being a certain type of diapers, the producing company is donating a vaccine to the children from Africa and other similar examples).

d) The general tendency is that most of the times an expensive product is perceived as qualitative superior, sometimes the company exploiting these prejudice by establishing a higher price than its competitor's similar products (for example a company that is commercializing flower fertilizer has recorded a larger sales increase, because the consumers have perceived these product as being higher qualitative, although it had the same composition with similar products that had lower prices).

3. Conclusions

In business there is a large variety of options with a vital impact on the companies, but is the management responsibility to make the best choices regarding the price strategy. We can even talk about a post-recession consumer, that is not willing to spend all its money, that has experienced sudden job losses and for that reason is very prudent and well informed. In order to convince customers in buy, the company has to use all the marketing tools and also have a profound respect for the consumer, by offering high quality and even have socially responsible actions if possible.

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COMMUNICATION PARTICULARITIES SPECIFIC TO RELATIONSHIP MARKETING CASE STUDY: INTERACTIVE COMMUNICATION AND EMOTIONAL COMMITMENT BASED ON AGE GROUP OF CLIENTS

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Abstract: *This scientific research bases on easily identifiable grounds both in the communication theory specific to relationship marketing and in the organizational practice. In order to help the managers of the modern organizations, the present study aims at obtaining relevant results regarding the way of designing the strategic plan of communication as well as finding which are the fundamental elements of the emotional commitment in a close relation with the segments designated by the clients from the organization's portfolio determined by the following criterion – the age of the clients.*

Keywords: interactive communication, emotional commitment, relationship marketing, client segments

JEL classification: M 31

1. Introduction

The competitive environment leads to perspectives sensitively distinct as regards client approach, elaborating thus a series of activities aimed at creating, developing and maintaining client relations. The behaviour of the company oriented towards achieving profitability and value on the long term, from the mutual interactions and exchanges between the participants, appears nowadays extremely fascinating, stimulating and exciting. On the competitive markets, where marketing exists nowadays, all the organizations (small and medium-sized enterprises, governmental, commercial, educational or other types) can and must communicate in a personal manner with the clients.

For establishing the partnership relations it is necessary the adaptation of communication according to the target specificity towards which communicational messages are sent (Popescu I. C. 2003, p. 61). In this context, this research bases on easily identifiable grounds both in the communication theory specific to relationship marketing and in the organizational practice. Various authors have clearly delimitated the subjects discussed based on the specificity of the target public. There is a dominant aspect that stands out, i.e. the particularization of the young generation which is largely made of persons that belong to the internet era.

All these considerations lead to the conclusion that currently there is a need for investigating the way in which the organizations' strategic plan of communication displays different forms according to a series of characteristics of the client segments. In order to help the managers during this stage we aim at obtaining relevant results regarding the way of designing the strategic plan of communication in a close relation with the segments designated by the clients from the organization's portfolio determined by the following criterion – the age of the clients.

2. Methodology

The methodological corpus sustaining the correct and coherent progress of this scientific research is presented in stages. Moreover, the presentation and interpretation of the obtained results are dedicated a distinct chapter. We mention that the study has developed on the Romanian insurance market, and the general objective of the quantitative research is to determine the way in which the preferences of the policyholders regarding communication and emotional commitment gain different nuances in relation to the age group they belong to.

2.1. Research objectives & hypotheses

The objectives of the quantitative research are formulated so as to provide clear courses of action

that will permit the attainment of the general purpose. The following aspects are considered to have a great importance:

- Determining the way in which the organizations' communication plan has to differ in relation to the age of the target clients;
- Determining the factors that lead to the clients' emotional commitment in relation to the age group they belong to;

Closely related to the purpose and objectives of the study, a series of hypotheses have been stated for testing. For ensuring the correctness of the formulation of hypotheses, the corpus of secondary data which provided the researcher with information of interest has been also taken into account. The hypotheses regarding the variation of the variables "communication" and "commitment" in relation to the age of the clients are the following:

- Policyholders' preferences regarding the communication mechanism depend on the age of the respondents;
- Clients belonging to the 18-26 age group prefer interactive communication (especially online);
- Clients belonging to the 46-55 age group prefer traditional communication;
- Clients' emotional commitment differs in relation to the age group they belong to;

2.2. Data collection

The research tested clients of the Romanian insurance market. By establishing the sample size and the sampling method I have sought to cover the analysed issue by means of ensuring the representation of each possible case.

In accordance with the results of the first stage of information analysis (respondents classification), there is an equally distributed frequency based on age groups. Therefore, representation is guaranteed, and every model resulted can be considered valid in the light of this criterion.

The period of collecting data from the respondents who formed the researched collectivity was of approximately 5 months.

3. Findings and interpretation of results

The results of the descriptive econometric analyses show significant fluctuation of the variables describing communication in relation to the age group of the clients tested. Under these circumstances we can affirm that the purpose of the research is justified and the managerial implications of these results reveal the following certitude: the strategic plan of communication must be designed closely connected to the age segment. Therefore, during each stage of designing the communication mechanism, the marketer has to manage carefully: the flow, frequency, direction and its development modality as well as the task of correctly identifying the mix of communication tools which can affect clients' satisfaction of the segment in question.

In order to provide concreteness and an overview of the elaborated study, I have decided that the presentation of the results should be accompanied by the questions formulated in the investigation instrument used for collecting data.

~ Regarding the respondents' attitude towards *communication* in relation to the age group they belong to, the following results have been obtained:

Table 1: The attitude of the respondents regarding communication based on age

	Please specify the age group you belong to				
Interactive communication	under 26 years	26 – 35 years	36 – 45 years	46 – 55 years	over 55 years
	Media	Media	Media	Media	Media
	(A)	(B)	(C)	(D)	(E)

1. There is a mutual exchange of information between the clients and the insurance company	6.63		7.19		7.81	**A**	7.93	**A**	7.17	
2. Information exchange is frequent	5.65		6.63		7.10	**A**	7.38	**A**	6.33	
3. There is direct and interactive (phone, face-to-face, etc.) communication between the insurance company and the clients	7.28		7.95		7.71		8.11		6.67	
4. The information exchange between the company and the clients is transparent (no hidden intentions)	7.17		7.07		7.89		7.82		7.33	
4. The more the insurance company solicits client feedback, the better the client satisfaction	8.40		8.72		9.10		8.52		8.17	
5. Most often insurance company inform about the new and more profitable offers	7.80		8.60		8.73	**A**	8.18		7.83	

Source: Personal investigation supported by the statistical software SPSS 19

It must be underlined that there are significant differences among groups 3 and 4 (C and D) and the first two (A and B). The statistical analysis reveals a significantly higher mean recorded for age groups 34-45 years and 46-55 years compared with that of the 26-35 years and 46-55 years groups. At the same time only three of the criteria defining interactive communication can be considered relevant for this study. Thus, the investigated subjects, with ages between 36-55 years (C and D) are more aware than those with ages between 18-35 years (A and B) of the mutual information exchange between the policyholders and the insurance, affirming also that this is more frequent.

The interpretation of information offers us the framework for the argumentation of the following convictions:

- Policyholders aged under 36 years need greater mutuality when collaborating with the insurance agent;
- Policyholders aged under 36 years need a significant increase in the communication frequency (information exchange is not frequent enough);
- Policyholders aged under 36 years have to be informed more often about the new offers that might suit them.

All these may be due to the lack of experience of the young insurance agents in the extremely complex field of insurance. The increasingly prominent necessity for information intervenes almost naturally as compared to other age groups. Consequently, organizations have to devote more attention to planning the marketing communication in relation to this characteristic of the target. At the same time, it must be specified that the strategic dimensions base on mutuality, frequency and communicational message.

~ Regarding the respondents' attitude towards *commitment* in relation to the age group they belong to, the following results have been obtained:

Table 2: Emotional commitment of respondents based on age

Emotional commitment	Please specify the age group you belong to									
	under 26 years		26 – 35 years		36 – 45 years		46 – 55 years		over 55 years	
	Media (A)		Media (B)		Media (C)		Media (D)		Media (E)	
1. When choosing the insurance company quality is the most important factor	8.13		8.21		8.98		8.39		9.17	

2. I trust the products and/or services offered by the insurance company	7.88		8.19		8.64		8.57		8.33	
3. Purchasing insurance policies has always been a transparent process	7.85		7.05		8.31	**B**	8.18		8.00	
4. The insurance company has a favourable reputation on the market	7.85		8.49		9.03	**A**	8.84	**A**	8.67	
5. The insurance company is willing to solve my problems	7.41		8.07		8.27		8.33		8.33	
6. Solving damages optimally is essential for renewing the insurance policy with the same insurance company	8.42		8.42		8.56		8.66		8.83	
7. Competing insurance companies are not considered more efficient	7.38		6.93		8.34	**B**	8.74	**AB**	7.50	

Source: Personal investigation supported by the statistical software SPSS 19

Similar to the communication case, differences at the level of the four age groups that make up the global sample are observed. The means of the age groups C and D (34-45 years and 46-55 years) are significantly higher than those recorded for age groups A and B (under 26 years and 26-35 years). Moreover, not all the items considered in the elaboration of the independent variable are representative for the analysis results. Therefore, only criteria 3, 4 and 7 are representative. Information reveals the following:

- Policyholders from age groups 36-45 (C) years and 46-55 (D) years are more convinced that the insurance company has a favourable reputation on the market than those with ages between 18-35 years (A and B);
- Policyholders aged between 36-45 (C) years do no perceive the competing insurance companies as being more efficient and they also consider the activity transparent as compared with the age group 26-35 years (B) which has obtained uncommonly low means for this criterion;
- Policy holders aged between 46-55 years (D) do not perceive other competing companies as being more efficient than the one contracted by them as compared to those from the first two age groups (A and B) who have scored lower means for this criterion.

Considering that a high weighting of those aged over 35 years represents policyholders who have collaborated for a long time with an insurance company, their answers are justified. The persistence of the relationship leads to emotional commitment among clients. Repeated satisfaction offers more security to policyholders while transparency, reputation and performance become differentiation criteria between the insurance companies contracted by the subjects and the other existing on the market.

4. Conclusions and managerial implications

For an increased efficiency in underlining the main conclusion I have opted for a three-level presentation:

1) One of the most important results of these analyses is the significantly different perception of the respondents regarding the interactive communication in relation to the age groups they belong to;

Thus, those aged under 35 years indicate an insufficiency of the mutual information exchange, of the messages regarding the offer and they do not consider the current interaction frequent enough. These considerations oppose those specific to the respondents aged over 36 years.

As regards the communication strategy planning in relation to the target segment considered (mainly defined by the age of the clients) has to differ in terms of the three criteria (mutuality, message, frequency). Therefore, promotion campaigns aimed at the youth under 35 years must be designed so as to ensure:

- ✓ Increased perception upon the mutuality in the collaboration with the insurance agent;
- ✓ Increased frequency of the information exchange;
- ✓ The communicational message is to contain more information about the new offers (less about the price);

2) Another valuable result refers to emotional commitment. Thus, at least at the level of the three considered criteria (transparency, reputation, performance), the respondents aged over 36 years manifest a more prominent emotional commitment than those belonging to inferior age groups (up to 35 years).

Emotional commitment is a relatively new concept. At the moment, organisations do not have answers regarding the way in which this mechanism functions. Consequently, these results may have important managerial implications given the following assertion: emotional commitment is more pronounced among clients aged over 36 years. In consequence, the organizational efforts can be oriented towards promoting the emotional commitment among the youth aged under 35 years.

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THE PREFERENCES OF CLIENTS REGARDING INTERACTIVE AND UNIDIRECTIONAL COMMUNICATION ON THE ROMANIAN INSURANCE MARKET

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Abstract: *In a direct relation with the role of the marketing activity in the insurance field appears the necessity of analysing intensively the issue of the typology, techniques and tools of the marketing communication. In order to meet the requirements of this research I have included as variables with a potential effect on the clients' satisfaction both the interactive communication (interactive communication tools) and the unidirectional communication (communication techniques and tools specific to the transactional marketing). The mix of the communication tools preferred by the respondents is very important, and this will outline the way in which a complete harmony between unidirectional and interactive communication can be ensured.*

Keywords: unidirectional communication, interactive communication, communication tools, relationship marketing;

JEL classification: M 31

1. Introduction

Due to the characteristics of the human life, outlined by a series of uncertainties, anyone can be affected in a lesser or greater extent. Integrity, physical and mental health, the inability to conduct routine activities and so on are elements that can cause distress to people and, more specifically, can account for the lack of income of the individual or even of his whole family. Therefore, the action of mitigating the repercussions of such circumstances finds its answer in purchasing insurance policies.

Over a lifetime, people can acquire many goods, more or less valuable, which are always subject to risk. The factors that threaten their existence such as fires, earthquakes and floods do not know limitations and they can be only partially foreseen while most of the time they remain totally unexpected. In these conditions, and knowing that almost anything can be insured, unfortunate events can be overcome without too much difficulty.

All considerations mentioned underline the role and position of the insurance field in economic and non-economic activities. But even in these conditions, the economic actors of this specific market face several challenges, especially in developing countries where a unitary perception is not yet clearly formulated on the implications of this type of activity. Insurance is a very complex financial product and therefore the operating mechanism is complicated. In essence, the following situation must be managed appropriately: customers must pay before knowing what they have acquired, hoping that they will never need what they have bought.

The particularities of the insurance field imprint the marketing activity with different nuances that seem to be closely connected with both the characteristics of the insurance products and with the clients' perceptions of the progress of such an activity. In a direct relation with the role of the marketing activity in the insurance field, a subject greatly debated in the international and Romanian specialized literature, appears the necessity of analysing intensively the issue of the typology, techniques and tools of the marketing communication. This approach involves accountability, rigour, coherence, consistency and building a logical research structure.

2. Theoretical aspects underlying the research

2.1. Conceptual delimitations regarding insurance

In specialized literature concepts are well defined. However, definitions of concepts that are unanimously accepted are not found because each author has a significantly different view.

In the process of defining the notions characterizing the insurance field, we primarily point out the difference in meaning between the terms "insurance" and "insurance activity". The report progresses from particular to general, where insurance is just one of the many elements that make up the work done in this area.

The insurance has an important role in the contemporary economy. The distinct position in this field is due to the significant number of considerations and among these we specify the universal need for protection and the fact that anyone may be subject to governing.

In his book "Dicționarul de asigurări" Constantinescu D. A. points out that "insurance is a system of economic – social relations, an objective process necessary for the economic and social development that has sprung from the action of objective economic laws which consists in the joint creation, by individuals or legal entities, of a damage compensation fund and other economic – financial requirements that are probable and unpredictable" (Tănăsescu P., Șerbănescu C., Ionescu R., Popa M., Novac E. L, 2007, p.11). As follows from this definition, the main purpose of insurance is to protect individuals or legal entities against financial loss by creating a fund that is meant to cover damages and not to increase company profits by imposing a higher value insurance (illegal practice).

According to the essentials of marketing, a predominantly economic view can be maintained if the detailed presentation of the technical elements of insurance bears no binding character.

2.2. Interactive communication and unidirectional communication

Interactive communication and unidirectional communication are often considered in an antithetical manner. The former is specific to the new marketing adopted by organizations which aim to treat each client differently, personally.

In relationship marketing, a major role in the process of earning the loyalty of the client is occupied by dialogue. In this context, organizations use an appropriate conduct by assigning a significant percentage of the whole communicational process to interactive media. The same principle applies to the techniques and tools of communication. Interactivity, as a success factor of the marketing activity is underlined by T. A. Shimp, a highly esteemed specialist in marketing communication, according to whom success consists in building relationships between the brand and the client, and communication is a strong bond between the organization and customers. In addition, "communication is a central element leading to customer retention and focuses on building relationships by providing a high interest to dialogue" (Gronroos Ch. 1994, p. 8).

Transforming markets by changing the balance of power, from the sovereignty of the bidders to the power of the customers, causes organizations to offer goods and services of a largely homogenous quality. Under these circumstances, "communication between the company and the client becomes an element of decisive differentiation, observing thus that the centre of gravity of traditional communication is moving towards dialogue" (Bruhn 2001, p. 240). "The old paradigm – a system of mass production and advertising is substituted by a new paradigm – one to one economic system, products adapted to the particular needs of the individual, personalized promotion tailored to each consumer's specification." (Kitchen Ph., Don Shultz, 2009, p. 198).

The theoretical framework of the current marketing context is emphasised by the customer-oriented policy. As regards the trends in communication they are the following: "Communication is designed to inform, persuade and remind consumers, directly or indirectly, about the marketed products and brands; it represents <<the voice>> of the company and the means by which dialogue can be established with customers and also by which an appropriate collaborative environment can be created" (Keller K. L., 2009, p. 141).

In contrast there is the unidirectional communication. This type of communication is specific to transactional marketing and the process is characterized by a messaging flow mainly unidirectional – from the company to customers. The techniques used by the organizations that adopt this method of promotion are essentially those that enable mass communication (Ex. TV advertising, radio, printing). "Advertising is a paid and indirect form of communication made by an identifiable source in order to convince the receiver to act in one way or another, now or in the future" (Shimp T., 2007, p. 240). The main objectives of carrying out a publicity campaign are: "building brand images, informing consumers, persuading, supporting other marketing communication efforts, stimulating the action of buying" (Clow K., Baack D., 2010, p. 156).

To summarize, direct and interactive communication is proposed by most specialists as a key to achieve the ambitious goals of relationship marketing. In these conditions the mainly used multimedia supports are those with the capacity to ensure a high degree of interactivity. The most used are: Internet, mobile phones and interactive TV.

However, we have the conviction that in order to meet the requirements of this research it is necessary to provide a complex vision upon the communication plan that may be adopted by an

organization in close relation with the customers' opinion (policyholders – physical persons). In this context, the research model has been designed using two variables with a potential effect upon clients' satisfaction, i.e. both the interactive communication (interactive communication tools) and the unidirectional communication (communication techniques and tools specific to transactional marketing). The typology of the communication tools preferred by the respondents is important, and this is emphasised by presenting the way in which a complete harmony between the unidirectional and interactive communication can be ensured.

3. Methodology

In this part, the stages that make up the methodological structure of the quantitative research as well as the main results of it are presented. The study carried out among the clients of the Romanian insurance market (policyholders, physical persons) aims at determining the opinion of the policyholders on the communication tools used by the insurance companies and at obtaining the necessary information for designing an optimal communication (built by means of a mix of elements specific to both the interactive and unidirectional communication) from the respondents' point of view.

3.1. Research objectives & hypotheses

The objectives of the research are descriptive in nature and aim at obtaining some directions that can be used as a managerial support for the optimization of specific strategies. Once the decision making issue is identified, extra hours are needed.

The objectives of the research are closely connected to the analysis of the current knowledge degree in the reference field. In order to ensure the relevance of the entire research, from the standpoint of the information volume that can be obtained, the following objectives were considered relevant:

- Knowing the preferences of the policyholders regarding the communication tools that can be used by the insurance companies;
- Knowing the opinions of the policyholders on interactive communication;
- Knowing the opinions of the policyholders on unidirectional communication;

In order to complete the courses of action, a series of hypotheses has been identified, which have been formulated in close relation with the specific theoretic corpus as well as with a series of empirical investigations. It is important to stress the following aspects:

- Face-to-face communication is one of the most preferred modes of communication among the clients of the insurance market (due to the particularities of the insurance market);
- The preferences of the policyholders are mostly oriented towards interactive communication tools (e-mail, website, face-to-face, etc.);
- Policyholders have a positive attitude towards interactive communication, because it is perceived to have a high degree of transparency and an increased potential for personalizing products;
- Policyholders have a positive attitude towards unidirectional communication given the perception of a high financial power of the insurance company;

3.2. Data collection

The method used for this quantitative research bases on a questionnaire investigation. For an adequate design of the questionnaire, the general purpose and the formulated objectives and hypotheses have been taken into account. A five-item scale (where 1 – the least efficient and 5 – the most efficient) has been used to measure the efficiency perceived by the clients (policyholders – physical persons) regarding the communication tools adopted by the insurance companies. The aim of another stage of the research was the identification of the clients' preferences in terms of one or another type of communication (interactive and unidirectional) in a close relation with a series of organizational objectives possible to achieve (the perception of a high financial power, orientation towards innovation, etc.)

The quantitative approach permitted collecting data from a significant number of subjects, ensuring thus the representation at the level of the analysed population (in the insurance field). The process of data collection lasted for almost 5 months, the research took place in Romania and the policyholders (clients, physical persons) represented the collectivity involved in the development of the approach.

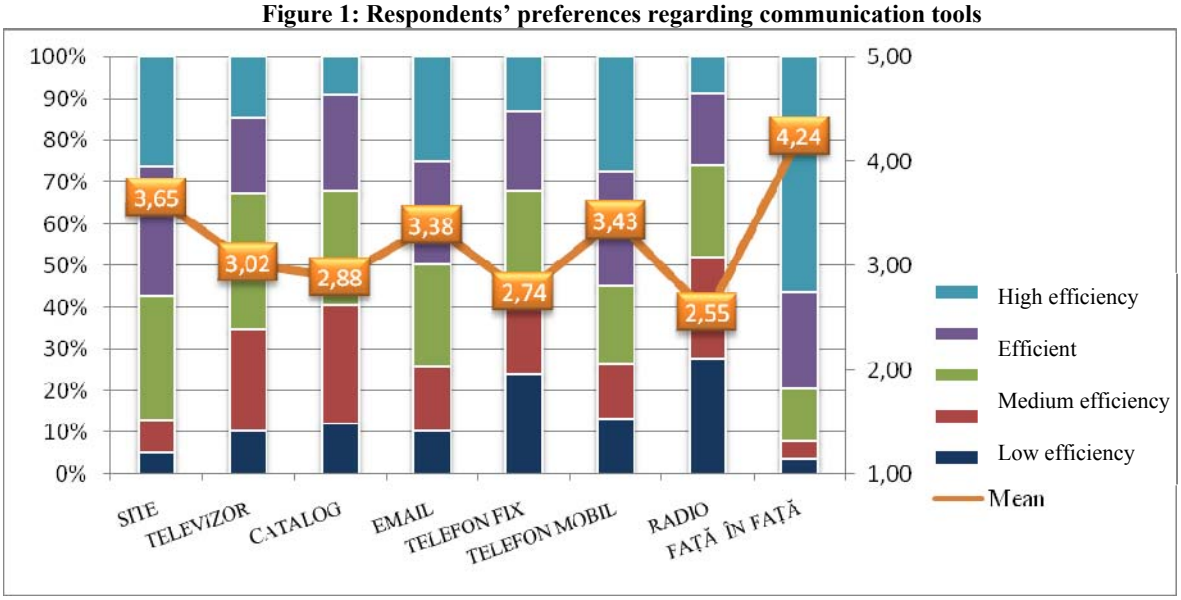
3.3. Findings

The findings of this research, upon which descriptive econometric analyses were realized, have the purpose to confirm (or infirm) some of the theoretical aspects regarding the utility of both interactive and unidirectional communication in relation with the clients. Under these circumstances, by formulating specific questions, the validation of some hypotheses referring to the policyholders' preferences regarding the communication tools used by the insurance companies as well as the identification of the optimal communication typology were taken into account. In what follows, both the questions, as they are listed in the investigation instruments and the main results of this research are presented.

♦ *How do you evaluate the following communication methods used by an insurance company with its clients?*

This question has the purpose to classify the communication tools used by an organization according to the preferences of the clients. In order to ensure the research accurateness, eight communication tools were stated while maintaining a balance between those that permit a high degree of interactivity and those that function mostly unidirectionally. The distribution of preferences is presented in the following graphic:

Figure 1: Respondents' preferences regarding communication tools



Source: Personal investigation supported by the statistical software SPSS 19

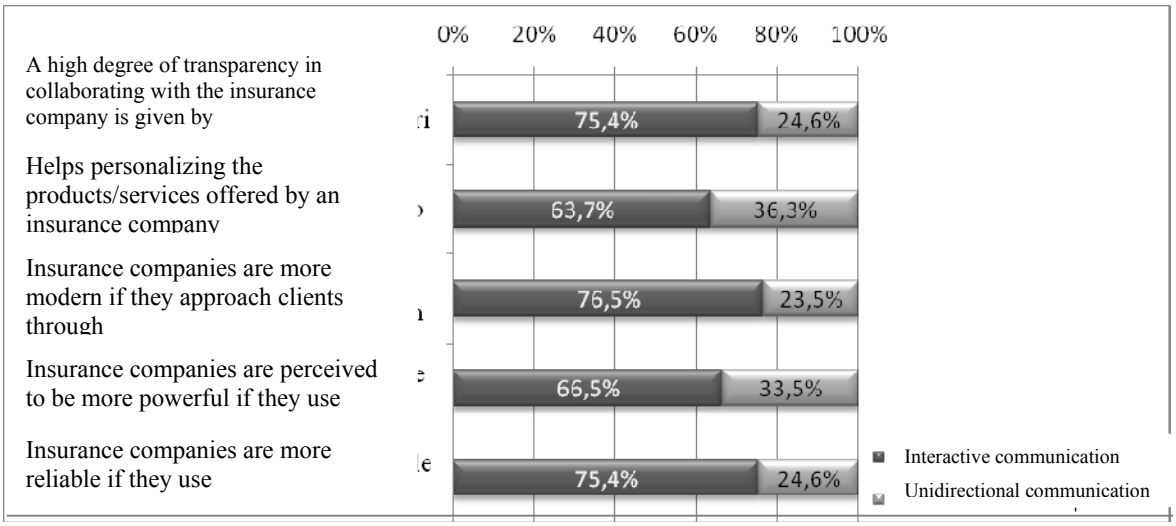
In this situation, most of the subjects show a positive attitude regarding face-to-face communication, approximately 55% (mean 4.24) consider it the most efficient method. However, there is a significant mean of 3.65 in favour of the organizational website, a mean of 3.43 for mobile phones and a mean of 3.38 for e-mail among the preferences of the policyholders.

The respondents questioned about these problems situate on the first 4 positions the communication tools which are considered in the specialized literature to be indispensable for building an interactive communication plan. Even though many authors, who have discussed the specificity of communication in relational context, have pointed out the necessity of giving precedence to the website as a tool for targeting the market in the insurance field, face-to-face communication has the greatest importance from the clients' point of view. If these two were to be combined successfully, then direct chatting could constitute a useful tool in the light of the reduction of the face-to-face communication costs and, at the same time, of the capacity to meet the criteria of this type of communication.

♦ *How do you evaluate the following statements in relation with the communication type – Interactive communication (Phone, E-mail) Vs. Unidirectional communication (TV, Radio, etc.)?*

The results of the study are presented in the next graphic:

Figure 2: Respondents' preferences regarding the communication type according to a series of criteria



Source: Personal investigation supported by the statistical software SPSS 19

Provided that it is demonstrated by both theory and organizational practice that strategic planning of communication depends mostly on the established objectives, the research has been designed so as to obtain a volume of information as edifying as possible. Consequently, a series of hypothetical objectives was formulated such as transparency, personalizing, financial power, etc. in order to identify the optimal communication version directly related to the insurance company's proposed strategic objective at a certain point in time.

The findings of the analysis emphasize a clear preference of the subjects for interactive communication. This information shows that regardless of the considered criterion, the policyholders prefer an interactive approach from the organization. A firm percentage has been recorded in the case of the subjects who have affirmed that they perceive the insurance companies that use interactive communication as being more modern (76.5%), more transparent (75.4%) as well as more reliable (75.4%). Given the fact that transparency is one of the decisive factors for obtaining satisfaction on the insurance market, the role of the interactive planning of communication in organizational practice is thus underlined.

By correlating these results with those of the previous analysis we can certainly affirm that the approach methods of the mentioned market have a great importance for satisfying policyholders, and these are the following: face-to-face communication, website, mobile phones and e-mail. These prove their utility in any context - the perception of a high degree of transparency, of personalizing, modernizing, etc.

4. Conclusions and managerial implications

In terms of relationship marketing, the study has a series of significant implications upon the progress of the communication activity and upon the realization of the adequate marketing strategies. The transition to relationship marketing is an extremely difficult process and Romanian organizations face major challenges in this context. The undertaken research aims at presenting the strategy structure that has to be considered in order to increase the chances of maintaining and developing client relations.

Descriptive studies complete the strategic picture of the communication mechanism used by the insurance companies by offering a real support at the tactical level. The following aspects are pointed out:

- The preferences of the policyholders regarding the communication methods with the insurance agent; the hierarchy is as follows:

1) Face-to-face;
2) Mobile phone;
3) Organization website;
4) E-mail.

As a consequence, we consider useful the following proposal which refers to the realization of the communication strategy that could prove its efficiency both in increasing satisfaction and in developing relationships: the installation of secured systems for computer mediated communication, i.e. direct and interactive (online chat). The costs involved by face-to-face communication would be considerably

reduced and at the same time the communication effects through chat could be similar to those generated by face-to-face interaction.

- The preferences of the policyholders regarding Interactive vs. Unidirectional communication;

The study confirms the aspects demonstrated in the causality analyses. Interactive communication is more likely to achieve clients' satisfaction. The drawn conclusions ensure managers that the organizations using interactive communication will be perceived by the clients as being:

- More transparent;
- More likely to personalize their products and services;
- More modern;
- More powerful;
- More reliable.

Companies should involve actively in developing the adequate communication mechanism. Its efficient design increases the chances of the organization to maximize the opportunities offered by a positive perception from the market.

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E-COMMERCE - A VIABLE PART OF WINEMAKERS' STRATEGY: STUDY ON THE CONTENT OF ROMANIAN WEBSITES

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Abstract: *The deepening economic crisis has not left the wine industry unshaken, businesses stringency strongly emphasizing the need for effective websites for winemakers. The purpose of this research is twofold. From the managerial perspective, the main goal is to develop a website assessment model useful to wine industry actors. From the academic perspective, the purpose is to identify the correlation between the 2.0 instrument structure and size and organizational structure coordinates. Winemaking companies in Romania were examined. Websites were grouped based on similarity in the constructs. Some major points of differentiation were identified between clusters labeled as wine oriented and marketing oriented websites.*

Key words: winery website, e-commerce, web 2.0 instrument, construct, evaluation model

JEL classification: M 11, M 15, N 50, O 13, O 14, O 31, O 32, O 33, Q14

1. Introduction

For any passionate of wine and travelling, wine tasting at the winery has a special flavor, that of the story of the place and people. But the wine no longer whispers its secrets only among nicely appointed barrels and smell of fermenting, but invites us to explore its lands also through virtual reality.

Consumers today expect to find virtually any information online before a visit to the winery or online purchases. Internet sales, following an ascending path, for traditional players is not the solution to the crisis, but a new opportunity, extremely important to generate visibility and get the brand noticed, but also to get sales as a result of the past.

Most wine producers in Romania live in the past, since they take no advantage of new opportunities offered by the Internet to improve their businesses, such as using social networks and other tools such as online video streaming, blogs, Facebook, Twitter, Foursquare, etc. Today, technology is vital for professional development, and the Internet is an important instrument that winemakers must use to interact with customers and capture new markets. Moreover, the website allows small producers to compete in a market dominated by giants of contemporary inland wine industry, and their product to reach the final consumer.

Wine estates should lead the public to visiting the places managed, and not wait for an importer or distributor to make their wines known. The website needs to speak to consumers in any part of the world, who know nothing about these wines, not very well handle surfing the internet or have a faulty internet connection. The page must be easily understood, quickly run through and focus to capture a new ordinary consumer, not a wine critic.

At a minimum, most winemakers' websites include information regarding the wine philosophy and style, in an attempt to create a need among consumers, to make them wanting to taste. The experience is very different from a shopping trip to the supermarket, where the consumer loses himself in the overwhelming multitude of references, and where he can only find basic information on the vineyard that supplied the terroir, grape variety, vine variety, technology and skills of viticulturist and oenologists who contributed to the completion of the ″bottled poetry″ of their hands.

2. Background

A recent study reveals that about 50% of vineyards and wineries around the world have websites. It is a surprisingly low percentage, given that wine producers who have websites see websites as a vital and essential promotional tool. Websites are often the key element in the marketing strategy of a wine producing company. Many companies that do not have websites, have no e-mail neither.

Information provided by ozwinetours.com (Australian Wineries) which collects data on each producer in Australia, shows that only 1590 (53%) of the 3009 producers surveyed have websites. A review of the wine producers in other countries, listed on uncorked.biz reveals similar results. Table 1 contains the percentage of winemaking companies that own websites, of all those included in the survey, for the most important wine-producing countries worldwide:

Table 1: Website uptake rates for various countries

Country	Percentage of wineries that have websites	Nº of wineries surveyed
France	44%	1464
Italy	14%	3110
USA	62%	3843
Canada	58%	320
New Zealand	46%	565
South Africa	51%	414
Australia	53%	3009

Source: Websites for Wineries, http://www.websitesforwineries.com/winewweb.html

The literature on winemakers' websites reflects a lack of uniformity regarding the main purpose of studying the content of websites. It is definitely understood that the website has become an important part of the marketing strategy of a wine producer, helping to build customer loyalty, to develop the brand, to increase traffic to the wine cellar and tasting room and encouraging direct purchasing. But the website has also become an important channel for online purchase. Thus, the two main goals of a website are transactional and informational (Bruwer and Wood, 2005).

Most of the winemakers' websites researches focused on studying online purchase from multiple perspectives. Alpine (1999) notes that although wine is one of the categories of products that best fit internet purchase, it can affect established, traditional producer-distributor relationships. Major (2000) argues in favor of websites, showing that they reflect the adoption of Internet experience, a high degree of website complexity matching with high value for the company. Goodman (2000) argues that the Internet allows small and medium wine-producers to expand to global outlets, crossing barriers to export, but draws attention to the fact that the aspect of the website quality should not be overlooked as a measure of effectiveness in a business, extremely important for small producers who lack sufficient resources to engage professional expertise. Sticker et al (2001) manages a typology of websites, noting that there are websites focused on the sale of wine and websites focused on providing information.

Gebauer and Ginsburg (2003) have attempted to develop online business models in the wine industry. Bernet and Stricker (2003) evaluated the websites of two regions in Germany, establishing a methodology they called ″web-rapid appraisal″. Website quality assessment was driven in terms of usability attributes, grouped in three categories: technical, design and content, some of which are difficult to see without significant programming skills.

Bruwer and Wood (2005) studied the motivations and behavior of online wine buyers. But websites do not speak only for wine buyers. Four distinct types of visitors can be defined: buyers, browsers, the trade, and the media.

Bressolles and Durrieu (2010) have provided a comparison of traditional and electronic service quality. The authors suggest that given the crucial role of the consumer in the evaluation of services, an important aspect is to identify dimensions of service quality perceptions.

Electronic commerce has the potential to improve efficiency and productivity in many sectors of the economy, therefore it was given increased attention in researches in many countries. However, there were some doubts on the relevance of e-commerce for developing countries, such as Romania. To address the gap in the literature, this study aims to evaluate e-commerce adoption in the wine industry in Romania, gaining relevance by analyzing the wine producers' website content.

3. Purpose

The purpose of this research is twofold. From the managerial perspective, the main goal is to develop a website assessment model useful to wine actors. From the academic perspective, the purpose is to identify the correlation between the 2.0 instrument structure and size and organizational structure coordinates.

This research is designed to help winemakers have more effective websites in terms of visits, which means that visitors reach their targets and remain with a positive impression. These two elements lead to the continuous interaction between visitors and wine producers, which, properly managed, lead to sales.

4. Research Design

4.1. Sample

The study was conducted on the winemaker market in Romania. Grape vine cultivation and winemaking on the Romanian territory have a multi-millenary tradition. Grape vine cultivation is attested archaeologically since Neolithic (3000 years BC), the god Dionysus himself originated in the Thracian space, which was called Sabazius. With such experience, it is not surprising that there are over 100 old autochthon varieties, some of which having a definite value both in terms of quality of wine resulted and their typicity. With an area of 190,000 hectares planted with vines (representing 1.5% of agricultural area and 2.6% of arable land), Romania ranks 5th in Europe - after Spain, France, Italy and Portugal. Annual production is on average 5 million hectoliters. (Cotea, 2008, p.11) The sampling was composed of the 358 companies producing wine, according to the official list provided by the Vine and Wine National Employers' Association (PNVV), therefore the entire geographic area (all 38 vineyards in the eight viticultural regions) was covered, ensuring the representativeness regardless of the winemaker's size. The final sample revealed the websites of 66 wine producers, representing the target of our prospecting.

4.2. Evaluators

Two of the three researchers have served as evaluators of websites. Evaluation of websites was a relevant mission to these Internet users, accustomed to technology. Both evaluators have an educational background in marketing, one showing interest in wine industry research and the other in e-commerce.

Each evaluator-researcher worked independently, researching the online presence of 179 wine producers each. The inter-assessment reliability reached 100%, since both assessments beneficiated from objective characteristics and compatible evaluations validated by the supervisor-researcher.

4.3. Procedures

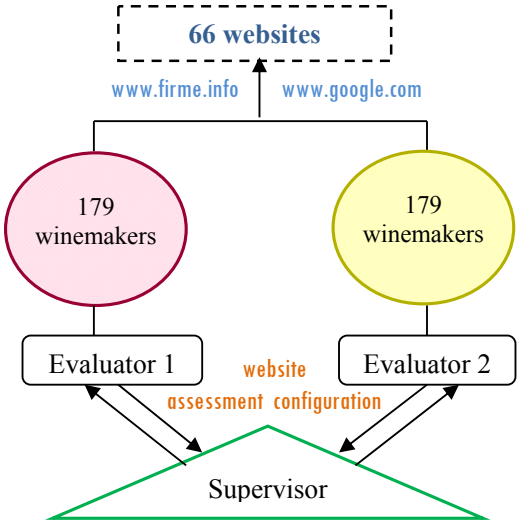
The two evaluators-researchers analysed a database of wine producers in Romania, 358 in number, available on the official site of the the Vine and Wine National Employers' Association (PNVV), institution of the civil society grouping some of the leading wine producers in Romania, forming, along with the Government and industry unions, the framework for the social partnership in the wine sector (http://www.pnvv.ro/). The evaluation took place in a controlled research setting (university computer lab) under the supervisor-researcher's monitoring, who was always present to answer evaluators' questions and to ensure that the research procedures have been correctly followed. The evaluation session involved, for each winemakers listed officially on the PNVV database, two search stages:

- *Stage 1)* - Collecting information about the company from the database with public information about companies in Romania - www.firme.info (wine producers appear under the Caen Code: 1102 - Production of wine from grapes); the latest financial information found was dated 2010.
- *Stage 2)* - Examining the websites found or marking the online absence.

To avoid duplication or inclusion in the analysis of producers who have suspended their activity, we avoided the inclusion in the sample of wine producers who had listed several work sites, as online presence is would be confirmed by the existence of a single website, or manufacturers about which we have found information that would follow an insolvency procedure or about which we have not found any information in the search engine, to avoid loading the balance sheet with unverified data, which would lead to an overinflated and unrealistic gap between the online absence statistics and the website existence statistics.

4.4. Research Design Model

Figure 1: Research design procedure

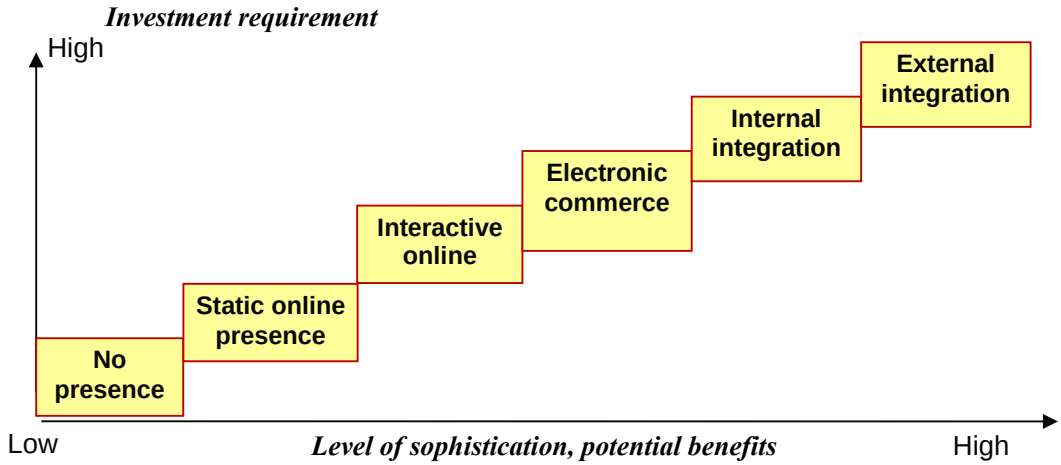


5. Method

5.1. Standard Technology Adoption Model

We launched our investigation based on a model proposed by McKay and Marshall (2004), which shows e-Business Stages of Growth, as illustrated in Figure 2. This model restates e-commerce benefits for companies, no matter the area of activity. E-commerce is not only limited to buying and selling over the Internet, but it is also concerned with transferring or exchanging products/services and/or information via computer networks, including the Internet, Extranet and Intranet (Turban et al. 2006). It includes activities such as servicing customer online, collaborating with business partners and exchanging business documents within an organization over the Internet or other private networks. Bearing in mind this standard model, we reviewed the originality of the wine industry, concluding that, like its products, we can not judge its specificity, but we can only appreciate its ″interesting flavors″, i.e. the level of sophistication requires a broader range of manufacturer's website maturity stages. The last two stages (internal and external integration) are not subject of our study because we lean only on strategies to attract consumers.

Figure 2: E-business Stages of Growth



Source: McKay, Judy; Marshall, Peter (2004) Strategic Management of e-Business, Wiley, p. 11.

5.2. Winery Website Assessment Instrument

One of the main objectives of the project was to develop an assessment instrument with specific focus on developing objective criteria for evaluating websites of wine producers. Initially, a list of evaluation criteria was created by the supervisor-researcher. Then, before starting the analysis, the two evaluators-researchers have completed the initial list of criteria for a website of a wine producer. Criteria, together with their individualizing attributes, were revised to eliminate duplication and then were smoothed by the research team. It is important to emphasize that the instrument included only objective assessment criteria, which required a ″yes″ or ″no″ response, depending on the presence or absence of a particular attribute (″yes″ = present, coded as 1, ″no ″= not present, coded as 0).

6. Measurement and Data Analysis

The final instrument of analysis of the level of adoption of web 2.0 tools in the wine industry in Romania included 13 evaluation criteria, according to Table 2.

Table 2: Structure of the final winery website analysis

			Criteria	Attributes	
No website	**No presence**	1	*No e-mail, No website*		
	Email only business communication	2	*Only e-mail*		
Wine-oriented website	**Static online presence**	3	*Contact & Info*	e-mail address mailing address	
		4	*About us*	history / story about...	wine estate region family succession
				wine business ownership profile of winemaker	
		5	*Facilities description*	information on wine production facilities gift shop	
		6	*Product information*	description of wines price of wine	
		7	*Operational information*	hours of operation tour of winery	
Marketing-oriented website	**Interactive online**	8	*Public relations*	media updates latest news	
		9	*Partnerships*	links to local lodging links to local restaurants links to local attractions contact/links to distributors links to group's companies	
		10	*Interactive functions*	online sign-up for wine club e-mail newsletters links to winemaker's social media pages (Facebook, Twitter, or Blogs)	
		11	*Customer feedback*	clients' opinions quality rating on a Likert scale	
	Cultural-educational integration	12	*Educational opportunities*	recipes on food pairing with the winery's wine tips on wine tasting restaurant etiquette winemaking culture terminological glossary	
	Electronic commerce	13	*E-commerce*	virtual winery wine accessories shop	online shopping cart, method of payment, delivery terms

Source: Researchers' original contribution

Constructs 1 and 2 define subjects without online presence, namely stage zero in the implementation of new technologies. In this statement we start from the premise that companies that do

not have websites, have no e-mail neither. Constructs 3-13 are those that have allowed the development and standardization of a website assessment model useful for the winegrowing actors. In a first phase, we used the normal factor analysis (R method), finding correlations between constructs (criteria) among winemakers' sample which allowed us to situate websites in two categories: (1) wine-oriented websites and (2) marketing-oriented websites. In the second phase, the construct matrix was transposed in order to apply the Q methodology, that is, we sought for correlations between subjects having in common the same set of criteria. Thus, we could define six stages of website content maturity in the wine industry:

1) No presence
2) Email only business communication
3) Static online presence
4) Interactive online
5) Cultural-educational integration
6) Electronic commerce

No online presence (no website, no email) indicates that the respective wine producer has not adopted any web 2.0 technology, so its business is managed traditionally, using only physical distribution and communication channels.

Email only business communication stage, unlike the stage zero in the implementation of web 2.0 technologies, represents an improvement in information sharing and communication within the company, between companies, between customers and the winemaker, with the use of email.

As the initial step, many winemakers begin with a *static online presence*, used only to disseminate information to the public. Thus, there is only one-way communication and typical information included is contact details, wine estate and winemaker descriptions, product descriptions and information about oenological tourism, if available.

Moving up one step to *interactive online presence*, the website structure may dispose of three one-way communication criteria (public relations, partnerships, interactive functions), and a two-way communications criteria, offering customers the possibility to transmit their opinions about the wines and to appreciate their quality on a scale. The number of companies in this stage reflects the Business-to-Consumer (B2C) e-commerce development.

Cultural-educational integration stage's purpose is to promote the brand's wines through artifices for passionate of wines (, winemaking, tips on wine tasting) and lifestyle (restaurant etiquette), but also for niches of potential buyers, such as women (recipes on food pairing with the winery's wine).

Electronic commerce stage eliminates the drawbacks of the traditional trade, mastering efficiency and productivity gain by reducing or eliminating human intervention in various business operations, for example when automatic identification technologies such as barcode and radio frequency identification are involved.

On this six stages, we overlapped the two website clusters (wine-oriented and marketing-oriented), resulting in a complex model for assessing websites' maturity and level of adoption, but also for serving as pattern for designing high-quality and complete websites.

7. Results and Discussion

The model of assessment of the winemakers' website content demonstrates a stage of implementation of web 2.0 technologies in Romania far from the recommended maturity. The model is based on 11 constructs composed from a series of attributes, whose analysis revealed the segmentation in winemakers with wine-oriented websites, putting in the foreground the winegrowing estate and wine products, and producers with marketing-oriented websites, focusing more on the market (online shopping, social media, wine clubs).

The *availability of online shopping* in the marketing-oriented websites is the most important point of differentiation between the two groups. The wine industry is an established market for traditional sales channels, whose benefits and marketing and in-store merchandising practices are thoroughly discussed and accused: from direct sales at the vineyard's winery, which are laid the charge of displaying unfairly low shelf prices, to networks of retail stores bearing the winemaker's brand, to drink divisions in large self-service stores. Wine tasting is responsible for tripling sales in the first two categories, although large self-service stores remain ″the superstar retailers″, strongly promotions and cross-merchandising oriented. A shopper is much quicker to choose a wine after tasting it from reading about it (Wilson, 1995) on the label. But the future of trade and merchandising in the wine industry is electronic. Lockshin (2000) states that wine is the perfect product for Internet retailing due to the combined benefits of education in the art

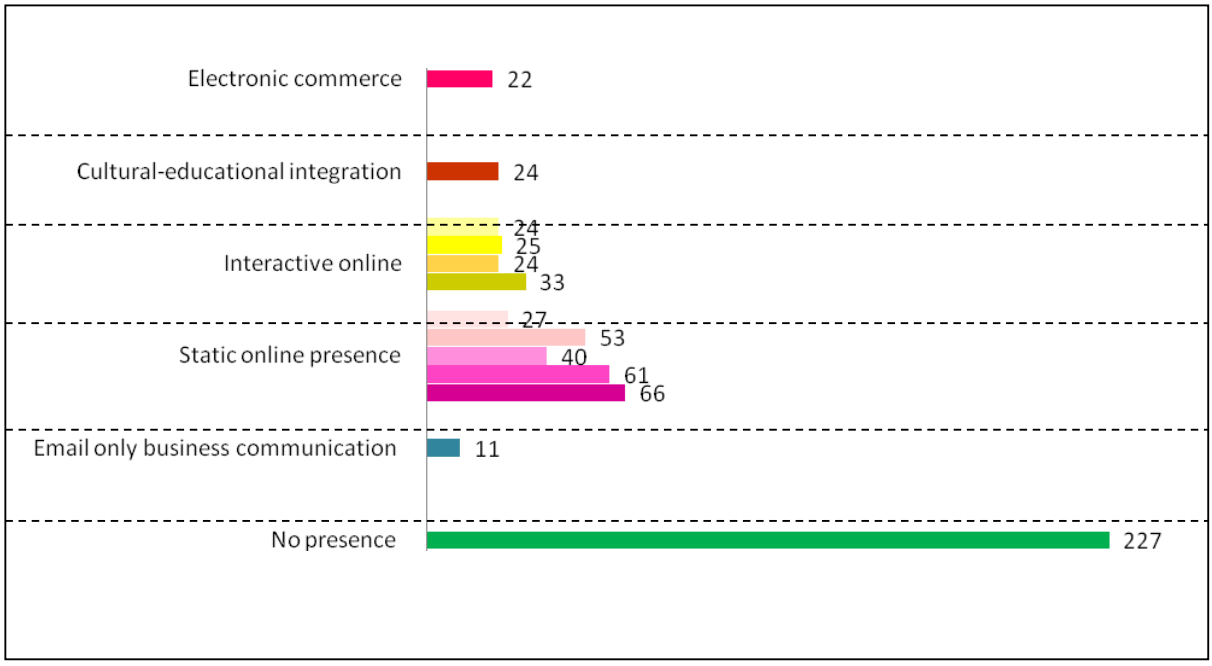
of wine tasting and the easy price-comparing. Bernet and Stricker (2003) make two other arguments in favor of wine e-commerce: strong product differentiation and pronounced fragmentation of the industry. Some marketing experts believe that it is only a matter of time before purchasing from the home computer becomes a routine. They envisage a quest system like a touch-screen arrangement by which customers can order wines they do not find in stores (Wilson, 1995).

Links to winemakers' social media pages (Facebook, Twitter, Blogs) is another attribute found in marketing-oriented websites and absent in the wine-oriented ones. The website remains the main means of online communication for a brand, but disadvantaged by one-way flow of information - the wine brand to the consumer. Through social media pages, the transition from one-way to two-way communication was made, the winemaker being able to create relationships with existing and potential customers through incidental exposure.

Wine clubs, another point of differentiation, are designed to continually seek new members - virtual version of face-to-face opportunities to attract wine enthusiasts. Teaff, Thach and Olsen (2005) believe that the main objective of any wine producer is not securing one-time transaction, but pursuing repeat business, i.e. developing long-term relationships with customers. These transitions are the two sides of same coin that can be measured by tracking orders from repeat customers. Repeat business is where the online investment becomes truly viable, but without new customers the winemaker will never reach his full potential online (Griffith, 2012).

Figure 3: Results and illustration of the research

1	2	3	4	5	6	7	8	9	10	11	12	13
227	11	66	61	40	53	27	33	24	25	24	24	22
63.4%												
	3.07%											
		21.71%	92.42 %	60.6 %	80.3 %	40.90 %	50%	36.36 %	37.8 7%	36.36 %	36.36 %	33.33 %
84.9%												7.23 %



Most wineries set up a website to assist with sales in some way. If those sales do not occur online, they must occur through more traditional means, such as direct purchases at the winery or through a distributor. There are several constructs that can be implemented on a website to assist with this. The level of detail of website constructs examined provides some insight into how wineries have been using websites as an adjunct to their normal business.

After prospecting the database of Romanian wine producers (Figure 3), 227 producers *without online presence* resulted, 11 producers benefit from *email only communication*, and 66 winemakers take advantage of the *website*. The remaining 54 entries were removed from the sample list, for the reasons already stated.

The comparison of the large number of producers completely absent in the virtual world with the standard, uniform nature of the website content structure is the basis through which we affirm that websites have matured over the years.

Static online presence stage includes the kind of information that does not need a frequent update, and is within reach of any producer. Therefore, all 66 websites (that is 21.71% of the sample) provide important *contact information* such as physical location, email address, telephone.

61 wine producers (92.42% of the websites) offer *information about the business* important for brand building. In the same vein, websites offer information about activities and attractions in the region to attract additional visitors to the cellar. This is consistent with providing information and educating consumers in the art of winemaking. Wine tourism information has become an important attribute for winemakers to be added on the website, providing even location maps to simplify the customers' process of visiting the wine cellar (27 websites).

Perhaps the most important attribute characterizing wine-oriented websites is the provision of *information on products*, 53 of the 66 websites (but only 17.43 of the overall producers validated in the sample) using complete description of the characteristics of wines, varieties of grapes used to produce the wines, winemaking technology, conditioning and packaging as a tool to promote the brands sold.

Marketing-oriented websites develop the *interactive online* stage to get to the final consumer. 24 wineries see benefits through promoting the local region (cluster) – done in *partnership* with other entrepreneurs in the region: local lodging, restaurants, and local attractions, neither forgetting the national or international network of winemakers or distributors.

Only 25 wineries offer membership to *online communities*, such as clubs, or publish regular newsletters to keep enthusiasts informed about the latest developments in aspects of their business, from crop reports to news of recent release, in an attempt to involve wine drinkers in the winery community.

A common theme emerged for the motivation behind the implementation of the website was to provide *information designed to educate customers* about the products: 24 winemakers (36.36% of the websites analysed that is 7.89% of the sample) are in the 5th stage of adoption of IT technologies, the cultural-educational integration.

Only 22 producers, i.e. 7.23% of the sample, offer customers the chance to *buy products online*, using an interactive function. It remains the field of major producers, and not of small ones. Small winery websites seem unique compared to those of small businesses in general, in terms of wine industry specific constructs, but also in terms of the product sold - the wine - which lends itself to transactions by electronic media, due to a very low risk in the acquisition by a regular client. The rate of adoption of websites by Romanian wine producers is much lower than that of SMEs. Small wine producers offer in a lesser extent online ordering and payment facilities. However, small winemakers, once they overcome the hurdle of the website design, they are more likely to adopt online ordering and sales than their counterparts in sectors.

After analyzing our sample, refer to a lack of maturity developing in the websites. Climbing the ladder of the model we developed, we note that very few winemakers have the defined constructs. Small winemakers should offer e-commerce on their websites in an endeavor to take advantage of web 2.0 technology. The reword is that there is a possibility of enhancing customer loyalty by providing added value for members.

Our conjecture is that this research should improve understanding of how the websites can enhance winemakers business.

8. Conclusion

This project aimed to extend website assessment models developed by previous researches, by defining objective criteria for evaluating winemakers' websites. In addition, the study identified a structuring of the complex set of constructs in the assessment instrument. For the wine industry, the results of this study can serve as a template for creating effective websites. From an academic perspective, this research indicates the need of a deeper exploration of the notion of effectiveness of the website of a vineyards and winery estate. Overall, the results of the investigation should be regarded as an

action floor for those with ambition to work in the wine industry, an industry that defies the economic crisis, but is in constant struggle with the overproduction crisis.Acknowledgement

9. Acknowledgement

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CORRELATION OF LEGAL ASPECTS AND MARKETING TECHNIQUES IN THE GRANTING PROCESS OF PATENTS, TRADE MARKS AND COPYRIGHT IN ROMANIA, THE EUROPEAN COMMUNITY, UNITED STATES OF AMERICA, JAPAN AND KOREA

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Abstract: The paper summarizes the mechanism for obtaining a patent and presents a clear picture of how the international bodies involved in the process of patenting of inventions and patent-pending isfunctioning. Explore, in a specific marketing vision, the ways to motivate and help inventors to patent their discoveries. Also investigates the reasons why some offices are receiving more patent applications than others, and the methods by which are able to analyze them in less time. Finally it is shown how, using marketing techniques, patent offices can streamline their work to support all the involved parties.

Key words: patent, marketing, legislation, cooperation, Romania

JEL classification: D 23, D 73, D 83, F 53, K 11, K 23, M 21, M 31, N 40, N 70, O 31, O 34, P 48

1. Introduction

Firstly this article aims to highlight global directions followed in the granting of patents, patents, trademarks and copyrights. Viewed from the marketing perspective of view, the article seeks secondly to emphasize aspects of the use of marketing tools to ease the whole process of obtaining patents. This approach has emerged as a result of comparison methodologies followed and used by major institutions involved in patenting inventions worldwide. How can marketing help in obtaining patent? The whole patenting procedure involves the existence of a continuous exchange of information between the inventor, patent offices and various related institutions (communication, promotion). The inventors are concerned with the scientific findings and not the bureaucracy to legalize their work, and must therefore be directed to the appropriate places and institutions obtain all legal formalities (travel, distribution), depending on the scope of patents subject activity (product, service), while explaining the costs and benefits involved in the process (price). All these aspects are under privilege of marketing.

The study aims at promoting the idea according to which, if it were to be recorded as many patents for invention, would enhance economic development and by default it increases the quality of life. Although it is certain that, at least theoretically, the chances are increasingfor several proprietary discovery to become known, and in time, those that prove to be truly useful, may be promoted and implemented on a large scale. From approximately 3000 new ideas, can be patented 150, and of these only one really records, commercial success (Stevens and Burley 1997: 24). Previous research show that new discoveries are hardly marketed widely, especially during times of economic slowdown or decrease (Courvisanos 2011 11). Then economic liberalization can make companies operating in multiple locations to use technologies previously patented abroad and not to be involved in the development of their research through patents (Lederman 2010: 606-607).Another study, after analyzing among other things the relationship between innovative activity indices and the size of countries' gross domestic product (Zalewski and Skawińska 2009: 39), raises questions about the results of the average to weak exports of products incorporates brand new technologies, in countries which allocates large percentages of GDP in research and development fields.Today, more than ever, if it is desired economic growth through the development of new products, are no longer sufficient only investment in research and development,but the whole process of bringing innovations to market has to be seen through the light of market orientation (Resta 2010: 70),or in other words all the activity must be governed by marketing.An important step in implementing new approaches is to obtain certification offered by the patent offices.These offices should operate not only as some institutions empowered to verify and certify or reject patent applications received, but must act as linking units between inventors and the market.Their work should be reorganized so as to be actively involved in ensuring the necessary support and guidance, so that

inventors should not be held back with bureaucratic elements and economic operators must have the certainty that they use the original genuine new components. The achievement of marketing tactics and techniques and their application to each level of activity may lead to increased efficiency and effectiveness of the supply chain with innovative products to overall society.

1.1. Methodology

Research is based on investigating and comparing the laws in Romania, the European Community, the United States of America, Japan and Korea. Major world bodies which sums up most of the patents of inventions filed and granted in the world are divided into three geographical areas, ranked by number of certificates validated during our days: the Asian region (Japan, Korea, China), the North American region (United States of America, Canada) and the European region (European Union).

It is presented detailed procedure for patentability of an invention under the law in Romania, because steps are similar wherever he should carry out licensing. Then specific features are described other bodies subject to analysis, highlighting the notable differences. The results obtained will provide, in the end, a clear picture of direct relationship existing between the institutions that use the techniques of marketing in the implementation of legislation and the increase in patent submissions lodged and accepted.

1.2. Objectives

Highlighting causes for which inventors are more or less motivated to patent their inventions.
Identify ways in which marketing tools can assist inventors.

1.3. Hypotheses

Reducing bureaucracy patent process, help increase the projects submitted and accepted.
Marketing techniques can encourage inventors in their approach topatent their inventions.

2. Romania

In Romania, the main body in charge of all the processes and steps leading to the granting of patents, trademarks and copyrights is the State Office for Inventions and Trademarks (OSIM).

Some details regarding the patenting procedure required to be stated right from the beginning.The first item brought to the attention is the patent term, or better, the granting of a patent of invention.A patent may be granted, in accordance with the Law 64/1991, for any invention which has as its object a product or a process, in all areas technology, provided that it be new, involve an inventive step and is susceptible of industrial application.The quality of "*new invention*" is defined in the body of the same law, as not being included in any forms of knowledge that have become accessible to the public by written or oral description, by use or in any other way, up to the date of filing the application for a patent of invention (Law 64/1991, Section II, para. 8).

*The date of filing the application for a patent of invention,*means the date on which the notification shall take into account the intention of the inventor to submit documentation for an invention patent to OSIM. The date of filing the application provides a right of priority for the depositor, compared with any other deposit, on the same invention, having a later date.

Documentary Report represents the whole documents, diagrams and explanations relating to technical and scientific invention subject to patenting procedure. After the analysis documents submitted, OSIM shall decide by the Commission for the examination of specialty, granting of the patent for invention or rejection of the application for a patent. For all these services provided by OSIM, are collected various taxes, including subsequent deposits of various documentswhich were missing in the initial assessment.Period of time in which the report is analyzed the documentation is of 18 months, from the date of the request examination.Examination request must be made no later than 30 months from the date of patent filing.

The *duration of the patent* granted is 20 years, starting from the filing date (Law 203/2002, Art. 32). Once obtained the *patent for invention* confers on its proprietor an exclusive right to exploit the invention throughout its duration and to do this, the holder undertakes to pay annual fees to maintain the patent in force. Failure to pay these fees involve forfeiture of the holder of the rights under the patent(Law 203/2002, Art. 47).

Patents are granted to the authors of inventions submitted to the legislative process. An author can be considered a natural person or natural persons who have participated in the creation of the invention in

question (law 8/96, art. 3, para. 1). Obtained the patent may be revoked at any time, when is found copyright infringement by people who have applied for that patent.

The procedure for registration of a trademark, is similar to patenting an invention, in the way that the certification body is OSIM also and the steps to be done, require filling of an application, paying an examination fees, conducting analyses and performing the actual recording. Differ the amount of time needed for completion of each stage, so, the request is taken into account within one month from the date of filing of the application forms and examination is carried out within a period of 6 monthsfrom the date when all the fees are paid (Law 84/1998, Head. IV). Registration of a trade mark shall take into effect, for a period of 10 years, from the date of deposit mark was done. At the request of the holder, registration of the mark may be renewed after each period of 10 years, with the payment of involved renewal fees.

Similar aspects are provided and for protection of topographies integrated circuits (Law 16/1995), for the protection of industrial designs (Law 129/1992) and for the protection of new varieties of plants (Law 255/1998).

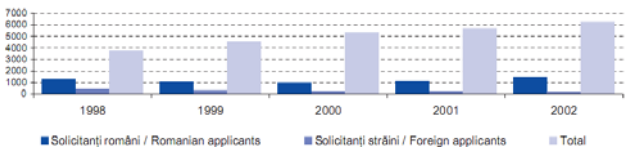
Although legislation is not really bushy in this area, has a pronounced character protectionist-prohibitive. One could say that in Romania, a person trying to patent an invention, is regarded from the submitting documentation, during analyses and even after the grant of the patent as an unproven yet plagiarist.

Although laws have undergone amendments and additions in recent years, ithave not been changed in their essence, aiming just at updating the quantum of fees for granting initial and subsequent maintenance of patents. Even when computerization has taken off in offices OSIM, the verification of a new patent proposal is the same as 30-40 years ago, when work is done by studying physical documentary archives of the institutions involved in the process.

All this has led to a decrease in the number of patent applications has been achieved afterthe deposition was peaked in 2006 at 31,130 to 21,702 requests applications in 2010(statistical data for the year 2011 have not yet been made available to the public), inventors giving up to patent their discoveries mainly, because of bureaucratic chain procedures (Figure no. 1 and Figure no. 2).

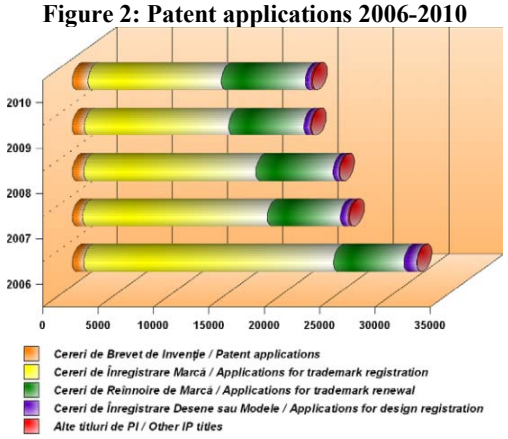
From all of the 21.702 applications for industrial property titles that were filed with OSIM in 2010, 1.418 was patent applications, 54 plant variety patent applications, 6 applications for registration of topographies of semiconductor products, 21 applications for supplementary protection certificates, 73 utility model applications, 12.196 trademark applications, 7.284 trademark renewal applications and 500 design registration applications (OSIM, Annual report 2010, pg. 10).

Figure 1: Patent applications 1998-2002



Source: State Office For Inventions and Trademarks - Annual report 2002, pg.21

Figure 2: Patent applications 2006-2010



Source: State Office For Inventions and Trademarks - Annual report 2010, pg.46

3. The European Community

In the European Community, getting a patent involves taking through specific procedures of the country where originates inventor, obtaining patent for the country concerned and then conduct an analysis at European Union level and to grant patent extend the coverage obtained at the European level. Coverage confirmed by payment of an annual fee to the office additional European Patent Office (EPO). In 2010 extension of a national patent obtained shall apply to the following states: Albania, Austria, Belgium, Bulgaria, Croatian Cyprus, Czech Republic, Denmark, Ellas, Estonia, Finland, France, Germany, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxemburg, Malta, Monaco,

Fyr of Macedonia, Netherlands, Norway, Poland, Portugal, **Romania**, San Marino, Slovakia, Slovenia, Spain, Serbia, Sweden, Switzerland, Turkey, United Kingdom, and two more countries have submitted applications for inclusion in the space of European patents, they are: Bosnia-Herzegovina and Montenegro.

Romania has signed with European institutions, the first cooperation agreement in the field of patents on 9 September 1994 (agreement between the Romanian Government and the European Patent Organization relating to cooperation in the patent field, 1994).In 2007, as a result of cooperation has been developed and implemented electronic filing system for patent applications.That has lead to a submission in 2010, the last year for which statistical data were made public, of 46 applications for the granting of patents for invention from the Romanian applicants and 1,444 applications for European patents of invention valid also in Romania.This system of electronic records to the applications submitted, facilitates and constantly updated databases managed by OSIM and furthermore make the link with international databases (OSIM, Annual report 2010, pg. 31).

EPO has compiled a basic common electronic recording and verification of the applications submitted and has established a plan for the integration of business offices all European states. Computer System is called TMview and has begun to operate on 13 April 2010. TMview is a free online tool that allows users to search for in the data bases of the offices existing brands for intellectual property. The system manages applications recorded in Belgium, Bulgaria, Czech Republic, Denmark, Estonia, France, Ireland, Italy, Lithuania, Luxembourg, Netherlands, United Kingdom, Portugal, **Romania**, Slovakia, Slovenia, Spain, Sweden, WIPO (l'Organisation Mondiale de la Propriété Intellectuelle) and OHIM (European Union Office for trademarks and designs).

4. United States of America

In the United States of America law relating to patents and copyright is governed by federal law, the related know-how is determined by the local and State authorities regarding the trademarks is subject to provisions of State and federal laws (Oswald, p. 25 and p. 192). The organism which deals with patentability is the United States Patent and Trademark Office (USPTO).

The stated mission of the USPTO is„Fostering innovation and competitiveness and economic growth, domestically and abroad to deliver high quality and timely examination of patent and trademark applications, guiding domestic and international intellectualproperty policy, and delivering intellectual property informationand education worldwide, with a highly skilled, diverse workforce" (Office Statistics Report 2010 Edition, pg. 21).

USPTO provides those interested in patents of inventions, all information concerning the procedures to be carried out on the website of the Office. But, people who won't or don't have the time to do their own research online, can call upon various consultancy firms to consult them and to make a submission of documentation on their behalf.For the provision of services, specialized consulting firms establish their own list of commissions,and in this way provides efficient and smooth conduct of the subsequent patent stages. Thus, the inventor saves the time and can focus on research they carry out and can come back with other patent submissions in a shorter time.

5. Japan and Korea

Authorized institutions are the Japan Patent Office (JPO) and the Korean Intellectual Property Office (KIPO).

The stated mission of the KIPO is „To contribute to technological innovation and industrial development by facilitating the creation, commercialization and utilization of intellectual property and by strengthening the protection of intellectual property" (Office Statistics Report 2010 Edition, pg. 17).

In Japan and Korea 97% of patent applications are submitted online, the number of applications submitted by recording the values the highest in comparison with other sisters offices. Annually, are to be lodged a number of approximately 400 000 applications, of which are approved and certified half.

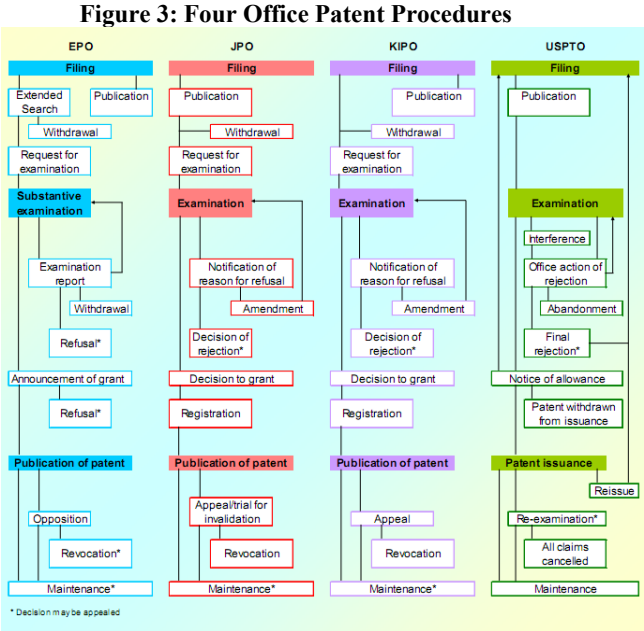
Advice and support is provided to all applicants from the first phase of the process for the submission of documentation in order to obtain certification.Advice is provided free of charge, both JPO and KIPO having specially assignedemployees trained for this activity. That saves time later for the documentary teams, at higher levels by ensuring existence of all necessary all necessary documents in due evaluation course assessment records.

6. International cooperation

In the field of international patents have been undertaken collaborations that have resulted since 1983 to set up a trilateral cooperation between the European Patent Office, the Japan Patent Office and the United States Patent and Trademark Office. Through administrative and legislative harmonization, this cooperation has led to the development and optimization of the patent-pending system worldwide, which has led to significant changes to legislationby amending and supplementing the Treaty on cooperation in the field of Patents(PCT 2001) in two stages(on February 3, 1984, and on October 3, 2001). From the year 2007 has joined to the three offices, Korean Intellectual Property Office (KIPO) together with States Intellectual Property Office, the patent office of the People's Republic of China, thus forming the forum of the five offices of patent pending. In the year 2011 the Forum has managed 90% of all patent applications filed in all over the world, and 93% of the work carried out under patent treaty of cooperation in the sphere of patents.

On a comparative analysis (Figure no. 3), by investigation in parallel of the procedures to which the documentation is processed in order to obtain a patent for invention, on the basis of completion of the application until the approval and the granting of patents, may be appreciated similarities procedures of patent pending. Even though they are exposed in the same positions, some stages have, specific and differently time of execution for each of the four institutions. It can be seen opportunity provided only by USPTO to resume procedures from the beginning in case of demonstration on the way,of any discrepancy in the documentation and on themotivating reasons of applicant.

Figure 3: Four Office Patent Procedures

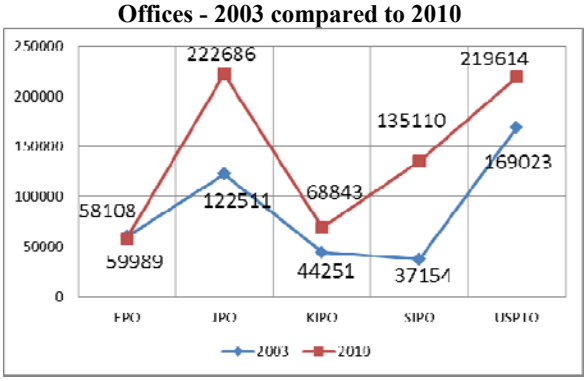


Source: Four Office Statistics Report 2010 Edition, pg. 53

Continuing comparative analysis of the number of patents issued in 2003 and 2010,Figure no. 4 shows that although the volume of patents issued has been a considerable increase in only 7 years, it has been held same structure of the areas with the most patents submitted and accepted. Thus, on the first place is located area Asian represented by Japan Patent Office, Korean Intellectual Property Office and member Intellectual Property Office, the patent office of the People's Republic of China, Followed by the North American United States Patent and Trademark Office and European Patent Office European area.

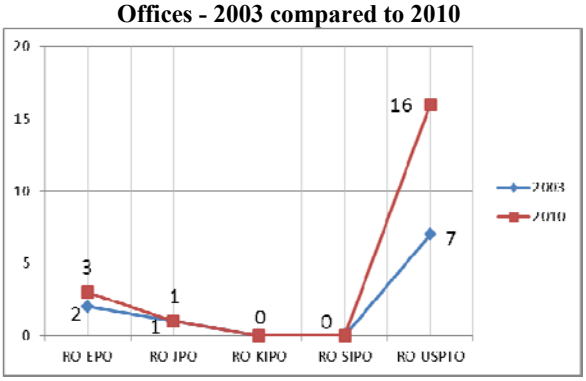
Compared to the same areas of influence in Figure no. 5 could be distinguish the number of patents filed by Romanian at the respective entities as well as their evolution in those seven years, subject to review.

Figure 4: Total Patents Granted at the IP Five Offices - 2003 compared to 2010



Source: Data processed by authors after - Patents granted by IPC class and by country of origin at the IP Five Offices

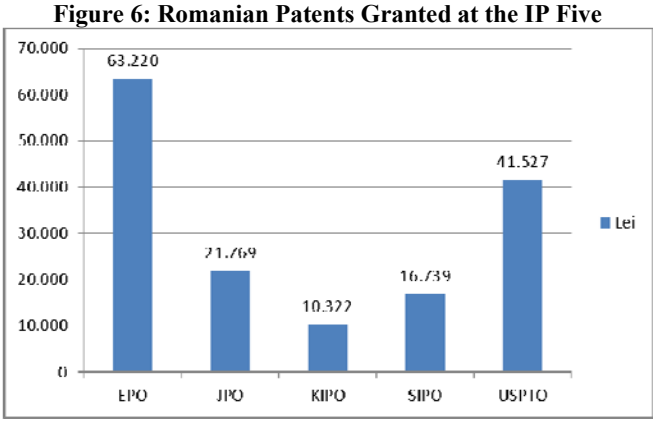
Figure 5: Romanian Patents Granted at the IP Five Offices - 2003 compared to 2010



Source: Data processed by authors after - Patents granted by IPC class and by country of origin at the IP Five Offices

To have a picture of the costs involved in the process of certification and maintenance of such earned rights, has undertaken a comparative study for the five offices of governing of intellectual property rights (The Five IP Offices 2012). It was taken into account in the analysis of the level of fees payable for the application and registration 2011 obtaining patent to which were added the fees that should be paid for maintaining the validity of the patent for 7 years.Thus, at the European level a patent of invention by EPO costs 14.452 euro (63.220 lei), the same invention patent obtained by JPO costs 535.600 Yen (21.769 lei), passed through the KIPO costs 3.541.000 Korean Won (10.322 lei), recorded at SIPO costs 31.794 CNY (16.739 lei), and patented USPTO costs 12.502 dollars (41.527 lei). All currency conversions were calculated in lei (RON) at the rate of the National Bank of Romania on 20 April 2012.

Figure 6: Romanian Patents Granted at the IP Five



Source: Data processed by authors after - Main comparable fees at the IP Five Offices

Following an analysis of patenting costs (Figure no. 6), it may be concluded that the Europeans are the ones who pay most for patenting an invention, followed by American citizens. The Japanese can obtain patents for half of the price paid by Americans, followed by Chinese people, and the cheapest patents can be obtained by Korean citizens, who pay approximately six times less than the Europeans.International laws take into account the nationality of the inventor and require certification to be carried out at the Office of the country of origin of the applicant. However, following the conduct of internationalcooperation between the national patent,a person may request to patent the invention to an Office in another country, as long as they make a notification by the Office in its own country, submit copies of the dossier evaluation and pay some fees, established specifically for this purpose (Act 203/2002, article 16). So from this point of view, could be better financiallyto achieve certification in another State where the charges are lower, so long as the fees for the notification of intention to patent by another Office, paid by the Office of the country of origin, added to the fees office where patentability is made, do not exceed the value of certification of patents in the country of origin of the applicant.

7. Conclusions

The entire patent process can be summarized in four steps:

- file an application for certification and documentation behind the invention;

-payment of examination fee (which varies from country to country and from one form of submission of documentation, to another – physical versus electronic format);

-waiting for a period shorter or longer necessary to a complete checkup;

-recording patentand payment of annual fees to maintain validity.

Integration of marketing concepts in organizing the patent offices can be seen even more by the formation of intellectual property Forum, currently comprised of the European Patent Office (EPO), Japan Patent Office (JPO), United States Patent and Trademark Office (USPTO), Korean Intellectual Property Office (KIPO) and State Intellectual Property Office (SIPO).Accession's patent offices of more and more countries in this forum, leads to improved exchange of information from the scientific world (promotion-communication),development of new technologies or new methods, far superior (product-service),in an extended area of increasing territorial coverage (placement-distribution) for the lowest rate (price).

The European patent system, otherwise the most complex, due to different European countries and the existing bureaucratic elements that must be met in the accreditation of a patent, patent applications continues to settle in physical format in large numbers.So that only the administration, storage and management of documents, taken separately,significant extent the coststo be paid by those who want to patent their discoveries.

In the American system, the greater openness to pragmatic things,has penetrated this guidance and the organization of the services of patent pending inventions.The tools of marketing have been adopted and put into practice, and the results have not delayed to appear. Earnings recorded thanks all the parties concerned, from the author, to consultancy firms andstate institutions to all participants in scientific and economic activity. The application of marketing techniques, at the very beginning of activity of the United States Patent and Trademark Office has led to a flexibilityin the American patent system processes and has led to tremendous growth in the number of patents obtained from the early years.America is the country in which was until recently submitted and, following assessment, was granted the most patents for invention, if they are taken into accountas their absolute number.

Asian System, oriented more toward results, gains, by simplifying procedures and by given advises free of charges to all of the parties involved, throughout the period of examination of patents, to impose effective and efficientexecution of the process for granting certification.Adopted elements of marketing have in addition to usability and astrong social utility, facilitating the development of society as a whole.

From the comparative analysis carried out among offices involved, it can be said that the reduction in bureaucracy of patent process, contributes to increasing the number of projects submitted and accepted.Inventors are more motivated to patent their inventions to the offices that provides consulting services, have a reduced time ofofficial recognition of their findings and charge lower rates.

Services provided through the offices of the registration of patents of innovation, may be enhanced by usingmarketing toolsas it can easily be seen from the work of offices which have implemented specific marketing action methods and continue to harmonize their activitiesto better serveas much as possible all the parties concerned.

Future research will be made to evaluatethe actual practice of Romanian inventorsabout the process of patenting at national and international level as well as for counting problems which they have experienced.

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AN EMPIRICAL MODEL OF ONLINE BUYING CONTINUANCE INTENTION

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Abstract: *The aim of this paper is to propose, test and validate a model of consumers' continuance intention to buy online as a main function of affective attitude towards using the Internet for purchasing goods and services and the overall satisfaction towards the decision of buying online. The confirmation of initial expectations regarding online buying is the main predictor of online consumers' satisfaction and online consumers' perceived usefulness of online buying. Affective attitude is mediating the influence of perceived usefulness of online buying on consumers' intention to buy online. Four items were employed for each construct on a 5 point Likert Scale. Reliability and internal consistency analysis was preformed. The models' relationships are tested using least squares regression analysis.*

Key words: online buying, attitude, satisfaction, expectations, perceived usefulness

JEL classification: M 31, L 81

1. Introduction

Online consumer behaviour is an interdisciplinary research field, extensively studied in the last decade. Early studies attempting to explain and predict online consumer behaviour have been published in the late 90s (Li and Huang, 2009), covering research areas such as information technology (IT), information systems (IS), psychology and marketing (Efthymios, 2004).

From an IS theories' perspective, online consumer behaviour was highly associated with the behaviour of the IS user. Buying online often implies the use of online vendors' e-commerce websites. Due to the fact that both the implementation and use of an e-commerce website strongly depends on IT knowledge, skills and capabilities, researchers regarded the e-commerce website as another type of information system (Chen et al, 2002).

Therefore, a large body of knowledge in online consumer behaviour rely on IS related theories to explain and predict consumers behaviour in the adoption of e-commerce phase, namely Davis' Technology Acceptance Model (Davis, 1989), often augmented with variables from Azjen's Theory of Planned Behaviour (Ajzen, 1991) and Rogers' Diffusion of Innovation Theory (Rogers, 1995) and post-adoption of e-commerce phase, namely Bhattacherjee's Expectation-Confirmation Model of continued IT usage (Bhattacherjee, 2001).

Technology Acceptance Model (TAM) postulates that consumers' intention to adopt an information system is a function of perceived usefulness and attitude towards the information system (Davis, 1989). Perceived usefulness is defined as being the individual's belief that the use of the information system is beneficial. Perceived usefulness together with perceived ease of use of the information systems are main predictors of attitude. TAM also postulates a significant influence of perceived ease of use on perceived usefulness.

Various studies have incorporated TAM's relationships in order to explain and predict online consumers' intention to buy online or consumers' actual use of e-commerce websites in order to buy goods and services for private use (Said, 2011), (Shang et al, 2005), (Ahn et al, 2004), (Shih, 2004), (Liu and Wei, 2003), (Yoon, 2009), (O'Cass and Fenech, 2003), (Lui and Jamieson, 2003), (Shin, 2008). Due to previous testing and validation, TAM has proven to be a solid and robust model of explaining consumers' behaviour in the adoption phase.

However, solely TAM or different versions of augmented TAM cannot offer a complete picture of online buying behaviour since behaviour goes beyond the adoption phase. According to Rogers' premise, the adoption decision can be followed by either a continuance decision or discontinuance decision (Rogers, 1995). This means that the mere adoption of the decision to buy online goods and

services is not capable of guarantying continuance. A consumer can still switch channels with either little or no effort.

A large body of research tried to explain online consumers' behaviour in post-adoption phase by elaborating models of e-repurchase intentions (Tsai and Huang, 2007; Atchariyachanvanich et al, 2006; Chen et al, 2010; Jiang and Rosenbloom, 2004; Lee, 2010; Liao et al, 2011; Liao et al, 2010; Kim et al, 2003; Lin et al, 2010; Wang et al, 2010; Kang et al, 2008; Wen et al, 2011). An overview of such models is presented in the next section of this paper.

However, it is important to note that most of post-adoption studies are based on the expectation-confirmation paradigm, a popularly used framework for explaining consumers' satisfaction and re-purchase decisions in wide variety of contexts (Hong et al, 2006). The paradigm states that before buying a certain product or service, consumers form initial expectations regarding its performance or benefits. Initial expectation can be either confirmed (the product or service performance rose to consumers' initial expectations), disconfirmed (the product or service didn't meet consumers' initial expectations) or positively disconfirmed (the product or service exceeded consumers' initial expectations). A confirmation of initial expectations or a positively disconfirmation leads to increased satisfaction which in turn determines repurchase intentions (Hong et al, 2006).

Bhattacherjee adapted the expectation-confirmation parading to IT usage obtaining the Expectation-Confirmation Model of continued IT usage (ECM-IT). ECT-IT differs from the expectation-confirmation paradigm because Bhattacherjee uses post-adoption expectations represented by perceived usefulness (Hong et al, 2006). In Bhattacherjee model, both satisfaction and perceived usefulness leads to the continued intention to use IT (Bhattacherjee, 2001).

It is important to note that prior research have concentrated either on adoption or post-adoption behaviour. In adoption phase, online purchase intentions were explained merely as a function of attitude and initial perceived usefulness of online buying. But perceptions about online buying usefulness change in time as consumers get to make more online purchases. Thus, we consider following Bhattacherjee approach in considering post-adoption perceived usefulness of online buying.

Unlike most of post adoption studies that did not include attitude in modelling post adoption online consumers behaviour, we do include it in our model and validate its mediating effect between perceived usefulness and continuance intention. Even though satisfaction is considered to be a quasi-attitudinal variable (Bagozzi and Gopinath, 1999) and treated as an attitude (Fournier and Mick, 1999), we strongly believe that including the overall attitude towards online buying, as a function of post adoption perceived usefulness and satisfaction, will increase the model's predictive power.

These being said we have outlined the main differences between previous studies and current study that integrates theories from both adoption and post-adoption behaviour in an attempt of gaining a joint perspective on online consumer behaviour.

2. Literature Review

Various authors have employed ECT-IT framework as a base for studying continuance intention. There are however various approaches to continuance intention: some papers studied consumers' intention to continue using the Internet to purchase (Atchariyachanvanich et al, 2006; Tsai and Huang, 2007; Chen et al, 2010; Jiang and Rosenbloom, 2004; Lee, 2010), while others are more particular studies concentrated on consumers' intention to continue using a certain website to purchase (Liao et al, 2011; Liao et al, 2010; Kim et al, 2003; Lin et al, 2010; Wang et al, 2010) or the continuance intention to buy from a specific online vendor (Kang et al, 2008).

Atchariyachanvanich et al employ ECT-IT framework and find a moderate influence of overall satisfaction with Internet purchasing on continuance intention. However, the relationships between expectations confirmation and perceived usefulness and expectations confirmations and satisfaction are validated. Satisfaction has a strong impact on customer loyalty although loyalty to the channel has a small impact on repurchase intention (Atchariyachanvanich et al, 2006).

In accordance with Atchariyachanvanich et al, several other studied reported a lower influence of satisfaction on continuance intention and a higher influence of perceived usefulness on continuance intention (Chen et al, 2010; Liao et al, 2010; Wen et al, 2011).

But generally, authors report a high influence of satisfaction on e-repurchase intentions (Tsai and Huang, 2007; Jiang and Rosenbloom, 2005; Chen and Cheng, 2004; Lee, 2010; Kim et al, 2003; Lin et al, 2010; Kang et al, 2008; Wang et al, 2010).

ECT-IT framework is often augmented with other variables in an attempt to enlarge the body of knowledge. For example Liao et al inserts the concept of regret when modelling online consumers' intention to continue using a particular website. The authors are using Yi and Baumgartner's definition of regret as a negative emotion related to post-purchase related situations, when a consumer thinks that he took the wrong alternative to an existing alternative that turns out to be or is imagined to be a better choice (Yi and Baumgartner, 2004). Liao et al reported a strong influence of regret both on satisfaction but also on the intention to reuse a certain website for buying goods and services (Liao et al, 2011).
Jiang and Rosenbloom report a significant influence of perceived price on repurchase intention (Jiang and Rosenbloom, 2005).

Some models employ various satisfaction predictors. For example, in Liao et al model, satisfaction with a certain website is determined by the disconfirmation of information quality expectations, system quality expectation and service quality expectation. All these variables have a moderate impact on satisfaction towards using a certain website for buying online (Liao et al, 2011). Chen and Cheng position a direct effect of information quality disconfirmation, system quality disconfirmation and service quality disconfirmation on repurchase intention and also an indirect effect through satisfaction (Chen and Cheng, 2004). Kang et al also proposes website information quality, system quality and overall service quality as main predictors of e-satisfaction, but unlike the other two models, information and system quality has both a direct and indirect effect on satisfaction, through the mediating variable service quality (Kang et al, 2008).
The consumer is approached as an end-user of an information system, characterized by both information consumption and direct user interaction (Doll and Torkzadeh, 1988). Before making a purchase the consumer engage in a research process for gathering information about products and service. Thus quality of the information is supposed to ponder even more in the pre-purchase phase of the buying process (Lin et al, 2010). Qualitative information is up-to-date, detailed, exact, and trustful. Qualitative information is also communicated in a proper format (Ahn et al, 2004). Consumers not only rely upon the quality of information displayed within the website but also on the quality of the website (Wolfinbarger and Gilly, 2001). A qualitative website is easy to use, having a proper navigation structure and search facilities (Fog et al, 2002) and reliable, capable of generating a rapid and flawless order and payment (Lin et al, 2010). As regards to service quality, many authors employ DeLone and McLean's five variables for measure the quality of website service: tangibility, reliability, responsiveness, assurance and empathy (Chen and Cheng, 2004; Liao et al, 2011). In Wang et al model, emotional value is the single predictor of consumer satisfaction and emotional value is represent by a function of information quality value, system quality value, social value and perceived sacrifice. Emotional value is a strong satisfaction predictor (Wang et al, 2010). Lin et al employ two variables, namely concentration and enjoyment as customers' satisfaction predictors. Concentration refers to the degree to which the consumer is absorbed in the process of buying. The authors found a significant of both satisfaction predictors (Lin et al, 2010).

Some models differentiate between different types of satisfaction. For example, Jiang and Rosenbloom differentiate between 'at check-out satisfaction' and 'after-delivery satisfaction'. At check-out satisfaction relies heavily upon the information quality and system quality since ease of finding and evaluating products through better search facilities and a proper navigation structure or faster checkout are positively related to perceived convenience of online buying (Jiang and Rosenbloom, 2005). After-delivery satisfaction is associated with delivery time, delivering the right product and after sale customer relationship (Jiang and Rosenbloom, 2005). An important finding of Jiang and Rosenbloom is that at check-out satisfaction doesn't have a significant influence on repurchase intentions, meaning that consumers make most of the evaluations after the product is delivered and its performance is asserted.
Liao et al differentiate between satisfaction with ordering process and satisfaction with fulfilment process. The authors think that is appropriate to decompose the online buying process since ordering related activities (information seeking, product evaluation and actual ordering) are different from fulfilment related activities (delivery, gratification, post-sales customer support) (Liao et al, 2010). The decomposition of satisfaction led to lower influence of the two variables on continuance intention.

Other authors have studied moderating variables' influences within an adapted ECT-IT framework. For example, Chen et al found a significant moderating effect of perceived Internet self-efficiency on expectations confirmation. Internet self-efficiency was regarded as consumer perceived capabilities of performing specific online tasks (Chen et al, 2010). Kang et al studied the moderating effect on computer anxiety on information quality and e-satisfaction relationship and also on system

quality and e-satisfaction relationship and validated a moderating effect only on the first relationship (Kang et al, 2008)

The effect of satisfaction on repeat purchase intention has even been mediated by other variables such as habit in Chiu et al model. This model explains online buying behaviours in specific context when the buying is habitual and it doesn't assume much cognitive planning (Chiu et al, 2010). Habit turns out to be a strong predictor of repeat purchase intention.

3. Research Framework

Employing the Model of Technology Acceptance (Davis, 1989) and the Expectation-Confirmation Theory of IT usage (Bhattacherjee, 2001), we state the following hypothesis:

Hypothesis 1: Satisfaction felt after making a significant number of online purchases will positively influence consumers' continued intention to buy online

Hypothesis 2: Affective attitude towards online buying will positively influence consumers' continued intention to buy online

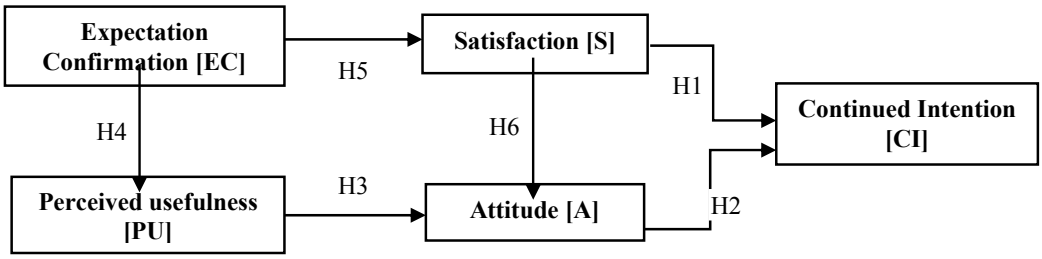
Hypothesis 3: Post-purchase perceived usefulness of buying online will positively influence consumers' attitude towards buying online

Hypothesis 4: Consumers' initial expectations towards online buying will positively influence consumers' post-purchase perceived usefulness

Hypothesis 5: Consumers' initial expectations towards online buying will positively influence consumers' satisfaction towards online buying

Hypothesis 6: Satisfaction felt after making a significant number of online purchases will positively influence consumers' affective attitude towards online buying

Figure 1 : Research framework of Online Buying Continuance Intention



4. Methodology

In order to test and validate our conceptual framework, primary data was collected using a paper-based questionnaire. The first part of the questionnaire was designed to gather general data about online purchase and online payment. The second part contained 4 questionnaire items for each construct, cumulating 25 questionnaire items. The items were measured on a five point Likert scale from 1 – strongly disagree to 5 – strongly agree. The last part of the questionnaire collected demographic data from respondents, such as age, income, education and sex. All questions were translated back and forth from English to Romanian by an authorized translator. Data was collected using university teachers and students, both college, master and Ph.D. students, as respondents. Paper-questionnaires were personally handed by authors after or before class.

Scale measurements are drawn from existing literature (Davis, 1989; Bhattacherjee, 2001) and adapted to the purpose of current study. The latent variables were analysed using Consistency Reliability Analysis (See section 5 of this paper for further clarification).

Least Square regression analysis was performed for testing the relationship between the variables.

5. Data analysis and results

First, the database was examined in IBM SPSS Statistics Package for missing values and duplicate answers. No case of duplicate answers was found, but there were 14 cases of missing values which have been removed from the database, remaining 234 valid cases for further analysis.

After the preliminary tests, the internal consistency and reliability of the latent variables' items was checked, using the Reliability Analysis option in SPSS. This analysis computes the Cronbach's Alpha coefficient for each construct or latent variable measuring the internal consistency among the items

and their reliability. Alpha must be greater than 0.7 in order for the items to offer a strong explanation of the latent variable, even if higher values of 0.8 or 0.9 would be much better for the construct's accuracy.

The reliability analysis in SPSS for a variable's items consists in a succession of tables, from which only the two most important will be presented next: The Reliability Statistics table and Item Total Statistics table. First shows the construct variables' Cronbach's Alpha coefficient which varies from 0 to 1, being the ratio of two variances, even if sometimes has negative values, which don't make any sense. and require a value over 0.7 (Nunnally, 1978, p. 245-246). The next coefficient in this table is the Cronbach's Alpha based on Standardized Items, which computes the Cronbach's Alpha assuming that all the items in the construct have nearly the same variance. If the variances are similar, than the two alpha coefficients will have almost equal values. The second table, Item Total Statistics, has two important columns which will be presented, Corrected Item-Total Correlation, which shows the correlation between an item and a composite score of all the other items in the construct, and Cronbach's Alpha if Item Deleted, that indicates which item should be removed if the value from the table is greater than the value from the Reliability Statistics table.

Table 1: Perceived usefulness[PU]

Reliability Statistics [PU]		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.860	.861	4
Item Total Statistics [PU]		
	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Buying online goods and services is convenient	.768	.796
Buying online goods and services saves time	.716	.818
Buying online goods and services saves money	.567	**.878**
Buying online goods and services is fun	.788	.789

Table 2: Attitude [A]

Reliability Statistics [A]		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.797	.797	4
Item-Total Statistics [A]		
	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Using Internet to buy goods and services is a wise idea	.446	**.818**
Using Internet to buy goods and services is a good idea	.609	.748
I like the idea of buying online goods and services	.669	.716
I think highly of using the Internet for buying goods and services	.729	.689

The Reliability Statistics (Table 1) for Perceived usefulness [PU] construct variable shows a Cronbach's Alpha value of 0.860, which is very good, and the Item Total Statistics (Table 1) show that by removing item no 3 – *Buying online goods saves money*, the accuracy of the construct will be increased to 0.878, which is the associated row Cronbach's Alpha if Item deleted value for this item. The Corrected Item Total Correlation coefficient for item no. 3 is the lowest from the column, suggesting the same removal conclusion.

Table 2 indicates a Cronbach's Alpha value for the Attitude [A] construct variable of 0.797, which is over 0.7, and the possibility to increase it by removing item number 1 – *Using Internet to buy goods and services is a wise idea*, that has a Cronbach's Alpha if Item Deleted value of 0.818 and a low Corrected Item-Total Correlation of 0.446, the lowest of all items. The Cronbach's Alpha Based on Standardized Items and the normal Alpha values are very similar in Table 1, 0.861 and 0.860 for Alpha, and identical in Table 2, 0.797, resulting that all the items in the two constructs have nearly the same variance.

The Inter-Item Correlation Matrices for the two variables were also computed for a better understanding of the used scale. All the values of the two matrices were over 0.3, the minimum Pearson R correlation coefficient value agreed for a good correlation, except the R between Item 1 and Item 2 from Table 2, which was 0.277. Item 1 was removed earlier from the construct, thus all the values being good.

The next three construct variable: Satisfaction [S], Intention [I] and Expectation Confirmation [EC] will be further analyzed in the same way for reliability and internal consistency.

Table 3 : Satisfaction [S]

Reliability Statistics [S]		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.920	.921	4

Table 4 : Continued Intention [CI]

Item Total Statistics [S]		
	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
I am pleased with my decision to buy online goods	.854	.883
I am happy with my decision to buy online goods	.813	.897
I am content with my decision to buy online goods	.825	.895
I am satisfied with my decision to buy online goods	.779	.908

Reliability Statistics [CI]		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.846	.848	4

Item-Total Statistics [CI]		
	Corrected Item-Total Correlation	Alpha if Item Deleted
I anticipate to continue to use the Internet for buying goods	.622	.831
It's likely that I will continue to use the Internet for buying goods	.689	.804
It's probable that I will continue to use the Internet for buying goods	.647	.822
I intend to continue to use the Internet for buying goods	.788	.759

Table 5: Expectation Confirmation [EC]

Reliability Statistics [EC]		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.781	.780	4

Item Total Statistics [EC]		
	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
The information I gathered through the Internet helped me make the best buying decision	.608	.721
I found and bought products and services at lower prices using the Internet	.724	.652
I saved time buying online goods and services	.682	.682
I had fun buying online goods and services	.365	**.824**

Satisfaction [S] variable (Table 3) has an excellent Cronbach's Alpha value of 0.920 and all the items of the construct are reliable and have internal consistency, none being removed because they have lower Cronbach's Alpha if Item Deleted values than 0.920.

Table 4 also show a very good Alpha value for Continued Intention [CI] variable of 0.846, and from the Item Total Statistics segment of the table resulted that all the items describe accurately the construct, having good values and none needing to be removed.

In table 5, the Cronbach's Alpha value for Expectation Confirmation [EC] variable is 0.781, over 0.7, but will be improved if Item 4 – *I had fun buying online goods and services*is removed from the construct, because of the very small Corrected Item-Total Correlation value of 0.365, thus resulting a final improved Alpha value for [EC] of 0.824.

The Cronbach's Alpha Based on Standardized Items values for the three variables are almost equal to the normal Alpha values, showing a similar variance for all the items in the construct. The Inter-Item Correlation Matrices computed showed good Pearson R correlation values, over 0.3, except Item 4 from [EC] which was removed from the construct.

After removing the three unreliable and inconsistent items, the variables of the model were physical built using the Mean function in SPSS for the remaining items corresponding to each construct.

Next, the structural equations model was analyzed using a series of simple and multiple linear regression in order to compute the Beta Standardized Coefficients, named also the path coefficients, which describes the strength of the relationship between variables needed for hypotheses validation. The regressions were built using the method Enter in SPSS and the Least Squares technique.

The Pearson Correlation Matrix wasfirst analyzed to see all the correlations between the variable of the proposed model. The correlation is significant if the Sig. value or probability value is under 0.05 for a 95% confidence interval. As we can see from the table, all the correlations are significant and with values over 0.3, but for a good correlation R should be greater than 0.5.

This matrix is useful in evaluating the mediator effect of the model's variables.

In the next step the Model Summary tables of the model's dependent variables will be analyzed in order to see the value of the Pearson R correlation coefficient, Pearson R Square coefficient of Determination and Durbin Watson statistic value.

Table 6: Pearson Correlations Matrix

		[PU]	[A]	[CI]	[S]	[EC]
[PU]	Pearson R	1	.532**	.334**	.308**	.457**
	Sig.		.000	.000	.000	.000
[A]	Pearson R	.532**	1	.786**	.688**	.633**
	Sig.	.000		.000	.000	.000
[CI]	Pearson R	.334**	.786**	1	.825**	.661**
	Sig.	.000	.000		.000	.000
[S]	Pearson R	.308**	.688**	.825**	1	.674**
	Sig.	.000	.000	.000		.000
[EC]	Pearson R	.457**	.633**	.661**	.674**	1
	Sig.	.000	.000	.000	.000	
**. Correlation is significant at the 0.01 level (2-tailed).						

Table 7 : Model Summary

Dependant	**R**	**R Square**	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
Continued Intention [CI]	**.878[a]**	**.771**	.769	.25404	2.062
a. Predictors: (Constant), **Satisfaction [S], Attitude [A]**					
Dependant	**R**	**R Square**	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
Attitude [A]	**.766[a]**	**.586**	.583	.32465	1.971
a. Predictors: (Constant), **Satisfaction [S], Perceived usefulness[PU]**					
Dependant	**R**	**R Square**	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
Satisfaction [S]	**.674[a]**	**.454**	.452	.46728	2.182
a. Predictors: (Constant), **Expectation Confirmation [EC]**					
Dependant	**R**	**R Square**	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
Perceived usefulness[PU]	**.457[a]**	**.209**	.205	.56705	2.208
a. Predictors: (Constant), **Expectation Confirmation [EC]**					

The Model Summary (Table 7) shows a Pearson R coefficient value for [CI] as dependent variable and [A] and [S] as predictors of 0.878, which is very high, and a Pearson R square of 0.771, which shows the strength of the multiple regression model meaning that the predictors or independent variables can explain in a 77.1% the dependant, outcome or result variable. The R for [A] as dependent variable and [PU] as predictor is 0.532, which is over 0.5, thus resulting a good simple regression model, and for [S] as dependant and [EC] as predictor, the R is 0.674, very good for a simple regression.

The lowest correlation is between [PU] as outcome variable and [EC] as predictor, with an R of 0.457, under 0.5, but regarding the nature of the Likert variables, some authors accept 0.3 as a lower limit, thus the model being valid.

The Durbin-Watson statistic values are all in the recommended interval between 1.5 and 2.5, resulting no serial autocorrelation in the residuals and validating the independence of the errors regression assumption.

Next, the Standardized Beta Coefficients Table 8 will compute the required path coefficients for model's hypotheses validation and their Significance Levels.

Table 8: Standardized Beta Coefficients

Dependent: [CI]			**Dependent: [A]**			**Dependent: [S]**			**Dependent: [PU]**		
Predictors	Standardized Coefficients	Sig.	Predictors	Standardized Coefficients	Sig.	Predictors	Std. Coeff.	Sig.	Predictors	Std. Coeff.	Sig.
	Beta			**Beta**			**Beta**			**Beta**	
[A]	**.415**	.000	**[S]**	**.579**	.000	**[EC]**	**.674**	.000	**[EC]**	**.457**	.000
[S]	**.539**	.000	**[PU]**	**.355**	.000						

The Beta or path coefficients are all significant, with a probability under 0.001 and with values over 0.3, resulting that all the hypotheses are validated, each associated influence or correlation being strong. The Attitude [A] variable has a mediating effect between [PU] and [CI], having a path coefficient of 0.355 and a Pearson R correlation coefficient of 0.532 between [PU] and [A], and the beta value of 0.415 between [A] and [CI].

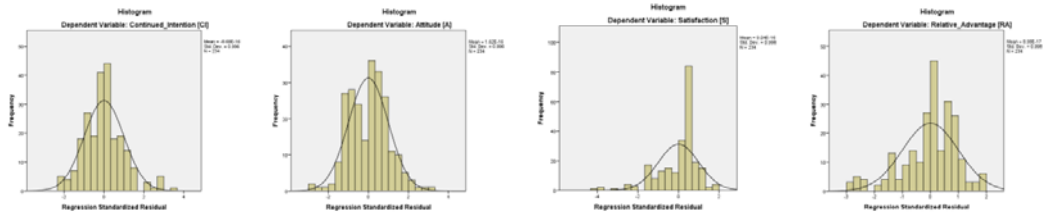
For each regression the Anova analysis was also performed, all having good values, explaining well the cumulative effect of all predictors on the outcome variable.

The lack of multicolinearity assumption for linear regression was validated in all the cases, the Tolerance coefficients being all over 0.5, and the Variance Inflation Factor (VIF) values under 5. The

Colinearity Diagnostics table confirmed this assumption too, the Condition index being under 17 for the simple regression, and 25.7 for the multiple regression with [CI] as outcome, showing in this case a moderated risk of colinearity, the value being between 15 and 30, bur regarding the ordinal nature of the Likert variables, this is normal and accepted.

The last important assumption, the normality of residuals, was verified using the Histogram of Standardized Residuals (Figure 2) and the P-P Plot.

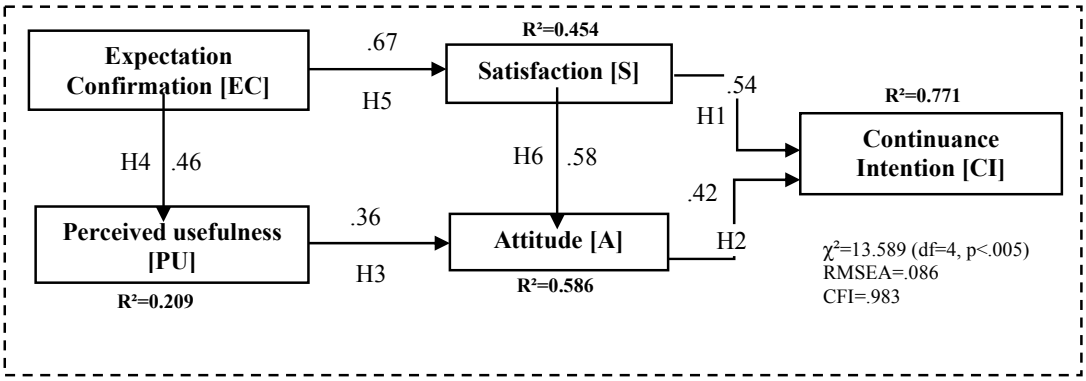
Figure 2 : The Histogram of Standardized Residuals



The normality assumption is validated too, all the regression residuals histogram showing a normal distribution. The P-P plots also showed the standardized residuals can be estimated with a regression line.

Next, the corresponding hypotheses' path coefficients of the Online Continuance Intention Buying structural equation model are put on the graph, and the Chi Square of the model will be computed.

Figure 3 : Online Continuance Intention Buying Model



The model was also analyzed with SPSS Amos, and was once again validated, all path coefficients computed with the Maximum Likelihood technique being identical to the beta coefficients computed with SPSS Statistics Regression Analysis.

The Model Fit indices have good values, Chi Square being 13.589 for a $p<0.005$ and 4 degrees of freedom, resulting a χ^2/df under 5, which is good, and the CFI is 0.983, close to 1, and RMSEA under 0.1, all indicating a strong model fit, thus the model being validated.

6. Conclusions

Model of Technology Acceptance and Expectation-Confirmation Theory of IT usage were both employed in order to explain consumers' continued intention of online buying. By adding the attitude variable for mediating the effect of perceived usefulness on continuance intention, we have increased the predictive power of ECT-IT initial framework.

Thus, consumers are willing to further buy online if two conditions are met. First of all, consumers continue to buy online if they are satisfied with their prior decision of making an online purchase. Consumers are satisfied when their initial expectations are confirmed.

Consumers expect that the quality of information available on the Internet would help them compare and select the best product or service. Consumers also expect to save time and money when buying online. Saving time is given by the e-commerce website quality which is capable of rapid order and payment processing. Saving money is given by the fact that online vendors often offer lower prices

and bargains in order to promote online buying or the fact that an increased online competition often results in price battles.

When expectations are confirmed, consumers are satisfied with their decision of buying online and they perceive a higher degree of usefulness of online buying. This means that post-purchase perceived usefulness relates to initial expectations' confirmation. Pre-purchase perceived usefulness is mainly based on social influence. Before making an actual online purchase a consumer cannot either state if online buying is productive, efficient or convenient.

Second of all, consumers continue to buy online when they have a favourable attitude toward online buying. Affective attitude towards online buying is a function of post-purchase perceived usefulness and satisfaction. A positive attitude leads to a manifested online buying continuance intention.

The main finding of our research is that satisfaction and attitude are main predictors of consumers' intention to continue buying online goods and services. Confirmation of expectations and perceived usefulness of online buying have an indirect influence on continuance intention through the mediating effect of satisfaction, and attitude respectively.

Thus, keeping online consumers satisfied represents the pillar of sustainable e-commerce.

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ANALYSIS OF STUDENT PERCEPTIONS ON THE QUALITY OF HIGHER EDUCATION IN ROMANIA

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Abstract: *This article aims to identify and analyze the perception of students, beneficiaries of educational services in the state and private systems on the quality of higher education services, by using specific tools of marketing research. The perception is a psychological variable influencing consumer behavior.Itis important in the educational services, given the present state of Romanian education, where the educational offer is not correlated with the labor market demand, which can lead to major imbalances in the educational market. The quality of the educational services is a social desirable objective, and its contribution to increased economic efficiency is decisive.*

Key words: perception, quality, students, higher education

JEL classification: M 31, M 39

1. Introduction

The Bologna system introduced in Romania in 2005, has sparked some controversy. The existence of large number of students which becamegraduates, led to the growth of overqualified labor markets, and the compromises made in favor of quantity led to lower quality of university training. Assuming that performance can be madeonlyifwe give andreceivequality services, in academia it is best perceived through direct beneficiaries, ie students.The analysis ofservice qualityperceptionof higher educationinthe nationalcontextcan be doneandin termsof teachers,employersand othersocialgroups (civil society, government, trade unions), but we only analyze students' perception of the license cycle.

2. The research methodology

In this research we aimed to analyze the perception of students on Romanian university education, using, in addition to secondary research, investigation, and as a tool, written questionnaire, structured on a nationally representative sample of 182 students from state and private universities.The research was conducted online during January and February 2012 and all 15 questions of the questionnaire were closed, dichotomous, trichotomous and multichotomous and covered all existing possibilities.

3. The research results

This research resulted in identification of Romanian students perception from license cycle on service quality on higher education in Romania. Respondent's situation is as follows: from the 182 students, 121 are students at state universities, that is 66.48%, and 61 are at private universities in Romania (33.52%). From these, most of them are in the economic field, 118 (64.84%), followed by technical field, 19 (10.44%), socio-human, 28 (15.38%), and a number of 17 (9.34 %) are from other areas. From these, a percentage of 40.80%, (meaning 87)students pay their studies and the rest of 95, i.e. 59.20%, study with funding from the state budget.

In Table 1 it can be observed the perception of respondents on learning environment offered by the universities where they study. The following aspects were taken into account: equipment in the classrooms, seminar and laboratory, the site of university, the library, the accommodation capacity and conditions in student hostels, the computer networks and the general opinion which they have about the learning environment offered. These issues were appreciated with grades from 1-5, 5 being the highest. Results are expressed as number of students and also as percentage from the total respondents (in parenthesis).

The observed results have identified a problem concerning the accommodation capacity and conditionsin student hostels, a percentage of 3.85% gave grade 1 to this aspect.

Table 1: The learning environment

The learning environment	1	2	3	4	5
equipment in the classrooms, seminar and laboratory	0	7 (3.85%)	20 (10.98%)	67 (36.81%)	88 (48.36%)
the site of university	0	0	11 (6.04%)	67 (36.81%)	104 (57.15%)
the library	0	0	13 (7.14%)	40 (21.97%)	128 (70.37%)
the accommodation capacity and conditions in student hostels	7 (3.85%)	20 (10.98%)	42 (23.07%)	61 (33.53%)	52 (28.57%)
the computer networks	0	15 (8.25%)	40 (21.98%)	67 (36.81%)	60 (32.96%)
general opinion which they have about the learning environment offered	0	7 (3.85%)	13 (7.14%)	27 (14.84%)	135 (74.17%)

Table 2 presents the respondents' perception on didactic activity carried out in Romanian universities. The aspects which were taken into account are: the clarity of aims courses /seminars, the clarification of the theoretical concepts from courses by examples, the existence of professor student dialogue, degreeof applicabilityinpractice of the studied problems, and honesty of evaluation, and were appreciated with grades from 1-5, 5 being the highest.The results are also expressed as number of students and as percentage from the total respondents (in parenthesis).

Table 2: The didactic activity

The didactic activity	1	2	3	4	5
the aims of courses / seminars are clear	0	0	27 (14.84%)	67 (36.81%)	88 (48.35%)
the examples clarify the theoretical concepts	7 (3.85%)	7 (3.85)	20 (10.99%)	54 (29.67%)	94 (51.65%)
during the courses is a professor student dialogue	13 (7.14%)	25 (13.74%)	42 (23.08%)	35 (19.23%)	67 (36.81%)
the applications from courses are connected with practice (labor market requirements)	13 (7.14%)	7 (3.85%)	27 (14.84%)	68 (37.36%)	67 (36.81%)
the evaluation is correct	11 (6.04%)	7 (3.85%)	34 (18.67%)	56 (30.79%)	74 (40.65%)

Unlike the learning environment, where the perception of the students was generally positive, we have identified some negative aspects concerning the didactic activity. One of them is the absence of professor student dialogue, a percentage of 7.41% gave grade 1 to this aspect and 13.74% gave 2. Regarding the connection between the studied applications and labor market requirements, 7.14% of the students gave 1, while 3.85% gave 2. Also, the honesty of evaluation was appreciated with grade 1 by 6.04% students, while 3.85% gave 2.

Table 3 presents the respondents' perception on the university curricula. The aspects which were taken into account are: the adaptability to the market needs, the inclusion of general competences (communication, teamwork), and whether is carried out in partnership with local companies. The results are presented as percentage from the total respondents.

Table 3:The university curricula

The university curricula	1	2	3	4	5
is adapted to market needs	3.85%	10.45%	15.93%	25.82%	43.95%
include general competences	0	10.45%	14.84%	62.63%	12.08%

(communication, teamwork)					
is carried out in partnership with local companies	18.68%	10.45%	18.68%	13.73%	38.46%

As it can be observed in Table 3, 43.95% students gave maximum grade to the statement that the curricula is adapted to market needs, 62.63% gave 4 to the fact that curricula include general competences, and 38.46% gave 5 to the fact that the study programs are conducted in partnership with local companies.

In Table 4is presented the perception of respondents concerning the university administrative staff activity. The aspects which were taken into account are:interest of administrative staff to help students, providing correct, appropriate information and prompt services. As it can be seen, respondents perceive a positive relationship with the administrative staffof the university, except the promptitude of services, a percentage of 3.84% giving grade 1 to this aspect.

Table 4: The university administrative staff activity

Administrative staffof the university	**1**	**2**	**3**	**4**	**5**
Show a sincere interest in helping	0	11.53%	33.51%	18.68%	36.28%
Provides accurate and appropriate information	0	3.84%	29.68%	18.13%	48.35%
Provides prompt service	3.84%	11.53%	38.46%	11.53%	34.64%

Some questions with only one possible answer were also given.

To the question, "The granting of scholarships in your university is transparent?", a percentage of 21.98% students favourably responded, while 19.23% responded that there is no transparency.The remaining 58.79% were pronounced with "Idon't know."

To the second one, "Do you have a scholarship?", 10.98% said that they have received scholarship, 7.14% have social scholarship, and the remaining 81.88% did not have any scholarship when questioning.

To the question "Is there career counselling office in your university?", a percentage of 19.78% responded with "yes", 7.14% said "no", and the remaining 73.08% said "I don't know" about existence of such office.

To the question "Would you recommend to others the university where you study?" a percentage of 78.57% students have answered "yes", 8.24% said "no", while 13.19% said "I not know".

When asked "What are your future plans?" the responses were: 40.66% said that want to continue their studies (master, PhD), 33.52% will continue their studies while searching for a job, while 25.82% will not continue their studies.

Regarding the sex of respondents: a total of 69 students, meaning 37.91% are male, the remaining 112, i.e. 62.09% are women.

As can be seen from Table 5, most students are aged between 18 and 22 years, but there is a percentage of 26.38% with more than 27 years old, which means that these people are continuing their studies, even if they are older, perhapsalong witha job.

Table 5: Age of respondents

Age	**Number of students (Percentage)**
18-22	107 (58.79%)
23-26	27 (14.83%)
27 or more	48 (26.38%)

Concerning the monthly family income of the respondents students (Table 6), a fairly large percentage of respondents have monthly family income between 1000-2500 ron, but we can not appreciate if it is big or small because we don't know anything about how large the family is.

Table 6: The monthly family income of the students

The monthly family income(ron)	**Number of students (Percentage)**
less than 1000	17 (9.34%)
1000-2500	111 (60.89%)
more than 2500	54 29.77)

4. Conclusions

From this study we can conclude that the Romanian students have a more favorable perception than unfavorable on quality higher education system.

They appreciate that in the educational process is important both equipment from the classrooms, seminar and laboratory and libraries, and aspects relating to didactic activity, relationships with professors and administrative staff of the university. The existence of a well established site of the university, with all updated information is perceived positively by the students. Most of them positively appreciate the dialogue with professors.A small percentage indicates dissatisfied students concerning the evaluation. Even if the percentage is insignificant, this leaves a question mark.

Less than half of respondents appreciate with maximum the adaptability of curricula to the market needs. A weakness is the lack of career counseling offices or the lack of information about the existence of such offices. Also, a weakness is the lack of transparency concerning the granting of scholarships. Many students don't know about these scholarships or obtaining conditions of them. A percentage of 78.57% respondents would recommend others university where they studied, and most of them would continue their master or PhD studies, while looking for a job.In the division by gender of respondents it can be seen clearly that the largest percentage, i.e. 62.09%, is held by female. May be noticed an increase of the people age which become students, so 26.38% of the respondents have more than 27 years old.

This research is a starting point for further research regarding the perception of students from other university cycles, masters and PhD, on the quality of educational services.

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EVALUATING THE EFFICACY OF MARKETING ACTIVITY IN THE FOOTWEAR INDUSTRY AND THE NECESSARY MEASURES TO ENDURE THE CRISIS

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Abstract: *Thisresearchanalyzed theefficacyof marketing activityand tried tocapture the idea of acceding toordistancingfrom "excellence"in the marketing activity of surveyed companies. In order to attain success, to winandconsolidate afavorablepositionand toendurein this time ofcrisis, improvingmarketing activitybecomesan essential requirementespeciallyfor thelightindustry sectorwhich is alreadyveryvulnerable.*

Key words: efficacy, efficiency, footwear industry, crisismeasures

JEL classification: M 21, M 31, M 39

1. Introduction

The efficacy of marketing activity is not necessarily highlighted by the current volume of sales or by profit performances. The achievements may sooner be the result of the fact that a certain activity domain was in the right place at the right time, rather than because it benefited from an efficient marketing management.

The improvements brought to the marketing activity in that particular sector could cause the results to turn from good to excellent.It may also be the case that another sector registers poor results in spite of having an excellent marketing planning. If this is the case, replacing the marketing managers can only make things worse.

One of the strategic control instruments, known as the appreciation of the efficacy of marketing activity, achieves a characteristic of global marketing activity efficacy in terms of client relations philosophy, organizing marketing activity, marketing information, strategic and operational efficiency planning. Each of these characteristics can be measured.

Kotler, Ph.(1997, pg.967)suggested a grid to assess the efficacy in marketing activity. This grid was used over the years by many researchers in the country and abroad.Bacali L. (1999) applies such an adapted grid to a study on a sample of 30 companies from Cluj-Napoca between 1995-1997.

A survey conducted in nineteen Korean companies (Sung-Joon Yoon, 1999) to revise Ph. Kotler's marketing effectiveness model to diagnose and offer managerial implications for Korean marketing practices. Korean firms, divided into ten manufacturing and nine service sectors, were examined to assess their level of marketing effectiveness. The five marketing effectiveness attributes — strategy, organization, operations, personnel, and information system — along with accompanying factor components were incorporated into the measurement of the marketing effectiveness. The findings showed that manufacturing sector firms were less effective in marketing operations than the service sector firms. In both sectors, relative to the predetermined factor importance weights, the Korean firms were found to underperform in planning and controlling functions. Managerial implications regarding the underperforming marketing functions and future recommendations are offered (Sung-Joon Yoon .1999)

2. Efficacy assessment

2.1 ResearchMethodology

The research in question was the result ofaqualitative analysisconductedin companies from light industry. After the research was carried out, a few aspects were identified regarding the application of marketinginmanagement practice ofcompanies fromtheRomanianlight industryandthe necessity of a quantitativeresearch had been therefore outlined.

The overall aim of the research - Evaluating the efficacy of marketing activity in the footwear industry

Specific aims:

O1 - assessing the efficacy at company level

O2 - assessing the efficacy at module level

The instrument used is the assessment grid of marketing activity efficacy suggested by Kotler, Ph. (2008)structured as a questionnaire.
Several mail and e-mail applied interviews represented the means of communication with the researched organization, and the technique used was the interview conducted on the basis of a questionnaire. The space coordinates, where the research was conducted, targeted footwear industry companies from all over the country: a statistical sample of 60 units.

Each question is assigned with a mark between 0 and two, therefore for the first answer variant 0 is assigned, for the second 1 and for the third 2.
The questionnaire is divided into the five parts suggested by Kotler and the evaluation of each chapter is given by the summing of the points.

The interpretation of results will take into account the following scale:

- 0 - nonexistent efficacy;
- 1 - very low efficacy;
- 2 - low efficacy;
- 3 - average efficacy;
- 4 - good efficacy;
- 5 - very good efficacy;
- 6 - excellent efficacy.

The assessment at company level will be done taking into account the following scale:

- 0-5 - non-efficacy;
- 6-10 - low efficacy;
- 11-15 - satisfactory efficacy;
- 16-20 - good efficacy;
- 21-25 - very good efficacy;
- 26-30 - excellent efficacy.

The question grid is structured into five modules as follows:
Module I - corresponding to the characteristic - organizing marketing activity
Module II - corresponding to the characteristic - market analysis
Module III - corresponding to the characteristic - information analysis
Module VI - corresponding to the characteristic - strategic planning Module V - corresponding to the characteristic - operational marketing

Interpreting the results of these tables it can be determined that the efficacy of the marketing activity in the surveyed companies ranges from non-efficacy to excellent efficacy as shown below (Table 1):

Table 1: The centralized situation of companies

Points	Type	Number of companies	Percent
0-5	non-efficacy	2	0.033333
6-10	lowefficacy	3	0.05
11-15	satisfactoryefficacy	8	0.133333
16-20	good efficacy	25	0.416667
21-25	verygoodefficacy	22	0.366667
26-30	excellentefficacy	0	0
	Total	60	1

Source : own survey

One can observe that 42% of the surveyed companies have good efficacy and 36% have very good efficacy.

The five companies enclosed in the range of non-efficacy and low efficacy are companies that do not have marketing department (4 of them do not have) and amongst the marketing activities, the managers mention: tracking sales and establishing connections with the suppliers. These managers are not interested in the marketing activity. For these companies all the production is contracted to a single client, for whom they work in a complete outsourcing system

A 13% have satisfactory efficacy and own a specialized marketing department. Marketing in these companies is characterized by activities of sales and tracking invoices from suppliers and customers. In these companies 3 to 5 employees are engaged in marketing activities.

In Table 2 you can see the centralized results in modules.

Table 2: Summary on modules and questions

Module	**Organizing**			**Market analisys**			**Information**			**Strategic planning**			**Operational marketing**		
Points	316 (28%) <0.87>			267 (23%), <0.24>			126 (11%) < 0.35>			282 (25%) < 0.78>			129 (12%) < 0.36>		
Question points	98	113	105	94	65	108	68	30	28	108	80	94	29	50	50

Source: own survey

The total of points is 1120. The maximum score for each module is 360 points.

Figure 1: The centralized situation on modules

- It is noted that most attention is paid to the organization of marketing activity and its characteristic elements
- Out of the analyzed modules, the organization of marketing activity has the best efficacy.
  The efficacy of the marketing activity is not necessarily highlighted by the current volume of sales or profit performance. Good results could sooner be due to the fact that a certain activity sector was in the right place at the right time, rather than because it benefited from an effective marketing management. In the new context, marketing should be perceived not as a separate function of the company but as a philosophy to be acquired by the whole organization.

Figure 2 provides an image regarding the process of acceding to / distancing from "excellence" in marketing activity of the surveyed companies. The ideal situation would arise in the context of 100% coverage, by the scores achieved, of the surface in the pentagon entitled "ideal marketing efficacy". Consequently, an indicator in this respect could be the ratio between the two surfaces. In this case the ratio is 0.62 (62%), a situation which reflects the need for serious improvement of the marketing activity in the companies from the surveyed sample.

Figure 2: Acceding to / distancing from excellence in marketing

3. Conclusions

Although the approach is somewhat sectorial, I believe that many of the research results are valid for the whole Romanian economy, as some represent a priority for this sector. All these problems imperatively require the reassessment of the way in which the companies develop their marketing activity as well as a reevaluation of the procedures through which marketing can be introduced and accepted as a philosophy in business. I feel that it is still important to make a distinction between the changes that occur in the practical function of marketing and the changes related to the conceptual and strategic role of marketing within a company.
As companies become increasingly global, the efficacy of conducting marketing operations is progressively questioned. In achieving operational marketing there are three trends, namely:

- resuming the effort to collect, analyze and use marketing information
- assessing and monitoring the performance in company activity;
- teaching and training the staff dealing with this activity

Improving the marketing activity in companies operating in the leather and footwear sector constitutes a sure way to attain success, to win and consolidate a favorable position. In the new conditions of increasing competitiveness and through the opportunities offered by European markets, companies are in need of updated concepts, on the level at which they are required to organize their marketing in order to successfully adapt to the changes in the business environment. Recent studies have shown that the essential success factor for a company lies within knowing and meeting the requirements of their potential clients at higher levels, through a superior offer, and marketing is a business function that defines these categories of consumers and identifies the best approach in order to satisfy their needs and preferences at a competitive and profitable level.

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DRINK WATER, WASTEWATER – CUSTOMERS' AWARENESS AND ATTITUDE

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Abstract: *The objective of the study is to establish behavioural patterns related to drink water and beliefs on water and on the water company.Four main issues are analysed: the awareness on the services delivered by the water company, the use of drink water from the tap, the evaluation of general quality of the water and the cause of dissatisfaction with the water quality. The results show good awarenesson drink water transportation, medium for raw water treatment, low for wastewater collection and treatment. Use of tap water as drink water and positive appreciation of drink water are relatively high.*

Key words: drink water, wastewater, awareness, customers

JEL classification: D 12, M 31, Q 25, Q 56

1. Introduction

The issues discussed in this paper are part of a broader study on the beliefs, opinions, actions of the customers of a regional water company (SC Compania de Apa Somes SA – CASSA) related to water, to environment, in general, to the water company (as a part of the ISPA measure ISPA 2000/RO/16/P/PE/008 Rehabilitation and Modernization of the Water and Sewerage Infrastructure for the Area of Cluj). The general objective of the research was to obtain information that would be used to improve the water services. The objective of the study presented in the paper was to establish behavioural patterns related to drink water and beliefs on water and on the water company.

Freshwater and wastewater are related to almost any production and consumption activity. As a consequence, the consumer has a direct impact on countless activities in the production-consumption-disposal chain of activities and also an indirect impact on others through his influence: the consumer can sanction companies who damage the environment, can choose the products based on environmental criteria etc. Therefore, the studies about the beliefs, attitudes, concerns etc related to fresh water use, wastewater impact and others are necessary in the path of creating more sustainable water behaviour of the population (Petrescu, 2011, p. 131).

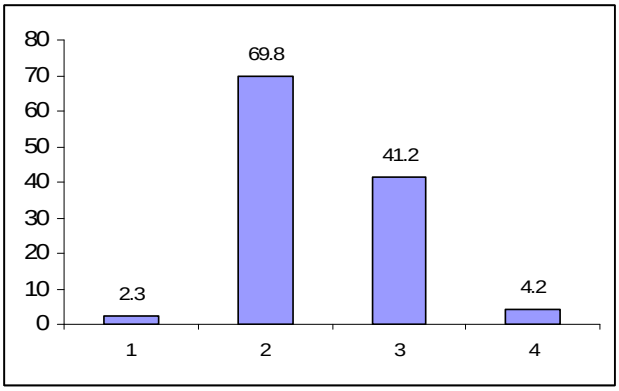
A simple random survey was implemented. The margin of error of the survey was 5% and confidence level was 95%. The total number of valid questionnaires completed was 384. From a geographical point of view, the research included the municipal area of Cluj-Napoca. All the inhabitants of Cluj-Napoca are customers of the water company. Consequently, by investigating customers' attitude, the entire population in the targeted area it was studied.

2. Water services, drink water use, drink water quality

Four main issues are discussed further: the awareness on the services delivered by the water company, the use of drink water from the tap, the evaluation of general quality of the water and the cause of dissatisfaction with the water quality. The questions/requests used are: Mention the services delivered by CASSA; Do you drink water from the tap?; How is the quality of your tap water?; What are the causes of the poor quality of the tap water?.

In the first place, the awareness on the water company services was tested (see Fig. 1) in order to determine some components of the company image and customers' concern for health, environment aspects.

Figure 1: Awareness on the services delivered by the water company



Source: Reportof theResearch

Legend:
1 – it treats the raw water
2 – it transports/delivers the drink water
3 – it collects the waste waters
4 – it treats the waste waters

70% of the subjects are aware that the water company delivers the drink water. Taking into account that there is only one water company in the city, it delivers water to all the inhabitants and it exists for a long time (it was founded in 1892), the availability of the information on the existence of such service is maxim. Under these circumstances, a 70% percentage can be considered unsatisfactory.

41% of the sample easily recallsthe water company collects the waste water. This indicates for more than half – 69% of the subjects – either a possible lack of knowledge on the destination of wastewater, in general, or a poor information on this service of CASSA. This misconception is the most damaging as the water company complies with the water law, including European Water Directive – which establishes a legal framework for the protection and management of water resources throughout the EU; water law is the law that does or might affect water resources and, in the European Union, water legislation is one of the first sectors that was covered by environmental policy and it comprises more than 25 water-related directives and decisions (Petrescu-Mag, Petrescu, 2010, p. 18)

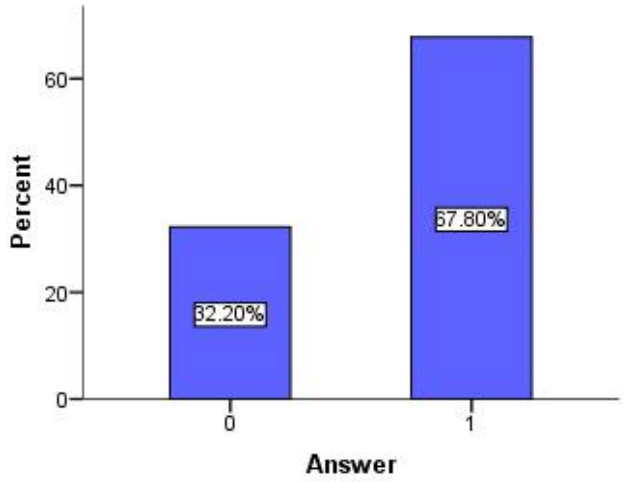
The fact that only 4.2% of the customers questioned are aware that the water company treats the wastewaters strengthens the previously mentioned ideas. The danger of such unsustainable attitude is increased by the continuously raising human pressure on water through consumption and pollution (worldwide and locally) – only 2.8% of the total water on Earth is fresh water and most of it (82%) is frozen in polar ice caps, icebergs and glaciers and point source and non-point source pollution become more and more severe (Viman et al, 2010, passim).

The raw water purification collects the weakest percentage: only 2.3% of the sample mentioned this service. This is due either to a lack of knowledge on the fact that the raw water is treated by the company in order to become drinkable or to a difficulty in recalling this service due to a poor to medium concern for the tap water quality, which doesn't place it as the top-of-the-mind service or close to it.

It must be mentioned that unaided awareness was used in the question. Additional information from the research indicate that total awareness on the four services (aided and unaided) is higher than the levels discussed previously. Studies also support this idea, as they demonstrate that recognition is a far easier task that recalling (Hauser, 2011, p. 398; Hellebusch, 2006, p. 26).

Acceptance of the tap water as drink water is an important indicator of the confidence in the water quality. It was tested in the survey (see Fig. 2).

Figure 2: Use of drink water from the tap



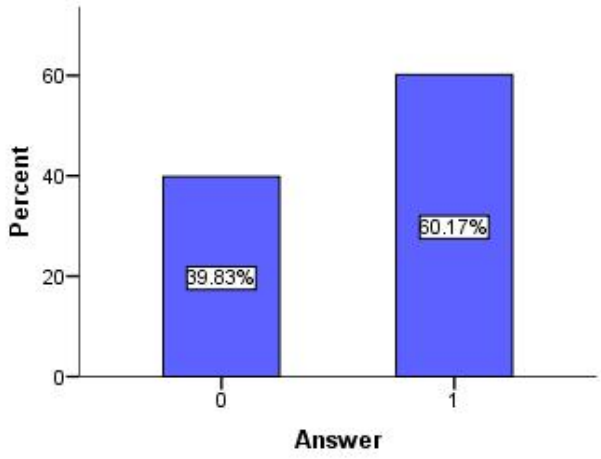
Source: Reportof theResearch

Legend:
0 – no
1 – yes

68% of the people declare they drink water from the tap and 32% declare they do not drink it. Tap water consumption can be achieved by three ways: willingly, unwillingly, neutral. While the first case is desirable for the customers and for the water company, the last two are damaging for both categories. Chemical analyses of the water samples at deliverance point demonstrate compliance with legal standards and high quality of the network drink water (Rosu et al, 2008, p. 425; ***, 2012, Buletin de analiza a apei). Consequently, the percentage of those who drink it (due to positive appreciation) can be increased through improved awareness on the good quality of the water and through improvement of the private water networks.

The evaluation of the tap water general quality is an indicator of the image of the tap water in consumers' mind (see Fig. 3).

Figure 3: Evaluation of the tap water quality



Source: Reportof theResearch

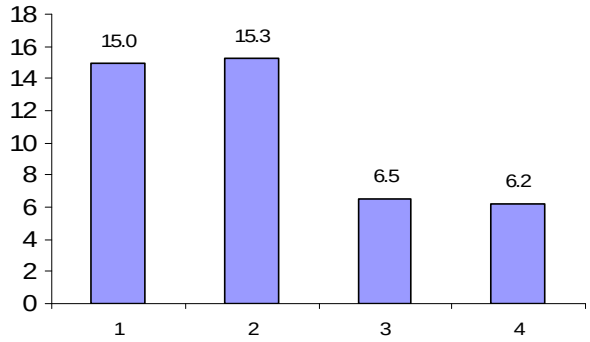
Legend:
0 – poor
1 – good

60% are satisfied (at least) with the quality of their tap water. This is a desirable situation, a strong point for CASAA, in the general market context, with increasingly informed, educated and

demanding customers.However, taking into account that the real (not perceived) quality of the drink water delivered by CASSA is indeed excellent (as the periodical analyses show it), the percentage should be increased: through improved awareness on the good quality of the water (through company efforts), through improvement of the private water networks (through consumers efforts, but stimulation through information from the company might help).

The causes of the 40% negative evaluation of water quality were further investigated in order to determine possible means of improving the image of the tap water (see Fig. 4).

Figure 4: Evaluation of the causes of the poor quality of the tap water



Source: Reportof theResearch

Legend:
1 – it is not treated properly by CASSA
2 – the city pipe network is in poor state
3 – the block/house pipe network is in poor state
4 – I don't know

30 % of the subjects believe that the cause of the poor quality of the drink water is CASSA: either because the company doesn't treat it properly (15% of the total sample) or becausethey consider the city pipes network (again associated to the company) is in poor state (15%). Only 6.5% recognize themselves as altering factor and other 6% do not know the causes. Information actions could, at least, improve the awareness on the real causes that decrease the water quality and to some degree could impulse the consumers to modernize their private networks.

3. Conclusions

The issues of water services and water quality have three directional implications: on the company image, because they affect its image; on individual level, because public water system consumer is affected by water characteristics; on society level because all citizens are customers of CASSA. Awareness on drink water transportation has a good level, but on the raw water treatment, wastewater collection and treatment improvements should be achieved. Use of tap water as drink water is relatively high (68%) and supported by a similar percentage of customers that appreciate the water quality positively (60%). The main causes that alter the drink water quality are perceived to be related to the water company, which, in most cases, is not correct, so this perception must be changed.

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THE LEGAL FRAMEWORK OF CORPORATE SOCIAL RESPONSIBILITY

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Abstract: *According to the normative provisions which constitute the legal framework of CSR, corporate social responsibility actions develop and have a unified applicability in economic practice. In this context we believe that European regulations provisions and those adopted in Romania should be considered, even if they don't contain mandatory rules for companies in Romania who want to carry out the commercial activity by applying the principles of corporate social responsibility.*

Key words: corporate social responsibility, normative acts, commercial companies, marketing research.

JEL classification: A 13, K 22, M 31, Q 56

1. The concept of social responsibility and the importance given to it by the citizens of Braşov

It is considered that the social responsibility can also be regarded as a fundamental ethical principle which expresses towards "whom" and for "what" a commercial company is responsible, in the light of the ethical system accepted and promoted by it. In this view, the social responsibility implies: the compliance with the laws, with the contractual provisions – starting from the premise that the contract is the law of the parties which obliges them to comply with it –, honesty, but also the consideration of desiderates of several groups interested in the existence and operation of a commercial company. [Schreiner, C., Ciobanu, R. C., Huţu, C. A. (2002)].

In order for the commercial companies to adopt the requirements of the corporate social responsibility, it is considered [Filali Meknassi, R. (2008)], that these possess the necessary means in order to comply with the human rights and that they want to participate in the social progress.

The social responsibility of the commercial companies is a moral, voluntary responsibility of the respective commercial companies regarding the interaction of their own company with the: clients/consumers, own employees and community in its whole. The interests of the community also imply, besides other social aspects, the protection of the natural environment.

The social responsibility can also be characterized as being the firm obligation of a commercial company to act beyond the legal obligations or those imposed by economic restrictions, and to pursue long-term objectives to the use of the community. The respective commercial company is considered responsible not only towards their owners (shareholders) but also towards clients, providers, employees, governmental organisms, creditors, local communities, public opinion.

In the developed European Union states, the corporate social responsibility has become a term frequently used in the business world. Many of the large commercial companies elaborate their own business strategies according to this type of responsibility. [Gago, F. (2005)]

At present, the social responsibility of the commercial companies must be regarded from a complex perspective. We consider [Poţincu, L. (2012)] that the social responsibility of the commercial companies is what the community expects from a commercial company ecologically, economically, legally, ethically and philanthropically. In our opinion,[Poţincu, L. (2012)] the social responsibility includes all these types of responsibilities: ecological responsibility, economic responsibility, legal responsibility and philanthropic responsibility.

Within the quantitative marketing research called "Attitudes and opinions of the Braşov citizens regarding the promotion of the social responsibility by the companies operating in Romania", [Mureşan (Poţincu) L. (2010)] the opinion of the citizens living in Braşov municipality regarding the requirement for a socially responsible attitude from the commercial companies has been analyzed.

The quantity marketing research regarding the promotion of the social responsibility by the Romanian commercial companies evaluates the citizens' opinion. This marketing research has analyzed

the answers of 398 persons, with age over 18, from Braşov municipality in Romania. This survey has a random error of 4.91%. Taking into account the fact that the size of the survey has been established according to a simple random probabilistic method, considering a level of admitted error of ± 5%, and a trust level of 95%, the results of the research can be considered representative for the entire adult population of Braşov municipality, and also these could apply to other Romanian municipalities with a similar population size.

Table 1: Is the requirement for a socially responsible attitude from the commercial companies important?

		Frequency	Percentage	Valid Percentage
Valid	No	30	7.5	7.5
	Yes	368	92.5	92.5
	Total	398	100.0	100.0

To the question related to the importance of promoting, by the commercial companies, of a socially responsible attitude, the questioned subjects, 92.5%, consider that there should be such a requirement. This result highlights the reality that, to a very great extent, the Brasov citizens consider that the commercial companies must promote and develop a socially responsible attitude. The data included in the table below indicates the mentioned situation:

Table 2: The requirement for a socially responsible attitude from the commercial companies is important? * Gender Crosstabulation

			Gender		
			Female	Male	Total
The requirement for a socially responsible attitude from the commercial companies is important?	No	Count	9	21	30
		% within Gender	4,7%	10,1%	7,5%
		% of Total	2,3%	5,3%	7,5%
	Yes	Count	181	187	368
		% within Gender	95,3%	89,9%	92,5%
		% of Total	45,5%	47,0%	92,5%
	Total	Count	190	208	398
		% within Gender	100,0%	100,0%	100,0%
		% of Total	47,7%	52,3%	100,0%

Analysing the connection between the answers of the respondents on this issue and the gender of questioned respondents, it has been noticed that the percentage of the subjects considering that the requirement for a socially responsible attitude from the commercial companies is important is higher in women as compared to men. This aspect leads to the conclusion that the female individuals pay particular attention to the assertion of the requirements of the social responsibility at the level of the commercial companies.

Table 3: The requirement for a socially responsible attitude from the commercial companies is important? * The latest graduated school Crosstabulation

The requirement for a socially responsible attitude from the commercial companies is important?		The latest graduated school							
		Secondary school	Vocational school	High School	Postgraduate school	Faculty	Post university studies: master's degree, doctor's degree, etc.	88	Total
No	Count	8	10	7	2	3	0	0	30

	% within The latest graduated school	47,1%	14,1%	5,0%	6,7%	2,5%	0,0%	0,0%	7,5%
	% of Total	2,0%	2,5%	1,8%	0,5%	0,8%	0,0%	0,0%	7,5%
Yes	Count	9	61	133	28	115	20	2	368
	% within The latest graduated school	52,9%	85,9%	95,0%	93,3%	97,5%	100,0%	100,0 %	92,5 %
	% of Total	2,3%	15,3%	33,4%	7,0%	28,9%	5,0%	0,5%	92,5 %
Total	Count	17	71	140	30	118	20	2	398
	% within The latest graduated school	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0 %	100,0 %
	% of Total	4,3%	17,8%	35,2%	7,5%	29,6%	5,0%	0,5%	100,0 %

To the analysis of the connection between the answers of the respondents on this issue and their level of education, it has been further noted that the percentage of the subjects considering the requirement for a socially responsible attitude from the commercial companies to be important is higher in the persons having a higher level of education. This leads to the following conclusion: the more educated and better informed the consumers are, the more obvious becomes the importance given to the integration of the social responsibility into the activity developed by the commercial companies.

The average evaluation regarding the importance given by the Brasov citizens to the consistent promotion of the need to comply with the requirements of the social responsibility by the commercial companies performing their activity on the Romanian market indicates the "high importance" level.

2. Juridical regulations regarding the commercial companies social responsibility on European community level

The compliance with the principles of ethics in the development of the commercial activities has become a major preoccupation for the European Union member states.

In the field of corporate social responsibility, several normative documents have been adopted at community level:

A. *Green Paper on promoting a European framework for Corporate Social Responsibility* was adopted by Commission at 18th July 2001.European approach to corporate social responsibility must reflect and be integrated in the broader context of various international initiatives.

The Green Paper aims to launch a wide debate and seek views on corporate socialresponsibility at national, European and international level. The Commission hopesthat the outcome of this initiative will be a new framework for the promotion ofcorporate social responsibility.

Corporate social responsibility has important implications for all economic and social actors aswell as for the public authorities, who should take them into account in determining their ownactions.

Corporate social responsibility extends beyond the doors of the company into thelocal community and involves a wide range of stakeholders in addition to employeesand shareholders: business partners and suppliers, customers, public authorities andNGOs representing local communities, as well as the environment.

Many multinational companies are now issuing social responsibility reports. Whileenvironmental, health, and safety reports are common, reports tackling issues such ashuman rights and child labor are not. Moreover companies' approaches to socialreporting are as varied as their approaches to corporate social responsibility. In orderfor these reports to be useful, a global consensus needs to evolve on the type ofinformation to be disclosed, the reporting format to be used, and the reliability of theevaluation and audit procedure.

B. *Council Resolution on the Green Card with a view to the corporate social responsibility* 2002/C 86/03. [Gateway to the European Union] The Council Resolution regarding the Green Card with a view to the social responsibility wishes to constructively contribute to the implementation of the Lisbon strategy to encourage the discussions regarding corporate social responsibility at national, European, and international level. It is intended to involve all those interested by the activity of the commercial companies in the detailed debate of the Green Card, regarding the contribution of the traders and community in general, and social partners in particular. Moreover, this community document pursues the integration of business in connection to the volunteering, as an initiative of the commercial companies, regarding the integration of the social issues and natural environment, caused by the development of business in the commercial operations of the commercial companies and their relation to the interest groups.

The social responsibility can contribute not only to the encouragement of a high level of social cohesion, environmental protection and respect for the fundamental rights, but also to the improvement of competitiveness in all business categories and activity fields.

The social responsibility of the commercial companies can complete and promote the application of the rules and normative documents in the field of social rights and environmental standards. The behavior codes, in particular, can promote international labor standards, and encourage a responsible attitude for those who comply with them.

Although the social responsibility is an issue arising during the business development, all stakeholders can play a decisive part in encouraging the adoption of the socially responsible practices in the business development.

Being compatible and consistent with the European Community and international rules, the corporate social responsibility must be understood as an addition of the rules and legislation regarding the social rules and environmental norms, which it can however not substitute.

C. *Council Resolution on corporate social responsibility 2003/C 39/02* (of 6 February 2003)[Gateway to the European Union] stipulates promotion strategies for the social responsibility of the commercial companies. According to this Council resolution, the promoting strategies of the corporate social responsibility must be based on:

- acknowledging the voluntary nature of corporate social responsibility;
- the need for credibility and transparency of CSR practices;
- the focus on activities where Community involvement may add value;
- balanced and broad approach of CSR including economic, social, environmental issues, as well as consumer interests;
- attention to the specific needs and characteristics of small and medium enterprises, as well as
- support of, and compatibility with, existing internationally agreed agreements.

This community normative document supports the interest of the European Commission in focusing its strategy towards the directions to be enumerated below.

It is important to increase knowledge regarding the positive impact of the social responsibility of the commercial companies in the European and world business and community, especially in the developing countries. The focus shall be on the development of the expertise and good practice exchange in the field of social responsibility of the commercial companies; promotion of the development of the managerial skills in the social responsibility of the commercial companies; facilitation of the convergence and transparency of the policies and instruments of the social responsibility of the commercial companies, as well as the integration of the social responsibility of the commercial companies in the community policies.

Council Resolution 2003/C 39/02 imposes certain obligations at the charge of the Member States of the European Union.

This community document intends to have the EU member states promote the social responsibility of the commercial companies at national level, in parallel with the development of a strategy at community level, especially by making the commercial companies aware of the benefits, and by highlighting the potential results of a constructive cooperation between governments, business and other sectors of the community.

It is intended to have the EU member states continue the promotion of the dialogue with the social partners and the civil dialogue; promotion of transparency of the practices and instruments of the social responsibility used by the commercial companies, information and expertise exchange regarding the social responsibility polities of the commercial companies.

The EU member states are directed towards achieving the integration of the social responsibility of the commercial companies in the national policies but also the integration of the social responsibility of the commercial companies in their management.

D. In the Europe 2020 Strategy, the Commission made a commitment to renew the *EU strategy to promote Corporate Social Responsibility*. By renewing efforts to promote CSR now, the Commission aims to create conditions favorable to sustainable growth, responsible business behavior and durable employment generation in the medium and long term. On the 25th of October 2011 was adopted the"Renewed EU strategy 2011-2014 for Corporate Social Responsibility",by the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions.

The European Commission has previously defined Corporate Social Responsibility (CSR) as "a concept whereby companies integrate social and environmental concerns in their businessoperations and in their interaction with their stakeholders on a voluntary basis". In "European Union strategy 2011-2014 for Corporate Social Responsibility" the Commission puts forward a new definition of CSR as "the responsibility of enterprisesfor their impacts on society".Respect for applicable legislation, and for collective agreements between social partners, is a prerequisite for meeting that responsibility. To fully meet their corporate social responsibility, enterprises should have in place a process to integrate social, environmental, ethical, human rights and consumer concerns into their business operations and core strategy in close collaboration with their stakeholders, with the aim of: maximizing the creation of shared value for their owners/shareholders and for their other stakeholders and society at large; and identifying, preventing and mitigating their possible adverse impacts.

CSR at least covers human rights, labor andemployment practices (such as training, diversity, gender equality and employee health andwell-being), environmental issues (such as biodiversity, climate change, resource efficiency, life-cycle assessment and pollution prevention), and combating bribery and corruption.

The Commission has identified a number of factors that will help to further increase theimpact of its CSR policy, including:

- the need for a balanced multistakeholder approach that takes account of the views ofenterprises, non-business stakeholders and Member States;
- the need to better clarify what is expected of enterprises, and to make the EUdefinition of CSR consistent with new and updated international principles andguidelines;
- the need to promote market reward for responsible business conduct, includingthrough investment policy and public procurement;
- the need to consider self- and co-regulation schemes, which are an important meansby which enterprises seek to meet their social responsibility;
- the need to address company transparency on social and environmental issues fromthe point of view of all stakeholders, including enterprises themselves;
- the need to give greater attention to human rights, which have become asignificantly more prominent aspect of CSR;
- the need to acknowledge the role that complementary regulation plays in creating anenvironment more conducive to enterprises voluntarily meeting their social responsibility.

Thepolicy identified 8 priority areas for EU action: awareness-raising and best practiceexchange; support to multistakeholder initiatives; cooperation with Member States; consumerinformation and transparency; research; education; small and medium-sized enterprises; andthe international dimension of CSR.

For most small and medium-sized enterprises, especially microenterprises, the CSR process is likely to remain informal and intuitive. To maximize the creation of shared value, enterprises are encouraged to adopt a long-term,strategic approach to CSR, and to explore the opportunities for developing innovativeproducts, services and business models that contribute to societal wellbeing and lead to higherquality and more productive jobs.

To identify, prevent and mitigate their possible adverse impacts, large enterprises, andenterprises at particular risk of having such impacts, are encouraged to carry out risk-baseddue diligence, including through their supply chains.

Certain types of enterprise, such as cooperatives, mutuals, and family-owned businesses, haveownership and governance structures that can be especially conducive to responsible businessconduct.

The Commission intends to:

a) Create in 2013 multistakeholder CSR platforms in a number of relevant industrialsectors, for enterprises, their workers and other stakeholders to make publiccommitments on the CSR issues relevant to each sector and jointly monitor progress.
b) Launch from 2012 onwards a European award scheme for CSR partnerships betweenenterprises and other stakeholders.
c) Address the issue of misleading marketing related to the environmental impacts ofproducts (so-called "green-washing") in the context of the report on the applicationof the Unfair Commercial Practices Directive foreseen for 2012, and consider theneed for possible specific measures on this issue.
d) Initiate an open debate with citizens, enterprises and other stakeholders on the roleand potential of business in the 21st century, with the aim of encouraging commonunderstanding and expectations, and carry out periodic surveys of citizen trust inbusiness and attitudes towards CSR.
e) Launch a process in 2012 with enterprises and other stakeholders to develop a codeof good practice for self- and co-regulation exercises, which should improve theeffectiveness of the CSR process.
f) Facilitate the better integration of social and environmental considerations intopublic procurement as part of the 2011 review of the Public Procurement Directives, without introducing additional administrative burdens for contracting authorities orenterprises, and without undermining the principle of awarding contracts to the mosteconomically advantageous tender.
g) Consider a requirement on all investment funds and financial institutions to informall their clients (citizens, enterprises, public authorities etc.) about any ethical orresponsible investment criteria they apply or any standards and codes to which theyadhere.
h) Provide further financial support for education and training projects on CSR underthe EU Lifelong Learning and Youth in Action Programs, and launch an action in2012 to raise the awareness of education professionals and enterprises on theimportance of cooperation on CSR.
i) Create with Member States in 2012 a peer review mechanism for national CSRpolicies.
j) Monitor the commitments made by European enterprises with more than 1.000employees to take account of internationally recognized CSR principles andguidelines, and take account of the ISO 26000 Guidance Standard on SocialResponsibility in its own operations.
k) Work with enterprises and stakeholders in 2012 to develop human rights guidancefor a limited number of relevant industrial sectors, as well as guidance for small andmedium-sized enterprises, based on the UN Guiding Principles.
l) Publish by the end of 2012 a report on EU priorities in the implementation of the UNGuiding Principles, and thereafter to issue periodic progress reports.
m) Identify ways to promote responsible business conduct in its future policy initiativestowards more inclusive and sustainable recovery and growth in third countries.

3. Juridical regulations regarding the commercial companies social responsibility on national level

In the area of the corporate social responsibility in Romania, no internalcompulsory regulations have been implemented to date.

At national level there was adopted a law that has an informational purpose, of recommendation: *National strategy for promoting social responsibility 2011-2016*.

This document claims that "performances and approaches of social responsibility within companies and other organizations can influence key issues: reputation, ability to attract and retain staff, members, customers or users, the competitive advantage of the company / organization, perceptions of investors, shareholders, sponsors or financiers, relationships with companies, public institutions, media, suppliers, contractors, customers and community.

National strategy for promoting social responsibility 2011-2016 claims that responsibility towards the community and society can be an important differentiating factor between companies, as consumers and other relevant actors become more receptive to the ways in which companies contribute or not to sustainable development of society. More consumers think that a company should be involved in solving social problems of the communities they serve, while some consumers have begun to consider ecological issues when buying a product.

Within this strategy, principles, objectives and measures for an active and coherent policy which promotes the application of the concept of social responsibility in companies, organizations and public authorities in Romania to be implemented in 2011-2016 are presented.

Regarding transparency, it is argued that companies' opening regarding the decisions and activities which could affect society, economy and natural environment and to communicate these matters in a clear, actual, fast, honest and complete manner is important.

The main purpose of the strategy is to raise awareness about the importance and benefits of applying social responsibility and to increase public sector involvement, Romanian companies involvement, multinational companies involvement and of civil society in applying social responsibility in Romania.

The ultimate goal of organizations targeted through social responsibility is represented by practicing the maximization of their contribution to sustainable development. This approach involves applying a set of principles in organizations' activity: the principle of responsibility, the principle of ethical behavior, transparency principle, the principle of respect for interested parties, the principle of respect for the state of law, the principle of cooperation and consistency managerial performance principle, the principle of predictability, principle of respect for human rights and other international norms and standards.

The responsibility of companies' towards people, society and environment that are or may be affected by their activities represents the fundament of the concept of social responsibility.Underlying social responsibility is the responsibility of companies' towards people, society and environment that are or may be affected by their activities.

It may be noted that this normative act transposes European regulations in social responsibility area.

4. Conclusions and proposals for implementation of European stipulations regarding corporate social responsibility

The ethical nature of the involvement of commercial companies in the community life, a part of the commercial companies managers consider that it is enough to promote the social projects within the respective commercial company and business partners. We consider [Murzea, C., Mureşan (Poţincu) L. (2009)] that the involvement of the socially responsible commercial companies must be known because the advertising of the philanthropic activities included in the social responsibility strategies can set examples for other commercial companies operating in the same field. In this way, the expertise and good practice exchange can be achieved in the social responsibility field of the commercial companies, stipulated in the Council Resolution 2003/C 39/02.

In promoting and acknowledging the corporate social responsibility in Romania, an economic and legal instrument can also be used: the social responsibility trademark. In this way, the provisions of the Council Resolution 2003/C 39/02 intending to have the EU member states promote the social responsibility of the commercial companies at national level has also been applied in Romania, in parallel with the development of a strategy at community level, especially by making the commercial companies aware of the benefits. This instrument can also be used in promoting the transparency of the social responsibility practices integrated by the Romanian commercial companies.

The EU member states are directed towards achieving the integration of the social responsibility of the commercial companies in the national policies but also the integration of the social responsibility of the commercial companies in their management.

But the Resolution of the European Union Council 2003/C 39/02 stipulates the fact that the promotion strategies of the social responsibility of the commercial companies must be based on focusing attention on the specific requirements and features of the small and medium commercial companies.

The justification of this legal community stipulation is found in the financial power of the large commercial companies which have thus the possibility to invest in expensive philanthropic actions.

As compared to these, the small and medium commercial companies do not have the financial possibility to develop expensive philanthropic actions, but for a socially responsible attitude, the philanthropic component is not essential.

The small and medium commercial companies must be stimulated by the European Union member states, which Romania is part of, to adopt a socially responsible attitude. These commercial companies must comply with several categories of responsibilities, components of CSR.

For this category of commercial companies, it is important to use the human and time resources for several philanthropic actions. These philanthropic actions can have an echo inside the commercial company, but also outside it. For instance, under the circumstances of the current economic crisis, a mid-size commercial company, instead of releasing a few employees from service, who can no longer be involved in the commercial activity, can decide to keep them by involving them in other activities up to the moment until they would still be needed in the production activity. These employees can attend certain minimal training courses, and can be used as care-takers for the children of the other employees of the commercial company. The commercial company puts at the disposal of the re-orientated employees a room which is not used in the production activity, and thus it would determine a serious economy for the parents-employees who would save the money allocated monthly to the kindergarten taxes.

Thus, the employees who, because of the lack of orders, can no longer temporarily be used in production, and are materially helped by the other parents-employees, are kept.

This is only an example [Mureşan (Poţincu), L., Poţincu, C. (2011)] by means of which, by implementing socially responsible actions based on the imagination of the managers of the small and medium commercial companies, this category of stakeholders – own employees – can be helped without an expensive material investment.

The transparency of the commercial activity performed by the small and medium commercial companies is beneficial to all the categories of stakeholders; we could state [Mureşan (Poţincu), L., Poţincu, C. (2011)] that it could become a modern method of business development. The annual reports related to the socially responsible activity, which several commercial companies in the world and also in Romania expose annually to the public, are a proof that the transparency of the commercial activity performed by the commercial companies is a normal attitude.

Extending the results of the performed marketing results, we consider that this requirement of a socially responsible attitude is requested by the Brasov stakeholders [Mureşan (Poţincu), L. (2010)] but it is also acknowledged in order to be observed by the managers of the commercial companies from Brasov, Romania, even if it is not included in an ethical code.

Also, the transparency of the activity performed by the commercial companies in Romania is required by the stakeholders from Braşov,[Mureşan (Poţincu), L. (2010)] but it is also acknowledged by the managers of the commercial companies, either large, or small and medium companies.

As outlined above, the legal provisions - even if the normative documents they contain them have only an information role, of recommendation - are important. Based on these normative acts the corporate social responsibility actions develop and have a unified applicability in economic practice.

5. Acknowledgements

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LEGAL AND ECONOMIC ASPECTS OF COMMERCIAL AND ELECTORAL ADVERTISING IN ROMANIA

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Abstract: *Also in the social-political marketing there should be clear regulations. Thus, the legal definitions of advertising and deceiving advertising could be extended also in this non-commercial domain. We believe that a more responsible attitude would be beneficial in terms of electoral promise and also applying it.*

Key words: normative acts, commercial advertising, electoral advertising, marketing research.

JEL classification: D 72, K 19, M 31

1. Legal aspects regarding commercial and electoral advertising

Law no. 158 of 2008 regarding deceiving advertising and comparative advertising regulates the content of advertising materials and messages, irrespective of the means of communication which makes the information transfer possible.

Law no. 158/2008 legally defines the terms of advertising and deceiving advertising. Advertising is any form of presenting a commercial, industrial, or liberal activity, with the purpose of selling assets or services, including immobile assets, rights and obligations. **Deceiving advertising** is *the advertising which, in any way, including through the presentation manner, misleads or can mislead the persons to which it is addressed, or come into contact with it and which, because of its deceiving nature, can affect their economic behavior, or which, for this reason, prejudices or can prejudice an opponent.*

It can be noticed that these legal provisions regard advertising as an element of the promotional mix in the commercial marketing. We consider that also in the social-political marketing there should be clear regulations. Thus, the legal definitions of advertising and deceiving advertising could be extended also in this non-commercial domain. This way, we can easily notice that the **deceiving electoral advertising** can be included in the broader category of deceiving advertising because it *is that advertising which, in any way, including through its presentation manner, misleads or can mislead the electorate (citizens to which it addresses and come into contact with it) and which, because of its deceiving nature, can affect the voting behavior or which, for this reason, prejudices or can prejudice a competing political actor.*

Relating to the increasing scope of the deceiving advertising regarding the political marketing, we consider it necessary to create a legal framework for forbidding this type of advertising, considering the fact that its effect is no longer to inform the electorate but as the definition of the deceiving advertising shows, it misleads the electors. The deceiving electoral advertising causes serious problems to the communication process between the political actors and the electors.

After all, the activities considered deceiving electoral advertising affect the values stipulated at art. 6 of Law no.148 of 26 July 2000 regarding advertising. More exactly, we refer to letter g). Legally protected value breached by the deceiving electoral advertising throughexploitation of superstitions, credulity or fear of the electors.

A certain control regarding the exertion of the electoral advertising is encountered only in the media promotion environment. This field is regulated and controlled by the National Audiovisual Council (NAC). According to art. 2 of Law no. 158/2008 regarding the deceiving advertising and comparative advertising, the commercial audiovisual communications issued within the audiovisual programs services are subject to not only the provisions of this law but also the provisions of the Audiovisual Law no. 504/2002. Even though the law refers to the commercial advertising, the Audiovisual Law also regulates the field of political promotion.

Through art. 17 alignment 1, letter d) of the Audiovisual Law no. 504 of 11 July 2002, modified through the Government Emergency Ordinance no. 181/2008, it is also established among the NAC attributions the issuance of decisions acting as regulation norms in order to perform their attributions expressly provided by the law, and especially regarding the principles and rules for the development of electoral campaigns and referendums, in the audiovisual program services.

We consider [Poţincu, C., Mureşan, L. (2010)] that, regarding the advertising field, the legal provisions prior to the modification through the Government Emergency Ordinance no. 181/2008, were much clearer, stipulating the issuance of certain decisions acting as regulation norms, in order to fulfill their attributions expressly provided by the law, and in particular, regarding advertising, including electoral advertising.

Art. 42 completes this article, establishing that in order to encourage and facilitate the pluralist expression of opinions, the broadcasters have the obligation to reflect the electoral campaigns in an equitable, balanced and impartial manner. In the correct application of this provision, the Council shall issue mandatory norms, shall control the compliance of the legal provisions and issued norms, and shall sanction their infringement.

In applying this Law, the National Audiovisual Council has issued a series of decisions. The latest decision is decision no. 210 of 28 January 2010 regarding principles and rules related to the development of the electoral campaign for the partial parliament elections, through the agency of the audiovisual program services. This NAC decision establishes that it is the task of the broadcasters to provide, within the electoral promotion shows, as well as in the content of the videos and other audiovisual materials put at their disposal by the candidates, the compliance with certain conditions which eliminate the possibility of using the deceiving electoral advertising.

We consider it necessary, for the fight against deceiving advertising, the legal regulation or extension of the existing legal regulation in the field of commercial marketing regarding the fight against disloyal competition. Law no. 11 of 29 January 1991 related to the fight against disloyal competition establishes in its first article the obligation of the traders to exert their activity in good will and according to honest customs. We cannot see any reason why the political actors cannot exert their electoral promotion activity in good will and according to honest customs. We cannot see any reason why the provisions of this law cannot be extended to the political marketing field, in the sense of sanctioning the political actors if they perform actions of communication or spreading untrue statements about an electoral competitor or programs supported by this competitor, statements which could damage the development of the electoral campaign.

2. Opinions of the citizens of Brasov on commercial and electoral advertising

Within the quantitative marketing research called "Attitudes and opinions of the Braşov citizens regarding the promotion of the social responsibility by the companies operating in Romania", [Mureşan, L. (2010)] the opinion of the citizens living in Braşov municipality regarding the advertising promoted by the commercial companies, which activate on the Romanian market has been analyzed.

The quantity marketing research regarding the promotion of the social responsibility by the Romanian commercial companies evaluates the citizens' opinion. This marketing research has analyzed the answers of 398 persons, with age over 18, from Braşov municipality in Romania. This survey has a random error of 4.91%. Taking into account the fact that the size of the survey has been established according to a simple random probabilistic method, considering a level of admitted error of ± 5%, and a trust level of 95%, the results of the research can be considered representative for the entire adult population of Braşov municipality, and also these could apply to other Romanian municipalities with a similar population size.

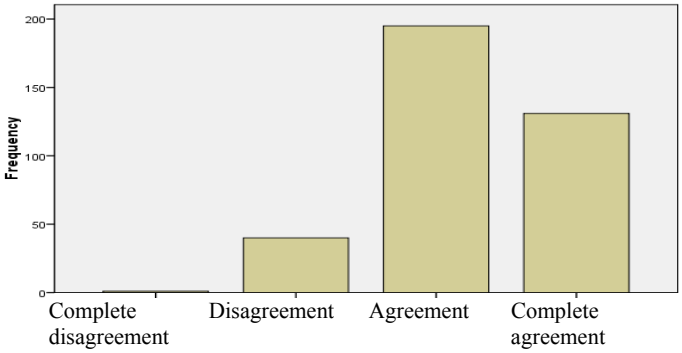
The Brasov consumers have expressed their opinion [Mureşan, L. (2010)] related to the statement "advertising mostly intends to manipulate consumers". The results have been the following:

- 53.1% of the answers have indicated the agreement of the respondents to the mentioned statement;
- 35.7% of the respondents have expressed their complete agreement.

The general percentage is very high: 88.8%. The distribution of the frequencies indicates a strong focus of the answers in the positive part of the scale, which means an agreement attitude to the statement "advertising mostly intends to manipulate consumers". I can thus state that nine out of ten Brasov consumers consider that, most of the times, the purpose of advertising is to manipulate the consumers.

Only 10.9% (one of ten consumers) and 0.3% have expressed a disagreement attitude, and complete disagreement respectively, to the statement that, most of the times, the purpose of advertising is to manipulate the consumers. This means that only 11.2% of the questioned Brasov citizens consider that the advertising promoted by the commercial companies has a genuine informative nature.

Figure 1: Most of the times, the advertising promoted by the commercial companies is dishonest and deceiving



Source: Mureşan Laura: *Ethics and Social Responsibility in the Marketing Domain.* PhD Thesis, Transilvania University of Brasov, Faculty of Economic Sciences, Marketing, 2010.

The distribution of the frequencies indicates a strong focus of the answers in the positive part of the scale which represents an agreement attitude to the statement that the most of the times, the advertising promoted by the commercial companies is dishonest and deceiving. 53.1% of the answers have indicated the agreement of the respondents to the mentioned statement. 35.7% of the respondents have expressed their complete agreement, while 10.9% and 0.3% have expressed a disagreement attitude, and complete disagreement respectively.

Table 1: Most of the times, the advertising promoted by the commercial companies is dishonest and deceiving

		Frequency	Percent	Valid Percent
Valid	Complete disagreement	1	0,3	0,3
	Disagreement	40	10,1	10,9
	Agreement	195	49,0	53,1
	Complete agreement	131	32,9	35,7
	Strongly disagreement	367	92,2	100,0
Missing	88	1	0,3	
	99	30	7,5	
	Total	31	7,8	
Total		398	100,0	

Source: Mureşan Laura: *Ethics and Social Responsibility in the Marketing Domain.* PhD Thesis, Transilvania University of Brasov, Faculty of Economic Sciences, Marketing, 2010.

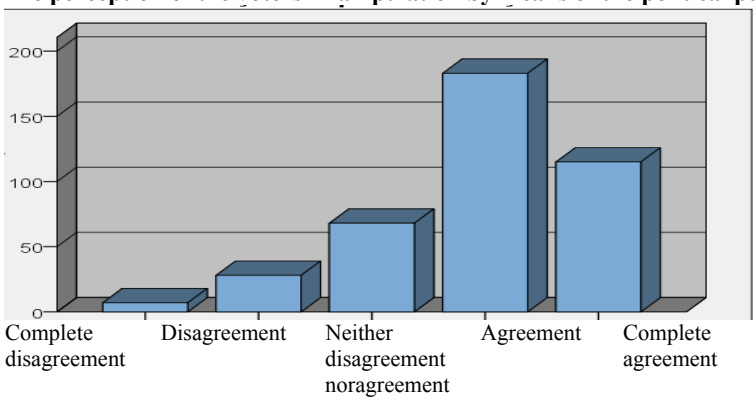
Both the median line and the modal value have value 1 which represents the "agreement" answer variant. The average score, with the value 1.13, is also situated at the agreement level of the scale. This average score is not the arithmetic mean of the variable, because the mean cannot be calculated in the case of the ordinal scale.

Within the quantitative marketing research called "Opinions, attitudes and behaviours of the Braşov citizens regarding the promotional techniques used in Romanian political marketing", [Poţincu, C. (2010)] the opinion of the citizens living in Braşov municipality regarding political publicity in Romania has been analyzed.

The quantity marketing research regarding the promotion of the social responsibility by the Romanian commercial companies evaluates the citizens' opinion. This marketing research has analyzed the answers of 404 persons, with age over 18, from Braşov municipality in Romania. This survey has a random error of 4.89%. Taking into account the fact that the size of the survey has been established according to a simple random probabilistic method, considering a level of admitted error of ± 5%, and a trust level of 95%, the results of the research can be considered representative for the entire adult population of Braşov municipality, and also these could apply to other Romanian municipalities with a similar population size.

As for the opinion of the questioned respondents [Poţincu, C. (2010)] regarding the promotion of the political actors by means of publicity, the obtained distribution of the frequencies indicates a strong focus of the responses in the positive part of the scale, which shows an agreement attitude towards the statement according to which, most of the times, the political publicity intents to manipulate the voters. The obtained distribution of the frequencies is presented in figure 2.

Figure 2: The perception of the voters' manipulation by means of the political publicity



Source: Poţincu Cristian:*Promotion techniques in the Romanian political marketing.* PhD Thesis, Transilvania University of Brasov, Faculty of Economic Sciences, Marketing, 2010.

Further to the analysis, it has been noticed that 45.6% of the valid responses have indicated the agreement of the respondents towards the mentioned statement, while 28.7% of the respondents have expressed their total agreement to this statement. Only a percentage of 7% and 1.7% respectively have expressed a disagreement attitude, and their total disagreement respectively, towards the statement according to which, most of the times, the political publicity aims at manipulating the voters.

Table 2: Most of the times, the political publicity aims is to manipulate the voters

N	Valid	401
	Missing	1
Mean		0,93
Median		1,00
Mode		1

Source: Poţincu Cristian:*Promotion techniques in the Romanian political marketing.*PhD Thesis, Transilvania University of Brasov, Faculty of Economic Sciences, Marketing, 2010.

In the case of this question, both the median line and the modal value have the value 1, a value which represents the "agreement" response variant. The average calculated scoring in the case of this ordinal scale has the value 0.93; it is also situated at the agreement level of the scale.

Table 3: Most of the times, the political publicity aims is to manipulate the voters

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Complete disagreement	7	1,7	1,7	1,7
	Disagreement	28	7,0	7,0	8,7

	Neither disagreement nor agreement	68	16,9	17,0	25,7
	Agreement	183	45,5	45,6	71,3
	Complete agreement	115	28,6	28,7	100,0
	Total	401	99,8	100,0	
Missing	88	1	0,2		
Total		402	100,0		

Source: Poţincu Cristian:*Promotion techniques in the Romanian political marketing.*PhD Thesis, Transilvania University of Brasov, Faculty of Economic Sciences, Marketing, 2010.

In conclusion, 74.3% of the questioned Braşov citizens consider that publicity, component of the political promotional mix, aims at manipulating the voters. This means that the main purpose of the publicity – as the total amount of political promotional techniques – is to obtain the electors' vote. Less than 10% of the Braşov citizens consider that the political publicity mainly has an informative role for the electors. Most of the Braşov citizens are aware of the selfish purpose for which the promotional techniques belonging to the political publicity from Romania are generally used, and of their deceiving nature. What this result, of the quantitative research, can transmit to the political actors and to those involved in the electoral campaign is that they should rethink all these promotional techniques in the sense that the information they transmit would be more realistic and possible as implementation; further to the achievement of their political offer, the confidence of the citizens in the political publicity would increase.

In order to test whether there are significant differences depending on the training level between the opinions of the questioned persons, the Kolmogorov-Smirnov statistics test has been used, a non-parametric test used for testing the differences between two independent samples. Further to the analysis, it has been found that there are no significant differences between the opinions of the persons with pre-university training and the persons with university training related to the statement regarding the manipulation of the voters by means of the political publicity. This means that the mistrusting attitude of the Braşov citizens towards the political publicity – as the total amount of the political promotional techniques – is not differentiated depending on the training level of the respondents. Thus, if the information to be sent in the future by the political publicity is more realistic and possible for implementation, and the offer of the political actors is effectively achieved, the citizens' confidence will increase, irrespective of their training level, on this background of political promotional techniques.

3. Conclusions

Given that the electoral advertising legislation is poor, two possibilities could be taken into consideration.

A first possibility would be to adopt a code of ethics by most political actors on the political scene from Romania. This code of ethics may develop different provisions on the quality of electoral advertising.

A second possibility consists in active involvement of civil society in rejecting misleading electoral advertising. Public reaction to such practices may correct the behavior of political actors.

We consider that also in the social-political marketing there should be clear regulations. Thus, the legal definitions of advertising and deceiving advertising could be extended also in this non-commercial domain.

But, even for the developing of the legislation in political marketing domain we can notice a problem. In the case of products offered by companies, advertising compliance with the marketed products can be easily observed. But, for the electoral products, the electoral promises – electoral offer to the voters – are not enforced, most of the times. The meaning of this aspect is more important: what voters "buy" trough their vote, which represents the "price paid", it is not "delivered" to them. In these circumstances the product "purchased" by the citizens following the electoral campaign, does not have "the features" promised by electoral advertising or, in quite many cases, the political service promised is not achieved.

In this context, most of the Braşov citizens are aware of the deceiving purpose for which the promotional techniques belonging to the political publicity from Romania are generally used.

We believe that a more responsible attitude would be beneficial in terms of electoral promise – which is the product "sold" to voters – and also applying it – which is the "delivery" of the electoral product to the citizens "buyers" which "paid" by their vote. Political actors would have very much to gain through responsible behavior, especially in conditions of absenteeism, which is more pronounced, to voting. Absenteeism from voting of voters indicates a refusal to "buy" fictional products or "inconsistent" with those presented in deceptive electoral advertising.

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ROMANIA'S STRUCTURAL COMPETITIVNESS IN THE EUCONTEXT - A REVEALED COMPARATIVE ADVANTAGE APPROACH

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Abstract: *World economy currently offers a diverse array of competitiveness due to different levels of economic and technological developments, or action of some social, demographic, and cultural factors.This paper aims to examine Romania's relative competitiveness and compare the structure of specialization in trade vis-à-vis the EU. The empirical analysis of the present paper is based on revealed comparative advantage (RCA). The present study tries to underline the competitiveness of Romania within a European context by calculating alternative measures of RCA.*

Keywords: Revealed Comparative Advantage, competitiveness, specialization

JEL classification: F 10, F 14, F 15

1. Introduction

World economy currently offers a diverse array of competitiveness due to different levels of economic and technological developments, or action of some social, demographic, and cultural factors.
At the macroeconomic level, the competitiveness of a nation can be regarded as the country's ability to achieve long term growth in such a way that economic structure adapts effectively to global economic development, seen as the evolution of world trade.

This paper aims to examine Romania's relative competitiveness and compare the structure of specialization in trade vis-à-visthe EU-27. The empirical analysis of the present paper is based on revealed comparative advantage (RCA). Although the concept of RCA represents a subject of wide debate, it is still very often used in analyzing trade data. The analyzed studies showed that Romania had several competitive advantages before the accession to the EU, but after 2007 it has lost some benefits and regained others.

Romania's goal in the present is the accession to the Euro Zone, but the crisis in the periphery of Eurozone led the Eastern European countries to delay joining the Eurozone, reconsidering the balance between costs and benefits. Although Euro Currency and the Euro Area mean new opportunities in the global economy, making the euro area an attractive business to third countries, thus promoting trade and investment, it is still a difficult decision for the countries facing problems of budget deficit and public debt. Membership in the Eurozone offers several advantages, like currency stability, confidence in the size and strength of the euro area economy and integration in international terms, there are also disadvantages related to the loss of monetary policy instruments. In this case, the burden of adjustment moves into the labor market, which must be flexible to support an adjustment related to: reducing income in nominal terms, accepting a higher unemployment rate and lower wages in order to regain competitiveness.

In this sense, I will try to present, by underlying the sectors with Revealed Comparative Advantage, the degree of integration of Romania in terms of international trade.

The plan of the paper is as follows. The following section reviews the empirical literature on the comparative advantage and the competitiveness of Romania with respect to the EU, in a global context, section 2 presents the alternative measures of RCA indices, and last section reports empirical results.

2. Literature review on Revealed Comparative Advantage and Romania's competitiveness

In the theories of international trade, comparative advantage is an important concept for explaining pattern of trade. David Ricardo (1817) firstly introduces the concept of comparative advantage with very strict assumptions. It is then well recognized as the Ricardian model. In the modern theories of international trade such strict assumptions are replaced with the more realistic ones. Heckscher (1919) and Ohlin (1933) examine the effect of different factor endowments on international trade. Their model, which is well known as the Heckscher-Ohlin (HO) model, concludes that a country will export commodity uses the abundant factor of production, while it will import commodity uses the scarce factor

of production. Some economists argue that a country's comparative advantage is dynamic, instead of static. So far, the dynamic theory of comparative advantage has put greater attention on the changes in supply (production) side. This is related to how specific determinants affect the output (economic) growth and, in turn, comparative advantage. Redding (2004) finds that comparative advantage is endogenously determined by the past technological changes and innovation.

The dynamics of comparative advantage might be also caused by the role of input trade (Jones, 2000), the friction in international trade and investment flows due to geography, institutions, transport, and information cost (Venables, 2001), the transmission of knowledge across borders (Grossman and Helpman, 1991), the technological differences across border (Trefler, 1995), and the monopolistic competition in differentiated products with increasing return to scale (Krugman, 1979). Indeed, many applied economists, e.g. Liesner (1958), Kanamori (1964), Balassa (1965), Donges and Riedel (1977), Bowen (1983), Vollrath (1991), Dalum *et al.* (1998) and Laursen (1998), among others, have tried to make various empirical measures to "reveal" countries' comparative advantage.

The Balassa index has been subject to several critiques, leading some authors to propose several modified versions. For instance, Laursen (1998) suggests a transformation that produces a symmetric outcome, ranging from -1 to 1 and with a threshold of 0; Proudman and Redding (1997, 2000) suggest a transformation that results in a constant mean across the different sectors for a given country. Nevertheless, the popularity of the original index remains in place and the traditional Balassa index has been used extensively in the literature. As in the Proudman and Redding (1997, 2000) contribution, the product specialization index suggested here has a clear and well-defined link with the original Balassa index.Laursen (2000), Proudman and Redding (1998), Sapir (1996) studied whether and how the economic integration of EU Member States confirm the predictions of economic geography models: a decrease in transport costs will generate a non-monotonous tendency of agglomeration and specialization. In his study, entitled „Convergence of the Export Structure of Romania, Croatia, Serbia and Bosnia-Herzegovina to the Structure of Import Demand in Developed Countries" (2010), Goran Nikolić is analyzing the export structures of observed transitional countries (Romania, Croatia, Serbia and Bosnia-Herzegovina) with the import structure of developed economies (EU) to examine if there is convergence, and the level of that convergence since 2000. The methodology of this study uses cosine theorem to determine the similarities (differences) of two structures that are classified under the same classification SITC (Standard International Trade Classification) Rev. 3,Finger Index and Krenin Index (FIKS) to estimate the export similarity by calculating the relative importance of different categories of goods in the export structure of pairs of countries, then applying a filtering technique. In this sense, the author uses the normalized Manhattan distance with Bray-Curtis formula. Study results showthat, in terms of increasing similarities of export structures of developing countries taken into consideration and import demand in developed countries, the hypothesis is confirmed. In Romania, since 2000 and by 2009, there was a similarity coefficient in a continuous growth. In 2000, as in previous years, poor convergence, butsignificant,was recorded due to a proportion of 20.1% of goods belonging to sections0- Food and live animals and 6-Manufactured Foods Classified by Material (especially the early stage of processing of goods, especially products), in total exports. In Romania, the proportion of sections 7-Machinery, Transport Equipment and 5-Chemical Products was a high one, of 47,9%mainly due to numerous subdivisions78-Road Vehicles and 77-Electrical Machinery, which includes the production of motor vehicles and electrical machines, intensified after 2000 along with increasing of foreign direct investment flows. So, the biggest difference between the export structures of developing countries considered and trade structures of the EU27 refers to sections 5 and 7, which are technology intensive products.Development of sections 7 and 5 should be a priority in the economic transformation of the countries converging to Euro Zone. The development of industry, specifically those products belonging to sections 7 and 5 (and other sections, such as87- Professional, Scientific, Controlling Material or 88-Photographic Apparatus, Optical Goods, Clocks)will lead to an increase in export of technology intensive goods and also to a decrease in imports of these goods. The relationship between the structure of exports and growth is set out in a study belonging to Daniel Lederman and William F. Maloney (2009).Cahn-Hyun Sohn and Lee Hongshik (2003) show that growth can be explained by trade structure variables.Some economists argue that nations can not compete by themselves, but only in certain sectors, industries or even goods, Switzerland beeing a good example in this case. Endowed with natural and a spectacular mountain landscape, it continues to dominate the watch industry and obtain a huge profit for almost 100 years. This contradicts the theory of free trade, which states that free trade automatically diverts the nations towards the industries in which they are best prepared.

In the short run, macroeconomic competitiveness of a country depends largely on its relative price evolution compared to its main competitors prices. From a sectoral/micro point of view, in the long run, structural competitiveness of a country is measured by the structure of specialization and structural resilience to the international demand.

Some economists argue that the nature of international trade is in a continuous change (Grossman and Rossi-Hansberg 2006, 2008, Blinder 2006, 2009, Hanson, Mataloni and Slaughter 2005). Instead of simply creating more trade in goods, global integration is increasingly marked by "trade in tasks" (Grossman and Rossi-Hansberg 2006), meaning more trade of intermediate goods and services due to the widespread emergence of offshoring. Other economists bring into discussion the public choice theory. Oates and Schwab (1988) stated that governments can set "weak" or "strong" standards and by employing public choice theory, government officials may want to impose weak environmental standards in order to attract capital investment.

3. Methodology – Revealed Comparative Advantage

A way to highlight a country's degree of specialization in a particular product or industry, it is the determination of comparative advantage index (CAI). CAI compares the share of production / exports of a country for a specific product / industryin it's total production / export with its share in production / world exports (or a group of countries) of that product / industry.Before Balassa introduced his famous index of comparative advantage in 1965, Liesner (1958) was the one who contributed to the empirical literature of AC.In this sense, Liesner (1958) developed the first empirical study in the area ofCA. The simple measure proposed by Liesner for calculating CA was:

$RCA_1 = {}^{x_{ij}}/_{x_{nj}}$ (1),

where *x*represents exports, *i*is a country, *j*is a commodity (or industry), and *n*is a set of countries (e.g.the EU).An advanced formula of the CA was later presented by Balassa (1965). This formula is different from the initial one and is widely accepted in the literature:

$$RCA_2 = \frac{{}^{x_{ij}}/_{x_{it}}}{{}^{x_{nj}}/_{x_{nt}}} = \frac{{}^{x_{ij}}/_{x_{nj}}}{{}^{x_{it}}/_{x_{nt}}} \quad (2),$$

where *x*represents exports, *i*is a country, *j*is a commodity (or industry), *t* is a set of commodities (orindustries) and *n* is a set of countries. RCA_2 measures a country's exports of a commodity (or industry)relative to its total exports and to the corresponding exports of a set of countries, e.g. the EU.Comparative advantage is "revealed" if $RCA_2 > 1$. If RCA_2 is less than unity, it is said that the country has a comparative disadvantage in that good / industry.The index has a lower limit $RCA_2 = 0$, in the extreme situation in which the country does not export product j (xij = 0). In the oposite situation, where *i* is the only country exporting to sector, or asset *j* (international monopoly) ${}^{x_{ij}}/_{x_{nj}} = 1$, the nature of Balassa index implies that$RCA_2 = {}^{x_{it}}/_{x_{nt}}$, therefore, depends on the relative size of the country *i*.

Considering the fact that $x_i$and x_n are generally variable in time, the situation is not only changing between countries, but changes in time too.It is argued that the RCA_2index is biased because of the omission of imports especially when country size is considered to be important (Greenaway and Milner, 1993).Vollrath (1991) gave three alternative ways of measuring a country's RCA. These alternative specifications are called RCA's relative trade advantage (RTA), relative export advantage logarithm (ln RXA), and revealed competitiveness (RC).In this study, to be systematic, we will call them RCA_3, RCA_4, respectivelyRCA_2. The advantage of the last two indices, is that they became symmetric through origin. Positive values of the three alternative measures of comparative advantage indicates a comparative / competitive advantage, while negative values indicate acomparative / competitive disadvantage.However, a problem of implementation of these indices of RCA is that the observed trade models may be distorted by government intervention, causing such false statements in terms of comparative advantage. Knowing the that the import restrictions, export subsidies and other protectionist policies pursued by governments, to some extent, may distort RCA indices, represents a real concern. Fertő and Hubbard (2003), uses nominal assistance coefficients (NAC), estimated by the OECD by countries and goods, to filter the effects of possible distortions in measuring RCA's agri-food sector in Hungary with respect to the EU.Greenaway and Milner (1993), on the other hand, suggests the inclusion of a price-based measures of RCA called "implicit revealed comparative advantage" (IRCA), to get rid of the distortion caused by post-policy intervention.Vollrath (1991) suggests that the RC index (RCA_4 in this paper), is preferable, as long as supply and demand balance are included in the index.Evaluating the

deficiencies of the Vollrath's three indices, acknowledges that RXA index (relative export advantage) which reduces the distortion is more commonly used in practice. It is important to emphasize that both Vollrath and Balassa indices are based on different concepts and therefore not strictly comparable.Relative trade advantage (RTA) (here RCA_3) is calculated as the difference between relative export advantage (RXA), which is equivalent to the original Balassa index RCA_2 and its counterpart, relative import advantage (RMA).It is important to note that the main difference betweenRXA Vollrath's Index and RCA_2original Balassa's Index is that prevents from double counting.In this paper, indices are hybrids, meaning that the set of countries (n) is limited to the EU, while the set of goods (t) refers to all all trade.Although double counting is not completly eliminated, this is not a problem because we used the Standard International Trade Classification, Rev.3, with a low level commodity aggregation of 63 product groups.

$RCA_3 = RTA = RXA - RMA$

Unde $RXA = RCA_2 = \frac{X_{ij}/X_{it}}{X_{wj}/X_{wt}} = \frac{X_{ij}/X_{wj}}{X_{it}/X_{wt}}$si

$RMA = \frac{M_{ij}/M_{it}}{M_{wj}/M_{wt}}$, where *M* represents the imports. Therefore,

$RCA_3 = RTA = RXA - RMA = \frac{X_{ij}/X_{it}}{X_{wj}/X_{wt}} - \frac{M_{ij}/M_{it}}{M_{wj}/M_{wt}}$(3)

The second measure is the logarithm of RCA Vollrath relative export advantage (here RCA_4):

$RCA_4 = lnRXA = lnRCA_2$ (4)

The third measure of Vollrathcompetitiveness(RC) (here RCA_5), is expressed as:

$RCA_5 = RC = lnRXA - lnRMA$ (5)

4. Data and Empirical Findings

To analyze the Revealed Comparative Advantage for Romania using Balassas' and Vollraths' measurement of RCA, I calculated the alternative measures of RCA presented in the earlier section with respect to the EU as the comparator on global level. In the present study I tried to underline the competitiveness of Romania within an European contextby calculating RCA_2, RCA_3, $RCA_4$and RCA_5. In the sense of global competitiveness of Romania with respect to the EU, I used annual two-digit SITC Rev.4 data (9 main groups) covering Romania's exports and imports on the world level for the period 2006-2009 from the Romanian National Institute of Statistics and also annual two-digit SITC Rev.4 data (9 main groups) covering Extra-EU exports and imports on the world level for the same period of 2006-2009 from the EUROSTAT. Goods which are subject to international exchanges are classified according to Standard International Trade Classification (SITC, Rev. 4).

The followings are the basic points and outcomes on our alternative RCA calculations (see Appendix Table 2). The following classifications are based on the common characteristics of commodity groups, and are taken into account all indices.

Table 1: Outcomes based on the common characteristics of commodity groups

SITC Divisions	*Sectors with RCA in all (four) indices*	SITC Divisions	*Sectors with RCD in all (four) indices*
22	• oil seeds and oleaginous fruits	*01*	• meat and meat preparations
24	• cork and wood	*02*	• dairy products and birds' eggs
28	• metalliferrous ores and metal scrap	*03*	• fish (not marine mammals), crustaceans, mollusks and aquatic invertebrates, and preparations thereof
33	• petroleum, petroleum products and related materials	*05*	• vegetables and fruit
34	• gas, natural and manufactured	*06*	• sugars, sugar preparations and honey
35	• electricity	*07*	• coffee, tea, cocoa, spices, and manufactures thereof
42	• fixed vegetables fats and oils, crude, refined or fractionated	*08*	• feeding stuff for animals (not including unmilled cereals
56	• mineral or chemical fertilizers	*09*	• miscellaneous edible products and preparations
62	• rubber manufactures	*11*	• beverages
63	• wood manufactures	*12*	• tobacco and tobacco manufactures

77	• electric machinery, apparatus and appliances and parts thereof (including non-electric counterparts of electric household equipment)	*23*	• crude rubber (including synthetic and reclaimed)
82	•furniture and parts thereof	*25*	• pulp and waste paper
84	• articles of apparel and clothing accessories	*26*	• textile fibres (other than wool tops and other combed wool) and their wastes (not manufactured into yarn or fabric)
85	• footwear	*27*	• crude fertilizers, other than those of Division 56, and crude minerals (excluding coal, petroleum and precious stones)
	Sectors which "losing" their RCA in time period and has RCD at present (RCA⇒RCD) (year-by-year observation) Romania vis-à-vis the EU in the world market	*29*	• crude animal and vegetable materials
		32	• coal, coke and briquettes
62	• rubber manufactures	*53*	• dyeing, tanning and coloring materials
	Sectors which have RCA at present and has RCD at past (RCD⇒RCA) (year-by-year observation) Romania vis-à-vis the EU in the world market	*54*	• medicinal and pharmaceutical products
33	• petroleum, petroleum products and related materials	*55*	• essential oils and resinoids and perfume materials; toilet, polishing and cleansing preparations
56	• fertilizers (other than those of group 272)	*58*	• plastics in non-primary forms
84	• articles of apparel and clothing accessories	*59*	• chemical materials and products
85	• footwear	*64*	• paper, paperboard and articles of paper pulp, of paper or of paperboard
	Sectors with "increasing" RCA in time period (year-by-year) Romania vis-à-vis the EU in the world market	*66*	• non-metallic mineral manufactures
00	• live animals other than animals of division 03	*71*	• power-generating machinery and equipment
52	•inorganic chemicals	*72*	• machinery specialized for particular industries
	Sectors with "decreasing" RCA in time period year-by-year observation Romania vis-à-vis the EU in the world market	*73*	• metalworking machinery
12	• tobacco and tobacco manufactures	*74*	• general industrial machinery and equipment and machine parts
76	• telecommunications and sound-recording and reproducing apparatus and equipment	*87*	• professional, scientific and controlling instruments and apparatus
79	• other transport equipment	*88*	• photographic apparatus, equipment and supplies and optical goods, watches and clocks
		89	• miscellaneous manufactured articles

5. Conclusions

The calculations performed in this study show that commodity groups that held continuousrevealed comparative advantage over 2007 and 2009 are: "*Crude materials, inedible, except fuels, Mineral fuels", "Lubricants and related materials", "Animal and vegetable oils, fats and waxes", "Chemicals and related products",*"*Manufactured goods classified mainly by the raw material",* and *"Miscellaneous manufactured articles".* In 2009, in terms of orientation of the foreign investorstowards the economic sectors, according to NACE Rev. 2 Classification, the direct foreign investments were directed mainly to *Manufactured goods* (31,1% of total), within its best represented branches: *oil, chemicals, rubber and plasticprocessing* (6,3% of total), *metallurgy* (5,2%), *transport industry* (4,7%), *food, beverage and tobacco industry* (4,1%) and *cement, glass, ceramic*(3,3%). There are areas with a low weight to the potential, such as textiles, clothing and leather (1.4%), decreasing their attractiveness due to non-tradable goods price convergence to the Eurozone prices, according to the Balassa-Samuelosn effect. This evolution is associated with the convergence of the emerging economies towards the developed ones and is driven by international competition, the infusion of capital and modern technology made by foreign investment in industries characterized by a high ratio between the contribution of capital and labor to achieve production. The increase in salary costs, the gradual re-evaluation of tangible and intangible assets, the depreciation of the exchange rate of the national currency, had a significant influence on

industrial production prices and also on trade, transferring revealed comparative advantage in other sectors, or causing its loose for others.In 2009, among the industries that have been affected by the crisis, most important were the industrial activities which had as a specific goalthe production destined for export. This is explained by restricting of foreign markets due to economic crisis in Romania's main partner countries, restricting loans to economic agents by commercial banks and not least, the reduction in construction activity, leading to production declines in related industrial activities.

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Index SITC Sections and Divisions		RCA_2				RCA_3				RCA_4				RCA_5			
		2006	2007	2008	2009	2006	2007	2008	2009	2006	2007	2008	2009	2006	2007	2008	2009
0-9	***Total***																
0	***Food and live animals***	0.63	0.64	0.98	1.10	-0.34	-0.69	-0.24	-0.27	-0.46	-0.44	-0.02	0.10	-0.43	-0.76	-0.22	-0.22
00	*Live animals*	6.48	6.84	6.14	5.37	4.40	3.29	-1.62	-7.00	1.87	1.92	1.82	1.68	1.13	-0.59	-0.23	-0.84
01	*Meat and meat preparations*	0.40	0.53	0.58	0.85	-3.16	-3.39	-3.18	-3.23	-0.92	-0.64	-0.54	-0.16	-2.19	-2.05	-1.87	-1.57
02	*Dairy products and eggs*	0.14	0.14	0.15	0.20	-2.37	-7.04	-7.83	-10.80	-1.99	-1.99	-1.88	-1.63	-2.91	-4.39	-3.95	-4.03
03	*Fish, crustaceans, mollusks*	0.05	0.06	0.05	0.10	-0.13	-0.15	-0.17	-0.15	-2.90	-2.75	-2.91	-2.27	-1.20	-1.36	-1.40	-0.88
04	*Cereals and cereal Preparations*	1.32	1.17	2.64	3.13	-0.50	-1.85	0.23	-0.91	0.28	0.16	0.97	1.14	-0.32	-1.24	0.09	-0.26
05	*Vegetables and fruit*	0.61	0.61	0.45	0.52	-0.02	-0.32	-0.30	-0.18	-0.50	-0.49	-0.79	-0.64	-0.04	-0.14	-0.50	-0.29
06	*Sugar, sugar preparations and honey*	0.56	0.63	1.07	1.65	-2.27	-1.95	-1.65	-1.84	-0.57	-0.46	0.07	0.50	-1.61	-1.71	-0.93	-0.75
07	*Coffee, tea, cocoa, spices, and preparations*	0.23	0.17	0.27	0.32	-0.42	-0.58	-0.36	-0.32	-1.47	-1.75	-1.31	-1.15	-1.04	-1.29	-0.86	-0.70
08	*Feeding stuff for animals (not including unmilled cereals)*	0.37	0.66	0.96	0.83	-0.22	-0.14	0.25	-0.20	-0.99	-0.42	-0.04	-0.19	0.00 -0.46	-0.45	0.30	-0.22
09	*Miscellaneous edible products and preparations*	0.13	0.18	0.26	0.32	-2.92	-4.03	-3.44	-3.25	-2.00	-1.71	-1.35	-1.13	-3.12	-2.99	-2.66	-2.41
1	***Beverages and tobacco***	0.11	0.41	0.66	0.87	-1.81	-1.21	-0.95	-0.62	-2.21	-0.88	-0.42	-0.13	-2.86	-1.29	-0.89	-0.54
11	*Beverages*	0.10	0.13	0.16	0.14	-0.70	-1.05	-1.07	-0.78	-2.32	-2.02	-1.83	-1.97	-2.09	-1.94	-2.04	-1.89
12	*Tobacco and tobacco manufactures*	0.19	2.46	3.76	4.76	-4.03	-0.14	1.26	2.14	-1.66	0.90	1.32	1.56	-1.66	-0.06	0.41	0.60
2	***Crude materials, inedible, except fuels***	2.50	2.34	2.54	2.41	1.92	1.63	1.91	1.76	0.91	0.85	0.93	0.88	1.47	1.27	1.40	1.30
21	*Hides, skins and raw fur skins*	0.70	1.08	0.71	0.38	0.20	0.80	0.36	0.04	-0.35	0.07	-0.35	-0.97	0.33	1.15	0.70	0.10
22	*Oil seeds and oleaginous fruit*	25.22	18.44	34.54	40.71	24.88	17.90	33.99	40.08	3.23	2.91	3.54	3.71	4.31	3.39	4.13	4.18
23	*Raw rubber (including synthetic and reclaimed)*	0.06	0.03	0.07	0.07	-0.60	-0.84	-0.67	-0.94	-2.88	-3.65	-2.72	-2.66	-2.46	-3.66	-2.42	-2.67
24	*Cork and wood*	5.74	5.22	4.81	5.36	5.49	4.92	4.46	4.90	1.75	1.65	1.57	1.68	3.14	2.43	2.62	2.46
25	*Pulp and waste paper*	0.05	0.07	0.05	0.07	-0.02	-0.05	-0.05	-0.19	-3.10	-2.61	-3.07	-2.65	-0.43	-1.27	-0.72	-1.30
26	*Textile fibres (other than wool tops and wool combed) and their wastes (not manufactured into yarn or fabric)*	0.45	0.70	0.76	0.72	-1.90	-1.83	-1.37	-2.10	-0.79	-0.35	-0.27	-0.33	-1.64	-1.39	-1.03	-1.37
27	*Crude fertilizers and minerals (excluding coal, petroleum and precious stones)*	0.42	0.41	0.51	0.43	-0.21	-0.48	-0.33	-0.56	-0.88	-0.88	-0.68	-0.83	-0.40	-0.88	-0.51	-0.83
28	*Metalliferrous ores and metal scrap*	3.54	3.06	3.10	2.83	3.01	2.40	2.56	2.50	1.27	1.12	1.13	1.04	1.89	2.22	1.75	2.14
29	*Crude animal and vegetable materials not elsewhere*	0.20	0.15	0.20	0.18	-0.69	-1.04	-0.99	-1.05	-1.63	-1.91	-1.61	-1.70	-1.51	-2.11	-1.79	-1.91

	specified															
3	***Mineral fuels, lubricants and related materials***	1.94	1.41	1.40	1.12	1.41	0.85	0.98	0.74	0.67	0.35	0.34	0.11	1.30	1.31	1.21	1.08
32	*Coal, coke and briquettes*	0.26	0.61	0.26	0.14	-0.63	-0.58	-0.50	-0.28	-1.37	-0.50	-1.34	-2.00	-1.24	0.38	-1.07	-1.11
33	*Petroleum, petroleum products and related materials*	1.91	1.37	1.32	1.04	1.43	0.85	0.92	0.61	0.65	0.31	0.28	0.04	1.39	1.16	1.20	0.88
34	*Gas, natural and manufactured*	1.96	1.76	1.72	2.70	1.04	0.96	1.18	2.46	0.67	0.57	0.54	0.99	0.76	1.97	1.15	2.40
35	*Electricity*	3.44	2.52	3.62	2.35	3.09	1.80	3.32	2.10	1.24	0.92	1.29	0.85	2.28	2.31	2.49	2.24
4	***Animal and vegetable oils, fats and waxes***	0.96	1.03	1.20	1.13	0.43	0.15	0.43	0.24	-0.04	0.03	0.19	0.12	0.60	0.15	0.44	0.24
41	*Animal oils and fats*	0.73	-	-	-	-2.59	-2.50	-3.13	-3.33	-0.32	-	-	-	-1.51	-1.20	-	-
42	*Fixed vegetables fats and oils, crude, refined or fractionated*	1.12	1.26	1.56	1.43	0.75	0.55	0.92	0.74	0.11	0.23	0.44	0.36	1.11	0.61	0.89	0.74
43	*Animal or vegetable fats and oils, processed; waxes of animal or vegetable origin; inedible mixtures or preparations of animal or vegetable fats and oils, not elsewhere specified*	0.00	0.29	0.00	0.00	-0.99	-4.88	-2.95	-4.45	0.00	-1.23	0.00	0.00	0.01	-2.72	-	-
5	***Chemicals and related products, n.e.s.***	0.37	0.35	0.39	0.28	-1.00	-1.14	-0.94	-1.19	-1.00	-1.04	-0.93	-1.28	-1.32	-1.42	-1.22	-1.66
51	*Organic chemicals*	0.37	0.28	0.22	0.09	0.01	-0.18	-0.22	-0.51	-0.99	-1.26	-1.52	-2.38	0.02	-0.75	-0.70	-1.87
52	*Inorganic chemicals*	1.05	0.86	0.97	0.57	0.36	0.43	0.56	0.17	0.05	-0.15	-0.03	-0.56	0.41	0.76	0.85	0.35
53	*Dyeing, tanning and coloring materials*	0.11	0.13	0.17	0.13	-2.76	-3.12	-2.84	-3.38	-2.18	-2.02	-1.80	-2.05	-3.23	-3.28	-2.90	-3.30
54	*Medical and pharmaceutical products*	0.07	0.05	0.09	0.17	-1.34	-1.38	-1.21	-1.17	-2.64	-3.01	-2.46	-1.76	-2.98	-3.31	-2.72	-2.05
55	*Essential oils and resinoids and perfume materials; toilet, polishing and cleaningsing preparations*	0.25	0.33	0.34	0.38	-2.97	-3.40	-3.06	-3.14	-1.40	-1.12	-1.07	-0.97	-2.57	-2.37	-2.30	-2.23
56	*Mineral or chemical fertilizers*	8.92	7.65	7.86	4.90	7.98	6.48	6.94	3.60	2.19	2.03	2.06	1.59	2.26	1.77	2.14	1.32
57	*Plastics in primary forms*	0.95	1.05	1.06	0.67	-1.31	-1.49	-1.04	-1.89	-0.05	0.05	0.06	-0.41	-0.87	-0.89	-0.68	-1.34
58	*Plastics in non-primary forms*	0.42	0.39	0.44	0.42	-3.81	-4.48	-3.62	-3.45	-0.87	-0.94	-0.82	-0.86	-2.31	-2.29	-2.22	-2.21
59	*Chemical materials and products not elsewhere specified*	0.05	0.06	0.07	0.07	-1.30	-1.81	-1.47	-1.67	-3.02	-2.80	-2.65	-2.60	-3.32	-3.36	-3.08	-3.15
6	***Manufactured goods classified mainly by the raw material***	1.40	1.52	1.40	1.21	-0.53	-0.65	-0.49	-0.99	0.34	0.42	0.34	0.19	-0.32	-0.37	-0.30	-0.60
61	*Leather, leather manufactures, not elsewhere specified and dressed fur skins*	0.90	0.95	1.07	1.08	-6.00	-5.69	-4.22	-6.31	-0.11	-0.05	0.07	0.08	-2.04	-2.05	-1.60	-1.92

62	*Rubber manufactures*	2.93	3.75	4.11	4.60	0.36	0.86	1.79	1.89	1.07	1.32	1.41	1.53	0.13	0.32	0.57	0.53
63	*Wood manufactures (excluding furniture)*	3.40	3.40	3.27	3.67	1.25	0.46	0.77	1.36	1.22	1.22	1.18	1.30	0.46	0.39	0.27	0.46
64	*Paper, paperboard and articles of paper pulp, of paper or of paperboard*	0.25	0.32	0.25	0.27	-2.75	-2.85	-2.53	-2.75	-1.37	-1.15	-1.37	-1.29	-2.47	-2.26	-2.39	-2.40
65	*Textile yarn, fabrics, made-up articles, not elsewhere specified and related products*	1.72	1.73	1.65	1.78	-2.83	-3.04	-1.84	-1.84	0.54	0.55	0.50	0.57	-0.97	-0.74	-0.75	-0.71
66	*Non-metallic mineral manufactures*	0.30	0.28	0.23	0.22	-0.69	-0.95	-0.95	-0.82	-1.21	-1.26	-1.47	-1.50	-1.20	-1.31	-1.63	-1.55
67	*Iron and steel*	2.53	2.62	2.22	1.47	0.65	0.45	0.21	-1.13	0.93	0.97	0.80	0.38	0.29	0.01	0.10	-0.57
68	*Non-ferrous metals*	1.65	1.68	1.32	0.97	1.17	1.07	0.72	0.19	0.50	0.52	0.28	-0.03	1.24	0.77	0.79	0.22
69	*Manufactures of metals*	0.97	1.11	1.07	0.95	-1.31	-1.56	-1.10	-1.34	-0.03	0.11	0.07	-0.05	-0.85	-0.72	-0.71	-0.88
7	***Machinery and transport equipment***	0.68	0.77	0.81	1.01	-0.49	-0.85	-0.51	-0.16	-0.39	-0.27	-0.20	0.01	-0.54	-0.42	-0.49	-0.14
71	*Power generating machinery and equipment*	0.52	0.52	0.43	0.40	-0.14	-0.37	-0.18	-0.54	-0.65	-0.65	-0.84	-0.92	-0.24	-0.59	-0.35	-0.86
72	*Machinery specialized for particular industries*	0.25	0.22	0.26	0.27	-2.53	-3.09	-2.55	-2.68	-1.38	-1.50	-1.34	-1.31	-2.40	-2.59	-2.37	-2.39
73	*Metal working machinery*	0.63	0.58	0.55	0.42	-1.14	-1.72	-1.23	-1.98	-0.46	-0.54	-0.59	-0.87	-1.03	-1.41	-1.17	-1.74
74	*General industrial machinery and equipment and machine parts*	0.57	0.69	0.65	0.62	-1.48	-1.83	-1.32	-1.36	-0.56	-0.37	-0.43	-0.47	-1.28	-1.06	-1.11	-1.16
75	*Office machines and automatic data processing machines*	0.45	0.42	0.51	0.40	0.01	-0.11	0.09	0.07	-0.80	-0.86	-0.67	-0.92	0.02	0.24	0.20	0.18
76	*Telecommunications and sound recording and reproducing apparatus and equipment*	0.26	0.33	1.02	2.18	-0.26	0.25	0.21	1.13	-1.36	-1.12	0.02	0.78	-0.70	-1.17	0.22	0.73
77	*Electric machinery, apparatus and appliances and parts thereof (including non-electric counterparts of electric household equipment)*	1.47	1.63	1.67	1.71	0.23	0.04	0.40	0.35	0.39	0.49	0.51	0.54	0.17	0.18	0.27	0.23
78	*Road vehicles (including air-cushion vehicles)*	0.64	0.86	0.87	1.55	-1.93	-2.94	-2.21	-0.33	-0.45	-0.16	-0.14	0.44	-1.39	-0.79	-1.26	-0.19
79	*Other transport equipment*	0.93	0.96	0.96	1.04	0.61	0.52	0.61	0.81	-0.07	-0.04	-0.04	0.04	1.06	1.41	1.01	1.49
8	***Miscellaneous manufactured articles***	2.26	2.05	1.76	1.65	1.63	1.23	1.05	1.01	0.82	0.72	0.56	0.50	1.28	1.16	0.91	0.95
81	*Prefabricated parts; sanitary plumbing, heating and lighting fixtures and fittings*	1.40	1.15	1.17	1.27	-1.49	-1.94	-1.60	-0.76	0.33	0.14	0.16	0.24	-0.72	-0.57	-0.86	-0.47

82	*Furniture and parts thereof*	4.04	3.95	3.52	3.86	3.19	2.85	2.47	3.02	1.40	1.37	1.26	1.35	1.56	1.54	1.22	1.52
83	*Travel goods, handbags and similar*	1.11	0.94	0.77	0.74	0.92	0.60	0.44	0.42	0.10	-0.06	-0.26	-0.31	1.78	1.10	0.85	0.86
84	*Articles of apparel and clothing accessories*	9.34	7.35	5.75	5.34	9.00	6.93	5.37	4.99	2.23	1.99	1.75	1.68	3.33	3.04	2.71	2.72
85	*Footwear*	11.27	9.66	8.02	7.75	10.21	8.35	6.95	6.74	2.42	2.27	2.08	2.05	2.37	2.26	2.02	2.04
87	*Professional, scientific and controlling instruments and apparatus*	0.19	0.23	0.28	0.33	-0.48	-0.60	-0.41	-0.24	-1.68	-1.48	-1.26	-1.11	-1.28	-0.93	-0.89	-0.55
88	*Photographic apparatus, equipment and supplies and optical goods; watches and clocks*	0.08	0.12	0.09	0.08	-0.19	-0.28	-0.22	-0.26	-2.48	-2.16	-2.36	-2.54	-1.18	-1.07	-1.20	-1.45
89	*Miscellaneous manufactured articles not elsewhere specified*	0.33	0.40	0.44	0.44	-0.40	-0.58	-0.41	-0.42	-1.12	-0.92	-0.83	-0.81	-0.79	-0.78	-0.66	-0.66
9	***Goods and transactions not elsewhere classified in SITC***	0.02	0.02	0.02	0.03	0.01	0.01	0.01	0.03	-3.95	-4.16	-4.14	-3.36	1.03	0.68	1.03	1.48

Source: Authors' calculations based on SITC Rev. 4 data

STUDY REGARDING THE IMAGE OF SUPERMARKETS KAUFLAND, PENNY, PROFI IN THE CITY OF ALBA IULIA

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Abstract: *The paper presents a comparative study about the image of three supermarkets in the city of Alba Iulia (Kaufland, Penny, Profi) with the use of a questionnaire designed for this purpose. The main topics identified in the study were: products offered and assortment diversity; the quality of the offered services; prices; communication with the market and promotion efforts, those were the main categories applied.*

Key words*:* supermarket, image, questionnaire

JEL classification*:* M 31

1. Introduction

The continuous change in the economy and in the competition forms raises more difficulties for the survival of supermarkets on the market. They must find out new ways to extend their services, products and image on the market. Generally the consumers see the supermarkets as modern places where they can find a wide range of products positioned in safe and pleasant conditions and with affordable prices. Also the ambience of the supermarkets is considered as being pleasant, close to customers with tempting offers.

2. Research methodology

We choose these supermarkets to be analyzed because they are the most important supermarkets in Alba Iulia. Therefore we wanted to see the image of these supermarkets in the customers mind. In order to establish the image of the supermarkets (Kaufland, Penny, Profi) in the mind of the customers from the city of Alba Iulia, we designed and used questionnaire. The objectives of the questionnaire were formed as following: products offered and assortment diversity; the quality of the offered services; prices; communication with the market and promotion efforts conducted by the researched supermarkets.

The questionnaire was based on the following objectives:

1. Diversity assortment of products offered has a positive connotation to the supermarkets image on the target market.
2. The quality of the services provided by the supermarkets influences positively their image on the market.
3. Practiced prices create the potential to maintain a favorable image among consumers supermarket.
4. Continuously communication with the customers strengthens the image of the supermarket on the market.
5. Continuously promotion has a positive impact on the image of the supermarket on the market.
6. The customers opinion is important when wanting to know an image of a supermarket on the market
7. We wanted to see which one of the supermarkets has the most important image on the market
8. The clients can provide important information about the safety of the parking spaces
9. The clients can identify the main problems that cause dissatisfaction about the supermarkets that were analyzed.

10. The clients can give us positive feedback on how to improve the image on the supermarkets on the market of Alba Iulia.

The questionnaire is divided in two parts having the following structure: the first part contains personally data about the respondents (genders, nationality, status, monthly income, age) and the second part referrers to the searched items structured as following: products offered and assortment diversity; the quality of the offered services; prices; communication with the market and promotion efforts, those were the main categories applied. Each category contains a number of questions, considered as target for obtaining the needed answers.

- first category "products offered and assortment diversity" contains a number of four questions with the following content: 1. Products offered by this store are top quality; 2. I usually do my shopping in this store because they offer me a wide range of products; 3. Brands offered by this store are new and in trend with the market; 4. I never found expired products;
- second category "the quality of the offered services" contains a number of eleven questions with the following content: 1. I always find a parking space; 2. Parking is monitored by video surveillance; 3. The store staff is providing me with the necessary information about certain products; 4. The staff in this store is very friendly; 5. Store employees are professionally competent; 6. The goods are arranged in such a way so I can easily find the needed product; 7. Store offers sufficient guarantee for electrical products; 8. If I don't feel satisfied with a purchased product, I can return it; 9. I am informed in time an completely about the risks imposed by the misusage of the domestically appliances; 10. I'm always informed about the conditions that might cause me to lose the manufacturer's warranty; 11. In this store there is special place where are tested the domestic appliances.
- third category "prices" contains a number of five questions with the following content: 1. In this store, prices are excellent; 2. Whatever the price, I shop in this store because they offer me a wide range of products; 3. The store practices the best market price; 4. The prices are reduced periodically; 5. Promotional prices are attractive to customers in this store.
- fourth category "communication with the market" contains a number of four questions with the following content: 1. This store periodically informs me about the new products; 2. Store slogan is "Our customer is our master!"; 3. I regularly get information about products that have lower prices by mail; 4. I can easily arrive to shop in this store by using public transportation.
- fifth category "promotion" contains a number of six questions with the following content: 1. Advertising conducted by the store reflects reality; 2. This shop does not need advertising; 3. Store web site gives me the needed information; 4. I would probably make my shopping in this store if my friends would recommend it to me; 5. This shop has special offers for loyal customers; 6. I recently read articles about this store.

The questioned persons used the following scale for expressing their opinion on the researched supermarkets.

Total agreement	Partially agreement	Indifferent	Partially disagreement	Total disagreement
1	2	3	4	5

The target segment is formed by the customers localized in the city of Alba Iulia age between 18 and 25.

The questionnaire was applied to a number of 55 persons having the following attributes: 35 female, 20 male; 54 respondents were Romanian and one was from the Republic of Moldavia. Regarding the studies 30 respondents graduated high school, 17 respondents graduated university studies, 4 respondents graduated master, 1 respondent finished post graduate and 3 respondents graduated Phd. studies. 41 respondents are students, 2 respondents are retired and 12 respondents are employed. The respondents have the following monthly income: 29 have between 0 and 500 lei, 14 have between 501 and 1000 lei,7 have between 1001 and 2000 lei, 3 have between 2001and 3000 lei, 2 above 3001 lei. The age of our respondents have the following structure: 39 age between 18 and 25, 6 age between 26 and 30, 4 age between 31 and 40, 3 age between 41 and 50, 3 over 50 years.

The results on each category and questions regarding the image of those three supermarkets in the mind of the target consumers from the city of Alba Iulia were the following:

First category "products offered and assortment diversity"

1. Products offered by this store are top quality;

Table 1: Products offered

	Total agreement	Partially agreement	Indifferent	Partially disagreement	Total disagreement
	1	2	3	4	5
KAUFLAND	28	20	2	4	1
PENNY	4	29	14	6	2
PROFI	5	21	15	10	4

Source: (created from the data obtained by the questionnaires)

The data analysis shows that Kaufland has the best quality of products offered on the market. An important number of respondent consider that all supermarkets can improve the quality of the offered products. 10 respondents consider that the products offered by Profi supermarket should be improved significantly

2. I usually do my shopping in this store because they offer me a wide range of products;

Table 2: Range of offered products

	Total agreement	Partially agreement	Indifferent	Partially disagreement	Total disagreement
	1	2	3	4	5
KAUFLAND	46	2	4	1	2
PENNY	5	21	12	11	6
PROFI	2	16	22	9	6

Source: (created from the data obtained by the questionnaires)

A large number of respondents consider that Kaufland has the widest range of offered products. The other two supermarkets analyzed should revise the range of offered products.

3. Brands offered by this store are new and in trend with the market;

Table 3: Brands offered

	Total agreement	Partially agreement	Indifferent	Partially disagreement	Total disagreement
	1	2	3	4	5
KAUFLAND	23	23	2	5	2
PENNY	8	21	17	5	4
PROFI	6	18	19	5	7

Source: (created from the data obtained by the questionnaires)

The data analysis shows that the brands offered by Kaufland are the ones considered by the respondents as being in trend with their needs.

4. I never found expired products;

Table 4: Product safety

	Total agreement	Partially agreement	Indifferent	Partially disagreement	Total disagreement
	1	2	3	4	5
KAUFLAND	35	6	3	8	3
PENNY	25	9	10	9	2
PROFI	25	8	11	7	4

Source: (created from the data obtained by the questionnaires)

A large number of respondent sustain the fact that the products offered by the supermarkets are offered in safe condition and are not expired. We can say that all supermarkets make efforts to maintain the products in good condition in respect for the customers.

Second category "the quality of the offered services"

1. I always find a parking space;

Table 5: Parking space

	Total agreement	Partially agreement	Indifferent	Partially disagreement	Total disagreement
	1	2	3	4	5
KAUFLAND	31	14	3	4	3
PENNY	24	14	8	5	4
PROFI	24	9	11	8	3

Source: (created from the data obtained by the questionnaires)

A large number of respondents consider that all the supermarkets offer a sufficient number of parking spaces.

2. Parking is monitored by video surveillance;

Table 6: Video surveillance

	Total agreement	Partially agreement	Indifferent	Partially disagreement	Total disagreement
	1	2	3	4	5
KAUFLAND	16	5	18	5	11
PENNY	10	5	22	5	13
PROFI	10	3	24	5	13

Source: (created from the data obtained by the questionnaires)

An important number of respondents consider that all supermarkets should consider improving the surveillance of their parking space.

3. The store staff is providing me with the necessary information about certain products;

Table 7: Information provided by the personnel

	Total agreement	Partially agreement	Indifferent	Partially disagreement	Total disagreement
	1	2	3	4	5
KAUFLAND	19	20	5	6	5
PENNY	10	22	9	8	6
PROFI	11	16	11	11	6

Source: (created from the data obtained by the questionnaires)

From the analysis of the data we can see that an important number of respondents consider that the information provided by the staff need to be improved. We suggest training sessions, seminaries, motivation from the supermarkets managers to encourage the staff to be constantly informed about the products that they sell.

4. The staff in this store is very friendly;

Table 8: The amability of the staff

	Total agreement	Partially agreement	Indifferent	Partially disagreement	Total disagreement
	1	2	3	4	5
KAUFLAND	20	25	2	5	3
PENNY	11	25	11	4	4
PROFI	11	23	9	6	6

Source: (created from the data obtained by the questionnaires)

From the data analysis we can see that the respondents are partially agreed with how much the staff is friendly. The managers of the supermarkets should consider to monitorize more carefully the personnel and to find methods to motivate them.

5. Store employees are professionally competent;

Table 9: The employees are competent

	Total agreement	Partially agreement	Indifferent	Partially disagreement	Total disagreement
	1	2	3	4	5
KAUFLAND	13	22	14	5	1
PENNY	6	21	18	8	2
PROFI	8	21	18	6	2

Source: (created from the data obtained by the questionnaires)

13 questioned people say that the employees of Kaufland are competent while an important number of respondents consider that the competence of the employees of all supermarkets can be improved.

6. The products are arranged in such a way so I can easily find the needed product;

Table 10: The arrangement of the products

	Total agreement	Partially agreement	Indifferent	Partially disagreement	Total disagreement
	1	2	3	4	5
KAUFLAND	27	16	3	7	2
PENNY	15	24	9	7	0
PROFI	18	22	9	6	0

Source: (created from the data obtained by the questionnaires)

The data shows that Kaufland has the most well arranged products in the shelf, followed by Profi and on the last place we can find Penny Market. The supermarkets on the second and third place should conduct a study in order to find out the clients opinion about the arrangements of the products in the supermarket.

7. Store offers sufficient warranty for electrical products;

Table 11. The warranty of electrical products

	Total agreement	Partially agreement	Indifferent	Partially disagreement	Total disagreement
	1	2	3	4	5
KAUFLAND	23	13	8	8	3
PENNY	12	12	15	10	6
PROFI	11	12	15	12	5

Source: (created from the data obtained by the questionnaires)

23 of the questioned persons totally agree with the warranty offered by Kaufland for the electrical products, while 13 partially agree, 8 are indifferent, 8 partial disagree and 3 respondents totally disagree.

For Penny we can find equal answers (12 answers) for total agreement and partial agreement. 15 respondents are indifferent, 10 partially disagree and 6 totals disagree.

For Profi 11 answers were for total agreement, an equal for partially agreement and partially disagreement, 15 for indifferent and 5 for total disagreement.

8. If I don't feel satisfied with a purchased product, I can return it;

Table 12. The possibility of returning the products

	Total agreement	Partially agreement	Indifferent	Partially disagreement	Total disagreement
	1	2	3	4	5
KAUFLAND	16	8	13	9	9
PENNY	9	11	15	9	11
PROFI	7	9	18	9	12

Source: (created from the data obtained by the questionnaires)

From the data analysis we can observe that an important number of respondents consider that Kaufland has the best policy when it comes to the return of the products bought. Also an important number of respondents say that they totally disagree with the policy provided by Penny and Profi of returning the products bought from them.

9. I am informed in time an completely about the risks imposed by the misusage of the domestically appliances;

Table 13. Information about the risks of misusage of the domestically appliances

	Total agreement	Partially agreement	Indifferent	Partially disagreement	Total disagreement
	1	2	3	4	5
KAUFLAND	6	20	12	6	11
PENNY	5	15	15	10	10
PROFI	3	14	13	15	10

Source: (created from the data obtained by the questionnaires)

From the data analysis we can observe that all supermarkets should provide more information about the misusage of the domestic appliances. The customers can be informed by the employees or the supermarkets can place the information by using posters or place a television that shows how to safely use the products on the part of the supermarkets where the appliances are sold.

10. I'm always informed about the conditions that might cause me to lose the manufacturer's warranty;

Table 13: The conditions that might cause the loss of the warranty

	Total agreement	Partially agreement	Indifferent	Partially disagreement	Total disagreement
	1	2	3	4	5
KAUFLAND	15	11	12	5	12
PENNY	9	14	10	8	14
PROFI	8	12	14	7	14

Source: (created from the data obtained by the questionnaires)

The data shows that all supermarkets should pay attention in informing the customers about the misusages that can cause the loss of the warranty of the bought goods. This information can be given at the warranty desk when the warranty papers are being filled in.

11. In this store there is special place where are tested the domestic appliances.

Table 14: A place for testing domestic appliance

	Total agreement	Partially agreement	Indifferent	Partially disagreement	Total disagreement
	1	2	3	4	5
KAUFLAND	19	10	14	4	8
PENNY	9	11	13	10	12
PROFI	11	8	14	11	11

Source: (created from the data obtained by the questionnaires)

All supermarkets should consider revising the place for testing the domestic appliances.

Third category "prices"

1. In this store, prices are excellent;

Table 14: The prices are excellent

	Total agreement	Partially agreement	Indifferent	Partially disagreement	Total disagreement
	1	2	3	4	5
KAUFLAND	16	30	2	4	3
PENNY	16	26	5	8	0
PROFI	10	28	10	5	2

Source: (created from the data obtained by the questionnaires)

From the data analysis we can observe that most of the answers reflect partial agreement from the respondents. This means that the supermarkets have good prices, but they should consider making small changes to improve the prices of the goods sold in the supermarket.

2. Whatever the price, I shop in this store because they offer me a wide range of products;

Table 15: The store offers me a wide range of products

	Total agreement	Partially agreement	Indifferent	Partially disagreement	Total disagreement
	1	2	3	4	5
KAUFLAND	29	9	7	8	2
PENNY	7	19	14	12	3
PROFI	5	16	17	13	4

Source: (created from the data obtained by the questionnaires)

29 of the respondents say that the reason that they go to Kaufland is that they can find a wide range of products that they need. 19 respondents are pleased with the range of products offered by Penny and 16 respondents are pleased by the products offered by Profi.

3. The store practices the best market price;

Table 16: Best prices

	Total agreement	Partially agreement	Indifferent	Partially disagreement	Total disagreement
	1	2	3	4	5
KAUFLAND	22	19	3	8	3
PENNY	10	21	13	8	3
PROFI	9	23	11	10	2

Source: (created from the data obtained by the questionnaires)

All supermarkets should consider making small changes in the prices of the products offered on the market.

4. The prices are reduced periodically;

Table 17: Best prices

	Total agreement	Partially agreement	Indifferent	Partially disagreement	Total disagreement
	1	2	3	4	5
KAUFLAND	28	15	5	5	2
PENNY	17	21	11	5	1
PROFI	17	15	16	5	2

Source: (created from the data obtained by the questionnaires)

From the data analysis we can observe that the best policy of reducing the prices is being conducted by Kaufland. Supermarkets Penny and Profi should revise the policy of reducing the price. They could reduce the time period set for reducing the prices or make special cutbacks in special occasions.

5. Promotional prices are attractive to customers in this store.

Table 18: Promotional prices

	Total agreement	Partially agreement	Indifferent	Partially disagreement	Total disagreement
	1	2	3	4	5
KAUFLAND	35	10	6	1	3
PENNY	22	18	8	4	3
PROFI	16	20	12	5	2

Source: (created from the data obtained by the questionnaires)

From the data analysis we can say that all supermarkets have an excellent policy when it comes to promotional prices.

Fourth category "communication with the market"

1. This store periodically informs me about the new products;

Table 19: Communication with the market

	Total agreement	Partially agreement	Indifferent	Partially disagreement	Total disagreement
	1	2	3	4	5
KAUFLAND	35	9	4	3	4
PENNY	18	15	7	7	8
PROFI	13	12	16	6	8

Source: (created from the data obtained by the questionnaires)

All supermarkets provide excellent information about their products to the market. On the first place we can find Kaufland, they inform the market by using papers delivered directly to the post box. Next we can find Penny and on the third place we have Profi. Supermarkets Penny and Profi should consider revising the time period in which they inform the market about their new products.

2. Store slogan is "Our customer is our master!";

Table 20: "Our customer is our master!"

	Total agreement	Partially agreement	Indifferent	Partially disagreement	Total disagreement
	1	2	3	4	5
KAUFLAND	19	15	10	6	5
PENNY	14	17	11	6	7
PROFI	13	18	14	5	5

Source: (created from the data obtained by the questionnaires)

All supermarkets should consider revising this slogan by adding more importance to the information about the supermarket offered by the customers. Also they should apply the important suggestions given by the customers.

3. I regularly get information about products that have lower prices by mail;

Table 21: Information by mail

Total agreement	Partially agreement	Indifferent	Partially disagreement	Total disagreement

	1	2	3	4	5
KAUFLAND	32	4	7	3	9
PENNY	15	12	7	6	15
PROFI	14	9	8	8	16

Source: (created from the data obtained by the questionnaires)

From the data analysis we can observe that all supermarkets provide the information by mail about the products that have the lowest prices. But 15(for Penny) and 16(for Profi) respondents do not consider the information given by mail as sufficient or reliable.

4. I can easily arrive to shop in this store by using public transportation.

Table 22: Arriving at the store by using public transportation

	Total agreement	**Partially agreement**	**Indifferent**	**Partially disagreement**	**Total disagreement**
	1	2	3	4	5
KAUFLAND	24	18	6	3	4
PENNY	26	13	7	5	4
PROFI	20	16	10	4	5

Source: (created from the data obtained by the questionnaires)

From the data we can observe that the customers are satisfied by the schedule of public transportation.

Fifth category "promotion"

1. Advertising conducted by the store reflects reality;

Table 23. Advertising

	Total agreement	**Partially agreement**	**Indifferent**	**Partially disagreement**	**Total disagreement**
	1	2	3	4	5
KAUFLAND	27	17	7	1	3
PENNY	14	23	11	4	3
PROFI	16	13	21	4	1

Source: (created from the data obtained by the questionnaires)

27 respondents total agree and 17 partial agree that the advertising conducted by Kaufland reflects reality.

14 respondents total agree and 23 partial agree that the advertising conducted by Penny reflects reality.

16 respondents total agree and 13 respondents partial agree that the advertising conducted by Profi reflects reality.

In conclusion we can say that all supermarkets do their best to correctly inform the customers about their products, services and quality.

2. This shop does not need advertising;

Table 24: The need for advertising

	Total agreement	**Partially agreement**	**Indifferent**	**Partially disagreement**	**Total disagreement**
	1	2	3	4	5
KAUFLAND	13	17	4	8	13
PENNY	8	19	5	11	12
PROFI	10	13	9	10	13

Source: (created from the data obtained by the questionnaires)

All supermarkets should conduct constantly advertising campaigns in order to be constantly in the mind of the customers, to form an important image on the market, to inform the customers about their products or promotions.

3. Store web site gives me the needed information;

Table 25: Information given by web sites

	Total agreement	Partially agreement	Indifferent	Partially disagreement	Total disagreement
	1	2	3	4	5
KAUFLAND	10	7	22	7	9
PENNY	7	7	22	9	10
PROFI	4	8	22	10	11

Source: (created from the data obtained by the questionnaires)

All supermarkets should improve their communication through the web sites. Internet is the most accessible method of information preferred by clients.

4. I would probably make my shopping in this store if my friends would recommend it to me;

Table 26: Recommendation given by friends

	Total agreement	Partially agreement	Indifferent	Partially disagreement	Total disagreement
	1	2	3	4	5
KAUFLAND	12	6	15	7	15
PENNY	6	9	18	8	14
PROFI	8	7	18	8	14

Source: (created from the data obtained by the questionnaires)

From the data analysis we can see that the recommendation given by friend is not a reliable source of information to be taken into consideration when choosing a supermarket.

5. This shop has special offers for loyal customers;

Table 27: Special offers for loyal customers

	Total agreement	Partially agreement	Indifferent	Partially disagreement	Total disagreement
	1	2	3	4	5
KAUFLAND	10	9	10	10	16
PENNY	8	8	10	13	16
PROFI	2	9	13	14	17

Source: (created from the data obtained by the questionnaires)

All supermarkets should revise their offers to the loyal customers in order to improve their image on the market and convince the customers to remain loyal.

6. I recently read articles about this store.

Table 27: Articles about the store

	Total agreement	Partially agreement	Indifferent	Partially disagreement	Total disagreement
	1	2	3	4	5
KAUFLAND	21	10	11	5	8
PENNY	9	13	14	9	10
PROFI	10	10	13	11	11

Source: (created from the data obtained by the questionnaires)

From the data analysis we can see that all supermarkets make efforts to improve their image by appearing in articles.

3. Conclusions

Supermarkets Penny and Profi should improve their products quality and their product range.
None of the investigated supermarkets have expired products offered to sale.
All supermarkets have sufficient parking spaces and should consider to video monitor them.
All supermarkets should consider performing training courses for their personnel.
All supermarkets should perform small changes in arrangement of the products.
A large number of our respondents don't rely on their friends when choosing a supermarket.
All supermarkets should improve their localization policy by adding special offers, fidelity bonuses and fidelity cards.

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THEORETICAL AND APPLIED ASPECTS OF EVALUATION THROUGH STATISTICAL QUESTIONNAIRE

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Abstract: *This paper contains a review of the practice and theory of statistical questionnaires. It points out the increasing distance between the theory of selective research and the practice of using surveys. This distance is being amplified nowadays by the economical and social changes in general and those of the academic environment in particular. In addition, the paper points out the danger of diminishing the scientific reputation of these statistical methods and tools through the excessive contact of individuals with different types of questionnaires suggests that the usage of these tools should be adapted correctly by considering the peculiarities of all the field.*

Key words: evaluation, questionnaire, model, context, diversity, immediacy.

JEL classification: C 18

1. Introduction

The institutional analysis is a type of research of social and economical sciences which aims at revealing the effect of policies, norms and interpretations associated to practices of a given field on the institutions of the field. The most common technique in this sort of analysis is selective research based on questionnaires. Because of the dynamical economical and social life and because of the variation and diversity in the economical and social structures as well as the trend in human behaviour, one has to be particularly careful in using techniques and research tools which evolved in time within (theoretical and applied) known scientific systems

The technique of survey based research used in the evaluation of the quality of academic activity requires extra care for the current context of the educational system in general and for the field of higher education in particular.

2. The questionnaires on socio-economic investigations.

Regardless of the investigated domain, the statistical questionnaire is one of the widest used techniques when it comes to socio-economical investigations. People around the world have become familiar with this research instrument by using it or by being included in the studied sample. It is being estimated that in many countries one out of ten people was considered as sample. The common use of questionnaires led to a widening of research topics.

The use of questionnaires has its own place in the sociological literature (Chelcea, 2004). On a worldwide scale, old noteworthy research questionnaires are the one initiated by Charles Letourneau in 1882 (military field), the one from 1898 by J.W. Powel (ethnologist) and in 1903 one by A.G. Keller (sociologist, teacher) and Alfred Binet (physician).

In Romania the use of questionnaires began with Bogdan Petriceicu Hasdeu. In 1878 he used a questionnaire consisting of 400 questions aiming at juridical habits of Romanian people and their social life. In 1886 he builds another questionnaire of 206 questions regarding linguistic and mythological issues. The collected data was used in the works „Juridical habits of Romanian people" and „Etimologicum Magnum Romaniae". Later, in 1900, G. Coşbuc, A. Demetrescu, O. Densuşianu and C. Rădulescu Motru initiate the first investigation based on questionnaires published in the press of that time „New Romanian Journal" (nr.12). In 1927 Romulus Vuia uses questionnaires to study the Christmas and New Years traditions of the Romanian people.

The academician Sextil Puşcariu expressed (in 1933) his appreciation for these first questionnaires saying they were „most gratifying" and as encouragement and reward the people involved in these projects received award in the form of money and books.

Research by means of questionnaires was done primarily by ethnologists, sociologists, historians, and physicians. The refinement of the questionnaire as an inquiry tool resulted from the subsequent collaboration between the initiators and other categories of specialists. Nowadays, the frequent use of the questionnaire for studies or just for collecting data has a negative side to it which is mentioned by Septimiu Chelcea in „Sociological research methodology. Quantitative and qualitative methods". The

author notes that, because the population got used to the different types of questionnaires, this instrument of research lost its scientific importance becoming a „games of the society". This phenomenon increased after 1989 and led to the vulgarization of this precious method for collecting informations. The author pleads for the discouragement of published surveys without endorsement from a specialized institution or a specialist in the field.

As a solution for this problem, Cătălin Zamfir, sociologist and associated member of the Romanian Academy, presents (Zamfir, 2007) in 2007 the criteria to evaluate sociological production. These can be extended to surveys. For example the criterion of social relevance and the criterion of epistemological relevance of studies based on questionnaires

Concerning the social relevance the author asks: Does the survey based research contribute to a better understanding of economic and social aspects, does it cover a „white", unexplored spot leading to an increase of knowledge? In other words,

- Is there an increase of empirical data, new and interesting data?
- Does it create a spark of new, explanatory theory?
- Does it address an unexplored social or economic phenomenon or process?

Concerning the epistemological relevance one asks: Does survey based research develop a theory of universal character?

It is a well known fact that in science there are „trends". A new subject explodes and seizes the interest of the academic community. After an accumulating number of results the productivity decreases and epigonism starts to take place. This phenomenon has to be discouraged and one has to be open and encouraged towards new problems of interest to scientific understanding. The following questions appear:

Does survey based research contribute in an essential way to the enlargement or modification of the paradigms in the scientific community?

Does survey based research fit in the local scientific trend?

Does survey based research answer only to one immediate, contextual question of the researcher (economist, sociologist, ...)?

For the two criteria, social relevance and epistemological relevance is indicated to establish minimum thresholds for research through questionnaires to support significant managerial act.

3. Research by questionnaires - towards the limits of scientific severity

In the academic community, like in the entire economic and social world, there is a trend or maybe a specific need to measure the quality of activities. An important item in the analysis of universities is the evaluation of teachers. Their training, presence, preoccupation and involvement contributes to the overall performance of the educational sector. Until recently, in a communist system, it was enough to have a professional training verified by studies, diplomas, certificates and a number of scientific products developed in time. Today, in a free, democratic society of importance is also the appreciation the beneficiary of the educational system, the student has for the teacher. Therefore science, through its areas such as sociology and psychology, is compelled to make room for subjectivities and interpretations on its grandiose and elaborate models of the human universe.

In the multitude of models for evaluating teaching and teachers compliance with the principle of contextuality is of great importance. Many authors in the field approach and emphasize contextuality in evaluation (B.J. Fraser – 1986), which considers the concrete situation in which evaluation takes place. The importance of contextuality in evaluation is indicated by two coordinates, the psycho-pedagogical climate and the contextual variables. The latter containing features of the taught discipline, characteristics of the teacher, of the student and of the way evaluation is conducted.

Of equal importance for an evaluation model is the axiological model. This determines both the quality of the didactic product (knowledge, skills, attitude at courses and seminars) and the quality of the methods used (tools, strategies), as well as teaching in its whole, values, beliefs, views of the teacher. Here one can ask, doesn't the measuring together with quantification reduce quality to quantity? Aren't we shifting from a judgement of value to one of quantity?

Last but not least one has to consider and develop the structural aspect of the evaluation model, which defines defines the basic components, the aim and the object to be evaluated, sources and means of evaluation as well as the beneficiaries. All these components are actually answers to the questions By whom? What? Who? How? And For whom? Do we evaluate the teacher, the college or the university.

All these theoretical aspects of the scientific approach to evaluation of teaching and teachers in higher education has to be followe de, respected, and has to be part of the investigation, the statistical questionnaire being the most common used investigation method.

Before constructing the questionnaire for evaluation one has to clarify the aim of the evaluation: do we want an evaluation of teaching in order to restructure the curricula? Or do we want to stimulate and promote teachers? Or just a plain report on the current state of matters concerning teachers and the management of universities? Since nowadays the entire human activity is marked by „immediacy" the scientific tools used to find complete, consistent, opportune and relevant answers to the above questions have to be subject to scientific rigour whether it is part of sociological, marketing, psychological or statistical research.

The methodology of economical, sociological, psychological or any other research area offers a wide range of rules, techniques for building a questionnaire and for formulating questions. For instance the funnelling technique passes from general aspects to particularities of the problem while the reversed funnelling technique goes in the other direction. Another technique is given by the „helo" effect (Leon Festinger – 1957) which considers the contagion of answers by induced feelings. This procedure explains the tendency of the respondent to reduce the dissonance, to eliminate contradictions in the formulation of answers. Research theory offers rules regarding the length of the questionnaire and its design and layout of the questions (Werner Henning – 1971).

There is a large range of rules regarding the formulation of questions. The technique of selective research, with its clear theoretical definition, asks first of all for the operationalisation of the concepts. This is followed by fixing a set of indicators which materialize as questions in the questionnaire. Of course, not all questions represents an indicator (introductory questions, transitional questions). For some research topics there is no need for operationalisation of concepts or there are no difficulties in formulating the questions. For example: if we want to find out the number of students who use the tram we don't need to define what a tram is and we don't need a special way of formulating the question.

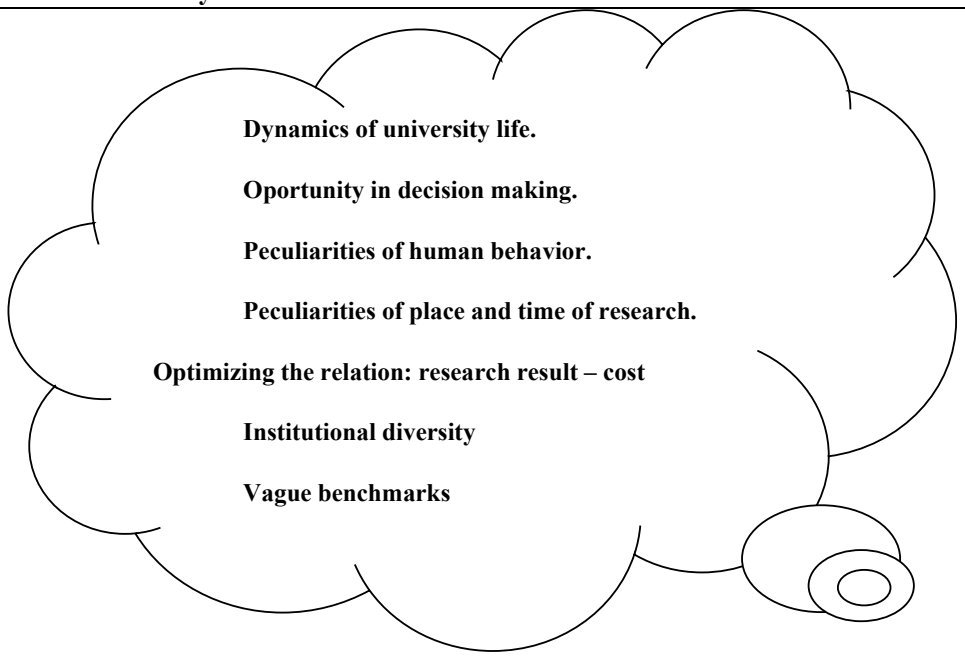
For each question in the questionnaire one has to specify: are there difficulties in understanding the language, is the formulation too abstract or is it not appropriate for the respondent, does it rely on too complex observations to be answered, is it tiring does it overburden the thinking process or is it boring, does it generate fear or prestige, is the fear too intimate or does it generate conflicts with personal ideals, and other such questions (Elisabeth Noelle – 1963). Other authors (Stanley L. Payne – 1951) find dozens of principles to formulate questions. This being given, one has to be careful with the fact that the answer has to be analysed in terms of the questions and that different formulations can lead to different answers.

In the literature one finds rules which assure that all particular cases are covered. We mention only some of them: the *placebo* technique is used to remove reactions of confusion and façade reactions, (questions about something false in the given problem), care for the self-conceit of the questioned persons can be achieved by using the optative mood (would you like to ...), the „residue" (the ones who refuse to answer, the ones who are not well informed, the ones with no opinion) the non-answers can also be interpreted as a dissonance phenomenon or as neutrality in opinion. Careful studies show that certain words used in the formulation of questions have strong emotional resonance and that these kind of words should be avoided (communism, liberalism, terrorism, radicalism, ...). It was observed that most of the words ending in „ism" have an undesired influence. There are published lists of such words which influence answers through triggered feelings: demagogue, dictatorship, foreigner etc. (Institute for Propaganda Analysis, New York). Not only the emotional load of words has to be considered but also the positioning of the term, at the beginning or end of the sentence.

The large number of rules which were formulated during time in the field of selective research based on questionnaires brought the practice in a difficult situation. The problem that has to be faced now is that of the opportunity of the results in selective research, as such, the problem of scaling the allowance in the discussed norms arises. In this context I bring into discussion the fact that the specificity of our time pushes to a compromise when it comes to compliance with the scientific rules of survey based research. The speed at which the economical and social phenomena take place, in this case the academic ones, the quickly need for information in decision making and the change of human behaviour under the influence of the ideologies of various parties lead to a selective use of the theory. No doubt, the extent of democracy with its influence on human behaviour changes, renews and develops in a significantly social and economical theories. Nowadays there is a considerable gap between the theory of selective research and the practice of survey based research generated by the haste of the economic and social life, the need

of opportunity in decision, modifications in human behaviour, the peculiarity of the place and time of research, the institutional diversity and uncertain(vague) benchmarks.

Selective research theory



Survey based research practice

4. Peculiarities of survey based investigations in academic evaluation.

Keeping in mind the above considerations, trying to place myself halfway between the theory and practice of survey based research (which are continuously drifting apart in the current situation of universities) and taking into account the evaluation available so far in the Romanian academic system, I will reformulate the question that follows from the structural component of an evaluation model.

Why do we evaluate? The purpose of a survey based study is to inform, to describe (to outline a picture, a "portrait sketch") the didactic activity and the educational process for each teacher or for each faculty/university in the way this results from the opinion, attitude and feeling of those who evaluate. Equally, questionnaire based evaluation allows for descriptions of types of values, benchmarks, which are needed in the continuity of the evaluation process and for the basis of decision making. They allow for the determination of qualitative relations between the different components of the Romanian academic system and the relations with other European systems. Finally, the academic evaluation allows us to identify performance as well as problems and critical segments of the educational system.

What do we evaluate? The academic evaluation aims at didactic and educational aspects and also at institutional aspects. The educational aspect aims at evaluating the teaching activity, knowledge assessment, communication with students and the received feedback, the academic support offered by the teacher, students access to learning resources, the management of the educational process and other qualitative aspects of the teaching process. The institutional aspect is concerned with the used materials, finished research projects, the acquired trust and reputation, including the effects of the teaching component.

For whom do we evaluate? The results of such a process can profit the teacher and the student of an evaluated institution, its leadership and interested social institutions: the state, government (Ministry of Education),associated councils (ARCIS,CNCSIS), European organisations, as well as the common citizen who wants to follow higher education.

The importance of survey based investigation and evaluation, **for teachers**, follows from the gained knowledge of how students perceive the disciplines of the curricula, the content and the methods of presentation; how students see, receive and appreciate teaching; how they appreciate the teacher from

a professional and/or personal point of view; his presence at the department. A warning: if the "mirror" is crooked, dusty or broken this will have consequences on the image of the teacher and its activities. The generations of students vary from one year to the next, and within them the structuring of specializations also varies. The teacher him/her-self modifies or only adjusts the content of the subject, the methods of teaching and examination and its behaviour during teaching according to the received feedback. I mention here the need of continuous, periodical evaluation through questionnaires, thinking about the following aspect: bending contemplatively over a riverside, at each moment we mirror ourselves in a different water surface; bending over his activity the teacher mirrors him/her-self each semester or academic year in a different generation of students.

The importance of survey based evaluation **for the leadership** consists in the knowledge of how students perceive teaching in the framework the educational process; the quality of the teaching staff from the point of view of the student; the knowledge of the students perspective in his/her judgement or appreciation of a course, seminar or teacher; to infer indirectly on the quality of students; in order to observe the evolution of these coordinates or in order to improve the curricula.

The importance of survey based evaluation **for students** consists in the dimensioning or re-dimensioning of their own appreciation regarding *a* course, *a* seminar or *a* teacher in a general context; in a revision and the objectivity of understanding and judging teaching in universities; in the establishment of an appropriate climate for expressing opinions, manifesting attitudes and behaviour among students.

The usefulness of survey based investigation and evaluation for interested social institutions comprises the elaboration and analysis of performance indicators used in the construction of reference points (benchmarks). For example indicator of standards afferent to the institutional capacity, indicators of standards for efficiency in education and indicators of standards for quality management. Also, from a survey based analysis one can build classifications and hierarchy, one can elaborate legislation concerning the quality of higher education and one can deduce measures to motivate institutions.

How do we evaluate? Evaluation is by means of questionnaires and the outcome is both subjective data (perceptions and representations of students, teachers and employers regarding the activities and results of the higher education system) and objective data about the input, process and results of the educational system. The sensitive issue which causes difficulties and vulnerabilities in this evaluation process is the institutional diversity (ARACIS).

In the context of a growing higher education system, the *institutional diversity* is a topical subject at European level, concerning the how higher educational institutions answer the needs of students and of other interested parties (business, social institutions, etc.) It is accepted that a higher education system with diversified institutions is capable of satisfying the various needs of the potential beneficiaries and increase the social competitiveness of a nation. This is why higher education is aiming at institutional diversity a key factor in determining the performance of the system. In short, *institutional diversity* is the variety of entities which compose the field of higher education. It should not be confused with *institutional differentiation* a process by which new units emerge in higher education (van Vught, F.A., 2007, Diversity and Differentiation in Higher Education Systems.Challenges for the Knowledge Society, quoted in the bibliography 1)

Relevant forms of institutional diversity defined during the last years in the literature, which allow a better understanding of the dynamics of higher education, are mainly the following: *systematic/systemic diversity* (differences between the type of the institution and its dimension); *structural diversity* (differences between universities, which result from the legal framework of operation, traditions and internal organisation); *diversity of programs* (defined by the types of cycles of academic studies, fields of studies, the peculiarities of programs of studies in the sense of specializations etc.); *procedural diversity* (differences between universities form the point of view of teaching methods, research methods and the way other such services are offered); *diversity in reputation* (differences between prestige and status of universities); *components diversity* (differences regarding students and other groups which compose the universities); *diversity of values* (differences in the values promoted by the universities). Other authors mention the diversity of financial sources and organisational diversity (Reichhart 2009, cited in bibliography 1) or internal and external diversity and vertical and horizontal diversity (Huisman and Teichler, cited in bibliography 1).

Because of the complexity of the above classification of institutional diversity one can ask if the evaluation of the institution and of the teaching activity within the institution is relevant, if the evaluating through questionnaires are homogeneous and ensure comparability. Of course, one may say that, since the evaluation process is at its beginnings, the mimicry and isomorphism phenomena could solve the above

problem. Since the basis of the process is the statistical questionnaire another question arises, namely the disparity of the used samples, does it allow for generalisation? The items in the questionnaires, formulated through questions and representing indicators for quality evaluation, are they homogeneous enough to allow for aggregation and sufficiently differentiated to ensure completeness?

5. Conclusions

The evaluation of the quality of the academic activity is a relatively new process in the Romanian society. It is being influenced and amplified by other social and economical processes specific for this period. This is why it is important that the used evaluation tools are being correctly adapted to the diversity of the field and that it is used in the spirit of its defining theoretical norms.

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RESEARCH FOR EVALUATING CUSTOMER SATISFACTION WITH THE QUALITY OF AGRO-TOURISTIC SERVICES IN ROMANIA

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Abstract: *By the article named "Research for evaluating customer satisfaction with the quality of agro-touristic services in Romania" we intended to bring to the reader's attention the real solution to the current rural tourism economy, subject to continuous transformation and challenged to live up to the demands of the modern (agro-) tourist. The proposed solution presumes implementing two elements as a distinctive key algorithm of obtaining competitive advantage, namely QUALITY by IDENTITY PRESERVATION. The main scope of the article is to highlight the necessity of this algorithm for the Romanian agro-tourism, who finds itself in ceaseless self-exploration and readjustment to the demands of the national and particularly of the European market. A necessity deriving from the results of the research comprised in the hereby article.*

Key words: quality, identity, competitive advantage, research, Qualitool.

JEL classification: M 39

1. Introduction

The article named "Research for evaluating customer satisfaction with the quality of agro-touristic services in Romania" is structured in two main parts, as follows: 1. Summary regarding respondents' opinions and research results; 2. Qualitool - European skill development tool for quality in agr-touristic services. The alternative presented to the Romanian agro-tourism, by comparison to the existing recipes, is underpinned by a research (presented in the hereby article) evaluating customer satisfaction with the quality of the agro-touristic services in Romania, having the North-Western part of the Buzau County as investigation circumscription. The results of this research stood at the basis of creating a strategic model of service quality in the Romanian agro-tourism, having as main strategic objectives – increasing the quality of agro-touristic services and expanding the identity elements nationwide and across Europe.

1. Summary regarding respondents' opinions and research results

The research is part of the European study called „*RuralTourism Quality Survey*", carried out during 2009-2010, inside the QUALITOOL project („*Transfer of Quality Ensurance Tools for European Rural Tourism Sector*", 2008-1-LV-LEO05-00125) and was performed on the North-Western part of the Buzau County.

There have been 124 respondents to the questionnaire. The answers have been analysed considering an **age criterion**, thus the next **age groups** have been identified and analysed: ***"under 20", "21 to 30", "31 to 40", "41 to 50" and "51 to 65".***

While analysing answers' variation, as well as interpreting fluctuation in providing ratings by age of respondents, I've come to a set of conclusions, notes and also trends of the analysed domain.

For the first question – "How often do you choose agro-touristic guest houses for accommodation?" the next issues have been outlined:

- the older the respondent, the less are the stays in "rural" areas, in favour of extending the duration of their stays;
- the younger the respondent, the more often are the rural holidays, but they are shorter than with the older age groups;

For the second question – "What is the reason of your trip?" the most notable differences are:

- the older the respondent, the more likely the trip is for rest and relaxation;

▪ the younger the respondent, the more likely the trips tend to be associated with active holidays – thus the reasons of choosing rural tourism are fun and entertainment;

▪ the average number of answers received from an age group is inversely proportional to their age (the higher the respondent's age, the less the number of associations and reversely).

The third question is "How do you usually make bookings?" I mention that irrespective of the age group, respondents have proved to have preference for contacting the owner directly, with no intermediates, this way of booking offering a better reliability compared to the proposed alternatives. Other conclusions:

o the second most popular option, the Internet booking, is most popular with the 31-40 age group, while its ratings depreciate with the respondents' age exceeding this category;

othe other booking methods – by ANTREC network, by visitor information centres, by travel agencies and even holidays with no prior booking at all – scored better as the respondents' age increases.

Question no. 4 comes to fill up the third – "Which is your information source when choosing a agro-touristic guest house in the North-West of Buzau County?". Here, I've noticed a multitude of trends among the options' distribution:

✓ the ratings obtained by the three basic sources of information – the Internet, colleagues/friends recommendations and personal experiences – reach maximal values with the 21-30 age group, after which they decrease gradually with the increase in the respondents' age;

✓ for "21-30", "31-40" and "41-50" age groups, I've noticed a dominance of the information sources mentioned above, sources that obtain marks over 4, while the rest of information sources are behind the first options at differences between 0.5-1;

✓ dividing the information sources into two distinct groups: the main 3 – the Internet, colleagues/friends recommendations and personal experiences – constituting a group and the rest of the sources constituting a second group – this separation becomes less obvious with the increase in the respondents' age;

✓ the ratings granted to the tourist guides increase directly proportional to the respondents' age;

✓ the first two age groups – the young ones – evaluate information sources similarly;

✓ older respondents are more reserved in giving a positive evaluation to the informal and possibly less impartial sources, most of them preferring to analyse themselves information gathered from varied sources (from here also emerges the relative balance on the entire range of information sources). The young seem to use printed materials or official sources (travel agencies, ANTREC network, visitor information centres) in a much lower extent, preferring faster and more accessible information sources: the Internet or recommendations. Youngsters do not prefer looking for information the "traditional" way, such as visiting tourism information centres as long as they have an Internet connected device;

✓ perspectives: the importance of the printed material will decrease, while the Internet, "*mouth-to-mouth*" endorsement and first impression will be the relevance gaining factors;

✓ another interesting aspect is that with the increase in age, the ratings granted to both personal experiences and third party references become less important.

Questions 5 and 6 have been analysed altogether – opinions received from respondents were similar: they use their personal means of transport, with discontent to the road infrastructure of the area (especially the road Pătârlagele – Colți).

For question no. 7 – "When choosing a agro-touristic guest house in Buzau County, which of the following aspects are relevant for making a decision?" – we can identify a pattern in the received answers: unlike the young people, the elderly rely on and grant higher grades to concrete, measurable options, which officially certify the qualitative classification of an accommodation unit (diverse certifications such as "eco", affiliation to a brand), while the subjectivity related to references/recommendations of other customers makes this latter method lose importance in the eyes of the elderly.

For question no. 9 – "When planning your holidays, how important are the following aspects in choosing anagro-touristic guest house?" – the "surroundings/attractive natural environment" has been ranked the most important by all age groups.

It is obvious that for question no. 8 – "Generally speaking, what makes you consider an agro-touristic guest house to be reasonable as far as the price to quality ratio is concerned?" – the tourists turn their attention mainly to an attractive natural environment, while the room and its equipment, as well as easy booking, are considered to be relevant only by a part of the potential customers.

For question no. 10 – "Upon arrival, what is important for defining a first impression?" – "a

warm welcome" stands for a positive first impression, out of the 9 available options. The next alternatives are: "truthfulness of the information about the agro-touristic guest house" and "proper maintenance of the agr-touristic guest house and its equipment" receive similar ratings, which show that the majority of the age groups appreciate relevant and honestly conveyed information.

The significant elements that lead to a successful holiday for the tourists are still those related to the human factor – security and reliable staff. Obviously, for young people it's very important that the accommodation unit is close to the touristic sights and to the places where different recreational activities take place, but this aspect loses importance as the tourists' age increases. Once again it is proven that the dimensions and the quality of the rooms are not essential components of a rural holiday: **hospitality, authenticity, gastronomy of the local area, contact with residents and life in the rural environment**, represent decisive aspects of anagro-tourism offer in general and of the agro-tourism of Buzau County, in particular.

Upon return from their holidays, all age groups grant good ratings to "pleasant memories" factor. It is possible that their second and third options are connected to these memories: "the desire to come back" and "the possibility to share pleasant experiences with friends". The average rating of the factor "sharing local happenings with friends" is inversely proportional to the respondents' age: the young tourists will focus on keeping themselves updated – "the possibility of subscribing to an online means of information about the guest house and about the surroundings" which is unimportant for the elderly.

2. Qualitool – European skill development tool for quality in rural tourism services

Qualitool is an online information and tuition tool for rural tourism operators, developed by the European organisation Eurogites and represents a strategic option to be taken into consideration by the Romanian rural tourism operators as a way of accomplishing the strategic objective of increasing the quality in the rural tourism services. The implementation of this tool implies:

- **developing an online application for monitoring the rural guest houses' observance of the Eurogites minimal quality standards:**this application allows comparisons between the assessed guest house and the Eurogites minimal international quality standards for rural accommodation. The standard criteria are structured in 5 parts, which stand for: equipment – 19 criteria; surroundings – 9 criteria; nearby accommodation services – 9 criteria; intangible aspects (customer care, privacy or ambience) – 7 criteria; security – 9 criteria;
- **creating an inspection handbook**: this implies creating a pdf document which explains the approach for assimilating and applying the standard criteria. The rural tourism operators will use it for guidance, while the quality control agents will use it as reference during their onsite "visits";
- **creating the virtual tuition module**: developing an online application which explains the standard criteria by means of examples, comments and pictures of rural accommodation units.

3. Conclusions

Having in mind a saying expressed by UNWTO representatives at the first Rural Tourism Congress held in 2011 at Alba-Iulia "***There can't be sustainability without quality***" and taking into consideration that the rural tourism is listed among current MDTR concerns, as one of the six competitive products of the Romanian tourism – an option also expressed and assumed by the new country brand "*we still have this **authenticity**, we do not show fake smiles, we offer authentic warmth and sincere **hospitality**...it's all about **the tranquillity of the countryside life***", I consider that this research and consequently its communication reached their goal, revealing results that emphasize the need for implementing the **QUALITY** by **IDENTITY PRESERVATION** algorithm or how can **competitive advantage** be achieved in the Romanian rural tourism.

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RELATIONSHIP MARKETING, USEFUL IN INSURANCE SALES

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Abstract: *Insurance system in Romania is carried out with a constant natural activity, evolving quite honorably these times. This is largely due to the difficulty with which insurance is sold in normal economic conditions when it comes to prosperity. In other words, many Romanians see insurance as a product that "is not up their alley" including it in the luxury category. Furthermore, the media shows, sometimes amplify certain cases of doubt in relations between insurance company - customer. Appropriate marketing, allied with the information technology can improve the complete relationship between the two entities - the offeror and the consumer.*

Key words: life insurance, relationship marketing, consumer behavior, cognitive dissonance

JEL classification: M 31

1. Introduction

Current economic conditions and climate, urges caution on most fields, especially in terms of individual properties, including, how somewhat forced, life and physical integrity which are still considered property, if this aspect is not debated in terms of Christian or other religious dogma.

After the revolution, Romanians temptation was to invest money in securities that provide income right away, so many were fooled and instead of earning profits, lost, perhaps their entire lifetime savings. It is known that the Caritas era, but also the FNI's, brought people in a position to sell their homes or cars to have the money "invested". And these companies are just two examples of the temptations of quick profit Romanians faced. And even if we have a proverb the saying that "who burns himself with hot soup, later blows into yogurt" the desire for a rapid profit, it would determine Romanian, in a case of a new emergence of such "business", to stand in line again, again. An analogy can be the televised bingo games, which have had great success in the late '90s; two years ago they have resumed such games, it is true, far fewer followers.

Insurance, as savings instruments, implies the deposit of money involved, in reasonable amounts over a long period of time, not for huge gains, but rather for safety. Almost every person I contacted, when asked if they would choose between high gain and uncertainty, or win small but certain, chose the second option; so they accept the concept of life insurance until they to hear the word "insurance". Then inexplicably, they "step back".

Romanian mentality is hard to change, so hard work is needed from professional insurance agents to make better understood the usefulness of these financial products.

2. Insurance usefulness

Life insurance plays a key role in managing risks in modern societies. It can provide income to beneficiaries on an income earner's untimely death or loss of ability to work (SwissRe, 2012a, p. 31). The immense destruction that fire (Realitatea.net, 2012) has caused to a local shopping center on small business, caused the small business owners to directly or indirectly realize, how good it would have been if they would have gotten insurance for their business. Their last tardy remark how they couldn't have afforded to buy insurance has no foundation when they watched helplessly as what constituted their daily livelihood was destroyed by a huge fire. Certainly, little effort (but still an effort) that they would have made by insuring their business would been offset by the beneficial effects of compensation. That is why once again, it justifies the claim that people purchase insurance for a future that due to unpredictability generates uncertainty. There is that saying as we are too poor to afford us cheap stuff. As for many years insurance was seen as a luxury item, which is not exactly true, this "daring" to afford a "small luxury" would have provided a substantial financial reserve.

3. Some aspects of the current situation

Worldwide, after a temporarry set-back in 2011, life insurance premiums will resume their upward trend in 2012. Swiss Re (2012b) notes the defining elements of 2011 and outlook for 2012.

Table 1: A glance back and a look ahead at insurance in Eastern Europe

	Performance 2011	Outlook 2012
Life	• Premium growth slowed or even contracted in some markets as their economic recovery lost momentum towards the second half of 2011. • Growth of premiums, however, remained strong in Poland and Russia. In Russia, growth of consumer credit probably supported related life insurance products. • Life business continued to derive support from demand for short-term deposit-type and unit-linked investment products.	• The Euro debt crisis and slowing economic growth will limit life insurance premium growth in the near term. • Recent changes to the pension systems in Poland and Hungary, where contributions to private pensions have been cut or nationalized, should help to raise awareness for private life insurance savings instruments and protection. • Low interest rates will continue to depress investment income.
Non-life	• Weakening economic growth and softening prices took a toll on non-life premium growth in most regional markets, with the exception of Poland and Russia. Both markets had stronger domestic demand for non-life business. • Elsewhere, premiums remained weak or declined in the first half of 2011. • Underwriting profitability in the main markets improved thanks to fewer natural catastrophe losses (floods and droughts) and improved motor and property	• Slowing economic growth will be the biggest hurdle to non-life business growth in 2012. • Premium growth in key markets, including Poland and Russia, will likely slow. Elsewhere, competition is expected to remain very strong.

Source: Extract from SwissRe (2012b, p. 34)

Interestingly, during the recession, people spend more time analyzing a decision about costs. Among the things that help them decide and trust are fundamental processes of a company (Bate, 2008, p. 81). The current crisis and potential future crises can cause humans to think about translating some of the current financial situation, small but still existing, in the future it is likely to be even more difficult. Irritating to a crisis is that, as highlighted by Keynes (1970, p. 320), replacing an upward trend with a decreasing trend often occurs suddenly and violently, while replacing a downward trend of an upward trend is marked, usually by sudden curve. This aspect is fully felt, currently.

4. Some considerations relating to insurance marketing

The market of insurance products has become such a big segment, that insurance marketing is now a separate type of marketing with its own rules, targets, and strategies. The specific feature of insurance marketing is that the insurance marketing products are very diverse, and each type needs special approaches and marketing strategies to be used, suggests the site insurancemarketing123.org. The insurance marketing strategies that are used for advertising insurance products are various, but all of them prove to be effective, especially when used in combination. Apart from modern online strategies, there exist more conventional ways like TV, radio, and print advertising, which are always effective, but at the same time quite expensive.

Some experts (Desmeules, 2002) even talk about a "tyranny" of marketing and choice: the choice increases, especially the options offered by game marketing strategies, the stress increases and consumers and their satisfaction could decrease.

4.1. Relationship marketing in insurance sales

In insurance, the first component of the marketing mix decisions imposes requirements regarding the products to be offered, services for these products, how to best present them (Constantinescu, 2004, p. 489). It is envisaged that features related to insurance marketing services, in terms of product, a relative separation of the delivery service (even more, if the insured risk does not occur, the performance does not takes place, generating the so called insurance paradox, explained below). Thus, the definition of insurance is based on the consumer and not by means of the insurer.

Price, in insurance, the second component of the marketing mix, makes references to the basic price of the product and price changes. The price the customer pays to take over its risks by an insurance company is called premium.

Placing insurance products involves the client getting to the insurance company or consultants to prospect client, thru the classic or technical means - the Internet. When it comes to choosing marketing strategies for your business, the possibilities offered by the Internet can not be neglected, and insurance marketing is not an exception (insurancemarketing123.org). Actual distribution methods which can be chosen by a provider are direct sales and / or selling through intermediaries (Zaiţ, 2004, p. 57).

Most marketing efforts of most insurance companies are focused on promoting component. Promoting insurance products is through personal presentations, special promotional activities, advertising and public relations. Promoting insurance is sometimes tricky, since it involves the particularity of these products which is substantial amounts of money that the individual invests and whose effects may not be seen, as sometimes the insured risk does not happen, such as the non-life products. Moreover, in this area we find the so-called paradox of insurance: that person enjoys losing some money, in that, if the insured risk does not happen, the money paid does not come back in any form to the client; any monies that the customer could benefit from it would be for not so pleasant situations. If almost all economic areas used classic marketing as method of approach, emphasizing the need for the company to earn, more and more companies from different industries are moving towards marketing based on customer relationship; it is almost always used in the insurance industry. In the table below it is shown a parallel between the two types of marketing, in terms of customer relationships.

Table 2: Parallel between transactional and relationship marketing

Transactional Marketing	Relationship Marketing
The goal: to get a sale	The goal: to get a customer
Emphasis is placed on a single transaction	The focus is on ensuring a good relationship and retention of buyers
The sale represents the final point in the relationship with a client	Thesale marks the beginning of the relationship with a client
Focus on achieving a certain level of sales	Focus on repeat sales
Short-term thinking and action	Long-term thinking and action
Focus on product features	Orientation to the benefits of a product
Products and resources determine the marketing activities	Relations determine marketing activities
Emphasis on persuasion to buy	Focus on creating a positive customer relationship
Moderate contact with clients	Maximum contact with clients
Anonymous client	Familiar customer: name, address, lifestyle, product life cycle
Unilateral communication	Bilateral communication
Buyers and sellers are independent of each other	Buyers and sellers are dependent on each other
Anonymous clients, won through a carefully planned environment	Familiar clients
Customer buys values	Customer creates values
Implementation tasks: product (mass production)	Task to execute: service (mass "customerization")
Self oriented attitude	Orientation type "us"
The need to win, trying to handle customer	Providing extra services, reliability
Cost + profit = price	Price - profit = cost
Stress and conflict in obtaining a transaction	Partnership, collaboration to minimize grievances and building long term relationships.
Company resource exploration with a market orientation	Company resource exploration with a customer orientation
Undifferentiated marketing	Personalized marketing

Source: Processing by Zaiţ, Anton, Olaru (2006, p. 26); Mitu (2006, p. 231); Wehrli (1994) cited in Zollondz (2007, p.83)

Policy of insurance companies operate, in a rational mode, by the principle of "understand and respond" rule that currently is good for other many companies with other business objects, where long has prevailed the paradigm "manufacture and sell" - estimating market demand, production planning and building stocks to ensure a balance between supply and demand. So, according to Kotler, Jain and Maesincee (2009, pp. 22-23), which invites customers to define the general needs and even choose the exact attributes of the goods they want, some activities conducted in response to commands received and use digital technology to quickly meet your order. The same authors consider that those companies which

apply the "understand and answer" are superior to the other, with a number of advantages (Tapscot, Lowy and Ticoll, eds., 1998; Bradley and Nolan, 1998 cited in Kotler, Jain and Maesincee, 2009, p 23):

- stimulates more original products,
- technically superior products out faster
- organize their activity more according to the customer and meet customer needs more closely,
- have a higher profitability.

The relationship with the customer generated by insurance marketing approach, involves other components of marketing: direct marketing advertising perceived as any activity that creates and uses a direct relationship between the seller and the actual or virtual client as an individual (Bird, 2007, p. 36).

Marketing is not the art of selling. It is not simply to convince someone to buy. The art of creating conditions in which the buyer is self convinced (Mackay, 2001, p. 38). Persuasion is important to realize that**.**

4.2. Aspects of professional selling

Schiffman (2011, p. 36) remarks that any sale may be divided into four stages: prospecting, interview, presentation and selling. According to relationship marketing concept, we can talk about a fifth step: service. The interview involves, initially, a free discussion – smalltalk – tomake the transfer of trust and enthusiasm of consultant to potential clients and identify needs – vitalsales process.

Prospecting, building a contact list or, as Romanians like to call it, a database (in plain language, a simple table is already elevated to the level of a database, it is certainly not wrong, but seems too pretentious phrase for it), is the most valuable step in achieving professional sales. No matter how good the vendor, if no appropriate market or, worse, if there is no one to sell to, he won't last too long in this field. Therefore, the collection of names, and also their association with other aspects that define a person, can provide a solid foundation for success in sales. It is better to allocate enough time for it. In fact, Gitomer (2006a, pp.174-175)argues that the time one must dedicate to establish contact network should be directly proportional to the number of relationships that he seeks to increase and the number of clients with whom, he wants to build friendly relationships. He emphasizes that contact network results do not happen very soon. The best results will appear after a constant is established and he will provide value. The collection of potential customers is not confined simply to note it somewhere, but to interact even with many of them, even before it comes to approaching them. A solid record all the details you provide an efficient solution approach.

Identification of a potential customer's needs will help the consultant to formulate an effective offer, bringing it in an ideal situation to talk only about the features and benefits that may interest the customer (Denny, 2002, p. 87).

Assuming that the one who asks is the one who leads the discussion, we can say that questions are part of the most powerful tools of language (Klein and Kolb, 2009, p. 45), causing the discussion partner to react to impulses transmitted by us. The right questions can cause him to rethink his views. How to address the question is very important, both to obtain information necessary shaping a solution, but also to easier make the buyer aware of the importance of that aspect. Striking example is given by Zig Ziglar (2010, p.80), was the famous Henry Ford who purchased a huge insurance policy. A close friend of him who worked in the insurance industry, was very upset that he did not buy from him. When asked, Ford simply answered: “you did not ask me to”.

During an interaction with a client, using a support of retention of certain important aspects (desirable is that this support is a piece of paper, other means of recording audio and video could create discomfort) increase the chances of achieving a professional discussion.

Schiffman (2011, pp. 36-37) suggests that taking notes helps sales consultant to retain the potential customer needs and to improve presentation. Even claims that having always a pad and pen, these tools helps to build the solid professional relationship. Furthermore, he seems upset by the fact that many sellers fail to use this basic tool - notes.

It combines the information written in this way with the information about potential customer, already existent in electronic format; it would be nice for this information to be stored electronically, human memory is volatile, sheets can be easily lost, but the computer offers the possibility that information stored can be easily analyzed. This will get as accurate profile of that person, learning as many details as possible. The film about wealthy Greek, Aristotle Onassis, the main character, when asked who would be the secret of his success, said he had a notebook in which he writes every detail. In fact, in everyday life, we often use the phrase: who owns the information, controls the situation. So the

database is, after the fashionable phrase, a "must have" of every sales person and making it easer in processing it in electronic format, and obtaining useful information.

Presentation of solutions determines the sales specialist to try to provoke a cognitive response, an emotional or behavioral one (Kotler, 2005, p. 751), trying to penetrate the consumer's mind slowly, to change consumer attitudes, respectively, to induce the consumer to take action. An overview of hierarchical models of reaction for the reaction process steps taken by the consumer is presented in the following figure.

Figure 1: Hierarchical models of reaction

Models / Stages	AIDA Model	Hierarchy-of-Effects Model	Innovation-Adoption Model	Communications Model
Cognitive Stage	Attention	Awareness → Knowledge	Awareness	Exposure → Reception → Cognitive response
Affective Stage	Interest → Desire	Liking → Preference → Conviction	Interest → Evaluation	Attitude → Intention
Behavior Stage	Action	Purchase	Trial → Adoption	Behavior

Source: Kotler and Keller, 2006, p. 540

AIDA model (Brassington; Pettitt, 2006, p. 643) presented in 1925 in "Journal of Applied Psychology", by E.K Strong, is the most popular in insurance sales. A person's interest can be generated if he is offered something new and unusual (Carnegie, 2007, p. 164) from what was known to him at that time.

To say "Yes", to express consent in making or buying something, means for a client, in a way, a denial that opposes to his psychological substance (cvasigenetic) (Py, 2004, p. 16); because he was brought up in the idea of refusal, retention, restriction, as though his desires are very limited. Sale professional will increase the desires by highlighting the needs that the customer has.

Referring to what Bill Quain said, that sales through recommendation may be considered the strongest form of advertising, without spending money on expensive advertising posters and expensive commercials, we conclude that a satisfied client recommends another client to the consultant (Quain, 2002, p. 13).

Studies (Levinson, 2006, p. 55) have shown that a satisfied customer will tell only to a single person what a wonderful job the seller did, while each time, when a customer is dissatisfied will complain, on average to nine other people.

Extremely important is the last stage of a full cycle of sale: service - one that will help maintain customer relationships. It is very easy to lose a customer and keeping him is pretty hard. It is recommended to make at least quarterly meetings to learn how customer expectations are met, and weekly communication with them, not about vendor-customer relationship issues, but about different issues that could sediment a relationship. Gitomer (2006a, p.175) believes rightly that once a client is lost, the cost to regain him is much higher than the investment to keep him. Therefore, the cost of keeping the client is small to that of finding a new one, so that, as understood by Jay Conrad Levinson (2006, p. 53), father of guerrilla marketing concept, good customer service can be considered as an investment.

4.3. Sales and sellers

Selling is a difficult process of communication that appeals to many psychological mechanisms, technical, relational, economic (Corcos, 2008, p. 10). The sale involves creating a set of solutions to meet the needs and desires of people, because human behavior is dictated by the conscious mind's side (Hogan, 2006, p. 244).

A professional seller does not give anyone the impression that he is pushing, simply because he never really does use pressure (Hopkins, 2005, p. 73). As remarked by Frank Bettger(2003, p. 152), one of the most famous agents, according to a survey, one of the reasons why salespeople lose sales is that they talk too much. Hopkins (2005, p 66) states that although insurance, one of the fantastic services that can be sold, are useful, after the advertising of this product made in the last century, it is amazing that the average person doesn't knows that he needs insurance. The main reason he does not know is that he has never met a professional insurance vendor. So to the professionalism of the insurance consultant depends the need for financial protection, regarded as a latent need, to become a obvious need; or if we were to talk almost pleonastic, to talk about life insurance as a necessary need.

It's good to remember that, in general, because customers buy due to the person who sells (Gitomer, 2006b, p. 57), a rapid professionalization will not generate customer losses in the first few meetings. The extras offered by information can raise him to such a status, especially because, as Brian Tracy (2008b, p. 74) says, people are hypersensitive in the first days and weeks in a new job and they are very receptive to constructive influences.

4.4. Need - essential component of insurance customer's motivation

Any company, regardless of size, is to gain understanding how and why consumers decide to buy. Misunderstanding motivations, needs and preferences of customers can have serious repercussions.

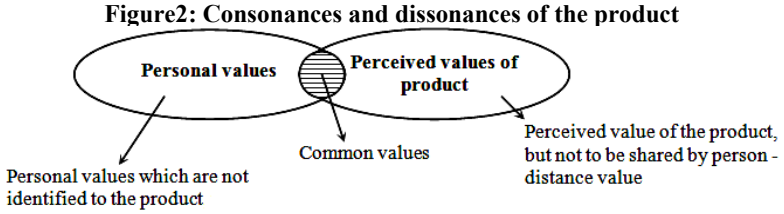
Customer needs are of two types (Kotler, Jain and Maesincee, 2009, p. 57) - existing needs and latent needs. Existing needs are those that currently customers have and they can express. Latent needs are those that customers can not express or the ones they think can not be satisfied. Latent needs are the category the insurance often falls into, especially life insurance.

When the customer agrees to purchase a product or service they actually expresses confidence that we will provide solutions that will meet their needs (Carnegie, 2008, p. 250).

Insurance companies are responding to particular needs of the consumer, since the customer of an insurance company is not just looking at a payment amount (premium) but also more favorable terms, the guarantee of compensation, promptness in case of an accident. These additional attribute are often more important than basic service and are essential for differentiation of an offer (Zaiţ, 2004, p. 162).

Although most insurance agents focus only on the logical benefit or business benefit, however, emotional or personal benefit can be – andoften is – morepowerful and more convincing (Harvey, 2007, p. 33). Even we can say with confidence that people seldomly buy based on logic (Hopkins, 2005, p. 87). In any kind of shopping experience is possible to identify two components: a technical performance related to itself and a relational component consisting of human report (directly or indirectly, temporarily or long term) which is installed between buyer and seller (Trevisani, 2007, p. 246).

Figure2: Consonances and dissonances of the product



Source: Trevisani, 2007, p. 147

4.5. Insurance consumer behavior

Customers today are different from each other more special, more discerning and demanding than before (Fisk, 2008, p. 178). It is becoming increasingly difficult to characterize and structure types of behavior from individual consumers, complex and hard to please. And yet, there are two major trends: cautious behavior and "wasteful" conduct (Corcos, 2008, p. 14). Obviously, the second is easier to determine to invest in insurance, the first category are specific rational customers, too attentive to their budget, counting for them is the relationship between quality and price.

The definition of a good potential customer is: "a person who can buy and pay in a reasonable amount of time, and will do so" (Tracy, 2008a, p. 113).

Currently, there is no comprehensive understanding of consumer behavior and motivations, especially real consumer adoption of certain practices, although in this area, many years of studies have already accumulated, observations and methodical research (Sima, 2009, p. 129).

To quote Philip Kotler (2005, p. 233), to understand consumer behavior and "to know your customer" is never easy. There are clients that say one and do another. There are customers who do not know their deep motivations that are influenced and change their minds at the last minute. However, quoting Peter Drucker, successful sales slogan is "being together with the customer" (Zollondz, 2007, p. 81).

Often, people do something, if they notice that others have done it. Nothing is more convincing than the evidence that others want the same thing.

The principle of social proof (Cialdini, 2004, pp. 149-151) argues that one of the means which can be used to determine what is correct is to find out what other people think it's fair. The principle applies especially telling how that behavior is correct. Man perceives a behavior as correct in a given situation as far as he sees others that progress the same way. Salespeople are taught to press presentations with many stories of people who have already bought the product. Cavett Robert, sales consultant and motivation problems, says even that, because 95% of people are imitators and only 5% innovators, people are easily convinced by the actions of others than by any other evidence that we can offer (Cialdini, 2004, p. 151).

The principle of social proof can generate pluralistic ignorance (Cialdini, 2004, pp. 164, 169): group reaction ignoring what they feel. Based on the principle of social proof and pluralistic ignorance, the marketing term copycat marketing (Hedges, 2007, p. 21), which states that the people copy each other or duplicate each other, assuming that they imitate those we have "the correct answer".

Selective distortion (Kotler and Armstrong, 2008, p. 203) refers to the tendency for people to interpret information received, in a way to confirm what they already believe. So, sometimes differences between the data and discussion of the contract of sale appear, resulting from incorrect or distorted presentation of policy conditions determining the customers to be feeling like stated by the proverb: "I painted the outside fence, inside is the leopard".

Value occurs near the increased appreciation, positive affect and even identification with the product. With increasing distance value disinterest phenomenon first appears, then contempt, to actively boycott products in terms of their political and cultural significance.

Cognitive dissonance that comes from a defense mechanism of the individual (Zaiț, 2004, p. 43), forcing him to only accept services or ideas that come in line with his past opinions and behavior. It is therefore important to maintain as close of a relationship with the client, to argue when it comes to customer's question "Have I made a good deal?" for the cognitive dissonance is installed at the acquisition of product/service. The main point of acquisition related to consumer satisfaction is characterized by post-purchase behavior. It is more known for a vendor that provides expensive or risky products to experience a post-sale dissatisfaction (Hatton, 2008, p. 210). This is very likely to occur if he is selling a new idea or selling of a change strategy. This is the dissatisfaction that occurs when the buyer has enough time to reflect the decision.

Before carrying out a purchase, it is necessary that the product/service which is the object of his desire to be perceived as positive psychological horizon of the client. Daniele Trevisani (2007, p. 38)revealed three distinct properties that emerged from research, summarized as follows:

- product has the ability to prevent problems that are already subject to confront,
- product helps to maintain positive cases.
- product exerts its actions to annihilate a potential threat, to deterring or preventing it.

5. The Internet as insurance sales support

Returning to the Internet, particularly for general insurance products, online insurance begins to gain ground. Distribution of insurance products has evolved significantly. Technological developments, the Internet and mobile phones have opened new distribution tap for insurers developing multi-channel strategy (Comité Européen des Assurances Insurers of Europe, 2009, p. 12). Adaptation stages and sale, of course difficult to accurately achieve, can increase the chances of efficient distribution.

Prediction made in December 1995 by Robert Metcalfe, Ethernet inventor, that "the Internet will grow dramatically as a supernova and in 1996 will catastrophically collapse" was not achieved either in

1996, nor today , and is very unlikely that they will do in the near future (Anastasiei, 2006, p. 51). Although, when considering the warnings cautions in working with the Internet, given even by those from the FBI (Capital.ro).

If warnings or prophecies more or less apocalyptic will happen, remains to be seen; until then, the Internet has a major role in people's lives, more important than hardware and software on which they are based. Rumbauskas Jr. (2012, p. 95) is convincing when he says the Internet is both extremely powerful sales tool and a generator of advertising, noting that one of the biggest mistakes made by sales people is a failure to accept the Internet and recognize and use its enormous capacity to identify potential customers. He recommended (Rumbauskas Jr., 2012, p. 97) each salesperson to make a site for two purposes, in regards to the visit of a customer on his website:

- providing information to the customer, to design and consolidate credibility;
- retaining the name and email address of potential client.

Electronic communications allow the Internet to build relationships personally with potential clients and the real ones and the guidance of messages to individual users based on information on geographical features, content, buying behaviors and demographic or firmographic characteristics (Stone and Jacobs, 2004, p. 275).

Making of orders and purchases via the Internet is becoming more attractive as consumers can be offered significant advantages due (Militaru, 2004, p. 197) to: lower prices, showing the range of goods/service, convenience, entertainment.

E-mail has developed a reputation as less formal than other written communication in business and the level of formality continues to decline. In fact, it even became a substitute for speech (Sherman, 2005, p. 151). People seem to no longer worry about spelling, thus abbreviations abound. Grammar is also affected, not to mention capitalization. We can consider that e-mail is somewhere between a substitute for speech and a substitute composition of letters. It's important to remember that e-mails without grammar or spelling mistakes are easier to read and allow quick understanding. Good writing depends on four factors (Grisham and Lee, 2000, p. 61): thinking (that aims to write), legibility (clarity of writing), accuracy (spelling and grammar) and tone (how to choose the writing style, adapting it to the person to whom we are writing).

Prospecting using e-mail offers certain advantages: low cost, no shipping delays, the ability to track messages (whether or not read), provides extensive creative possibilities (Aguilar, 2008, p. 74). Some people see in this modern technology, one of the greatest inventions of man but also one of the biggest sources of wasted time, if not used rationally. Richard Denny (2002, p. 56), one of the experts in sales, explained the situation to a customer who returned from vacation a week, 468 messages found for reading that, it took 22 hours, after which he realized that only three have been helpful. Another disadvantage of email is that companies without a good security policy, without judicious planning of its use has generated lawsuits challenging the discrimination to sexual abuse of trust, e-mail can even be easily faked or forged (Lilley, 2008, p. 126).

Information technology supports all types of organizations to increase efficiency and effectiveness of business processes, performance in making decisions and cooperation in working groups, resulting in strengthening their competitive position in a highly volatile market (Hurbean, 2008, p. 11).

Computers help insurers to calculate insurance prices rapidly, to fill in agreements and insurance policies, to highlight data, to confirm the insurance agreements' validity. Besides, computers hold book keeping and technical-operative accounts. The consequences can only be benefic: efficiency in data gathering, complex documentation database, on-line intercommunication system, web site insurance offers, the possibility of an on-line insurance and documentation via Internet.

6. Conclusions

Insurance sales are a daily challenge for those working in this field both in terms of their financial advantages, especially in terms of utility they have on customers.Romanian mentality is hard to change, so hard work is needed from professional insurance agents to make better understood the usefulness of these financial products.In the insurance sales work, very important is to establish a network of knowledge (developing relationship with other people).Relationalmarketingplans todevelop and strengthenrelationships withexistingcustomers, but alsowith potentialcustomers

Information technologies are more than necessary, although many consultants are still "old school" based strictly on their flair. However using modern technology increases efficiency, especially in

the early career of consultant time, the difficulty of this activity, leads many to step back. Customer is given the feeling of greater certainty in regards to his investment, with real-time access to information.

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TOURISM MARKETING – KEY CONCEPT OF TOURISM IN A WORLD OF GLOBALIZATION

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Abstract: *The latest trends in tourism emphasize the power of the globalized tourist-consumer, in the context of mondialisation of the market and of the diversity of tourism services, the tourism organizations must answer to a range of different tourism motivations meant to meet the needs and wishes of the tourism consumers over the period they travel for.*

Tourism marketing is a result of globalization, since, just like the globalization process, it creates links between the states of the world, the authorized touristic organizations making efforts to provide maximum satisfaction to the tourists and implicitly, to maximize their profit.

Key words: consumer, globalization, marketing, tourism

JEL classification: M 39, F 00, M 31, Z 19

1. Introduction

During the last decades, tourism has become an important branch of national and global economies; this fact has led to a significant expansion of the touristic market, translated into an increase of touristic consumption and production. This phenomenon named "globalization" means the process of extending and deepening the interhuman relationships among the states of the world, eliminating the borders of commerce, in the information and technology exchange; its result is the globalized individual, concentrating on consumption and production. Moreover, there are countries in the world, such as Egypt, Turkey, Greece, etc., where tourism has known a spectacular growth, making a substantial contribution to the GNP of the countries concerned. It is obvious that the features of the tourism industry are specific to the countries there being a time and space distance between the participants to the sale process, as they have a local character, whose identification and emphasis is conditions by the given location. In this context, marketing becomes integrated into the touristic activities, by adjusting the instruments to the specific activities deployed, and by understanding the importance of marketing as a science and art of respectful and advantageous relationships in the touristic field. The application of marketing in the tourism industry is marked by a more and more fierce competition, as well as by the specificities of the services provided. Nowadays, due to its evolution over time, tourism marketing is considered one of the most dynamic and innovative fields.

2. Marketing vs Globalization

Knowing and applying the basic theoretical concepts of tourism marketing is justified, on the one hand, by the important role that tourism marketing plays in the economic growth of the countries, and, on the other hand, by the distinctive features that this sector presents, as compared to the tertiary and the secondary sectors of economy.

Tourism marketing is a result of globalization, since, just like the globalization process, it creates links between the states of the world, the authorized touristic organizations making efforts to provide maximum satisfaction to the tourists and implicitly, to maximize their profit. The cultural effects of globalization have a positive impact upon tourism marketing, since culture helps people get to know one another better, be united and sympathize with one another.

"Globalization has reduced the sense of isolation felt in much of the developing world and has given many people in the developing countries access to knowledge well beyond the reach of even the wealthiest in any country a century ago." (Stiglitz E. Joseph, 2003, p. 31)

The free movement of people – meaning that tourism in itself, as well as the development of the commerce, i.e. the exchange of products has been one of the basic pillars of globalization.

Globalization has turned tourism from a seasonal activity into an activity based on needs. Through the range of supply, the tourism market has become a purchaser's market. The latest trends in tourism emphasize the power of the globalized tourist-consumer, in the context of mundialization of the market and of the diversity of tourism services, the tourism organizations must answer to a range of different tourism motivations meant to meet the needs and wishes of the tourism consumers over the period they travel for. The service providers in the field of tourism are focused on the continuous improvement of the quality level of services and the development of niche tourism. The latter offers a set of unique experiences for the globalized tourist willing to discover, explore the world and get to know new cultures. As an individual, their mind is in constant action, in a process of continuous innovation, constantly adapting and finding ways to solve practical problems in the area. Due to the complexity of the supply, the purchaser is made to choose the way which is compliance most both to the personal needs and the financial resources they hold and warrant for a five-star stay. In this context, it is necessary for the potential customers to be bombarded with more and more information in order to have a final decision.

An important contribution to the tourism activity has the individual, starting with the quality of providers and going to their quality of beneficiary. In this context, between the two situations there is a reciprocal conditional relation, on the one hand there is the wish to maximize the profit offering quality services with the view to meeting the customers' needs and to keep a competitive markets and, on the other hand, the consumer feels the need for a high standard of product quality for the best price.

Within the purchase and sale process, the tourism services may be rendered directly, necessarily achieved at the point of interaction between the supplier provider – customer or indirectly, through creating and effectively trading, by means of travel agencies, customized tourism services packages to match the interest of the consumer-tourist and their objects, upon their request, in other words, tourism services are specific at the level of groups of tourists or at the level of each tourist.

If, at present, the tourism marketing had as object the discovery of potential customers, from now on, they emphasize the education of already existing customers. Pursuant to the globalization, both though the easy access to information and the improvement of the communication process, the tourism marketing becomes global, adjusting to the needs of each customer separately. Nowadays, the originality is more and more emphasized, as well as the need to discover and less on the research of the essence in itself. At the same time, there is a trend to the development of the human relations and the return to culture, and to the village life where there is still interest for folklore, customs, traditions, reason why the tourism marketing has the chance to develop and evolve in time. The conclusion resulting from this assertion would be that tourism plays an important part both in maintaining the originality of the tourist and in maintaining authenticity and tradition. Among the features of tourism globalization, we can name the following:

- areas with tourism potential cannot become tourism destinations but with the help of specialized bodies promoting such areas, to be modernized and meet the requirements of the European Union;
- global tourism is the product of developed countries, most tourists coming from such areas
- tourism at the global level tends to an accelerated level of growth as compared to the traditional one
- the number of tourists is ever growing, which is why the supply is more and more diverse and the tourism destinations prepared to meet them

In a world of continuous change, the globalized consumer has a series of traits distinguishing the traditional consumer :

- the modern consumer of the present times is much more open to the new and very careful to the features of tourism products and services, especially; an important and special impact has the large volume of information which may be accessed, having the possibility of selecting services meeting their needs and wishes.
- the consumer, before purchasing a product or a service, is already aware of it, thus avoiding the unpleasant experience in contacting the product. An important role as far as the relationship between the consumer and the supplier holds their direct communication. Insufficient communication may have negative repercussions on the organization, since the consumer will search for information from different sources, information which may be twisted, so the image of the organization is affected. (Geangu I.P., Crețoiu R., Gârdan D.A., 2011, p. 74-75)
- pursuant to the market surveys, the consumer has their own contribution to the design of a new product or service, becoming thus a loyal customer.

- he globalized consumer is actually the one holding an average income or even superior one, is open to new and does not have enough time. He does not care about the price of the product or the service but for its quality, which weighs the most in fixing the price.

The topic regarding travelling services revealed a pretty similar opinion – young users spend a lot of time searching proper touristic offers over the internet and don't mind at all if a certain travel agency sends them constant messages with latest offers and promotional holiday packages. Also due to the latest explosion of multiple applications that combine GPS tracking with internet touristic databases and user control interface similar to mail accounts, many of the young consumers are using this type of applications not only to search touristical informations but to share travel experiences and places descriptions with friends. There was a single romanian travel agency that have had a mobile marketing specific effort: Para lela 45. For now only some agencies send newsletters that can be read with mobile devices and only one Romanian travel agency is positioned on the market being especially online based ticketing - VelTravel. (Gârdan D. A., Geangu I.P., Roşu A.M., 2011, p. 231)

The main activities carried within a tourism company are influenced by the variable importance on the market which must be emphasized, i.e. the capacity to communicate both with the internal environment and the external environment of the market. The achievement of an efficient communication at the level of the tourism markets results in the consolidation of trust, the provision of a sustainable, intense and interactive relation of the public, between the consumer and the company and its public. Regarded from a comprehensive point of view, the marketing communication is a basic component of success and of the development of the activity of the tourism company, by means of which the consumer and the public receive and send complete, clear and comprehensive information on the features of the products and services, on the events the company is involved in, trade mark, etc. It characterizes the tourism product as a "trustworthy product". Hence, a tourism product orbits around the success if not forgotten by the consumer and, particularly, if they send information among the people they know.

When all the members making up the tourism market are "aware of the market and the product", loyalty is attempted at. In the area of tourism, there is the "invisible" character of the tourism product which cannot be experimented and that is why the consumers attempt to return to purchase more and remain loyal to the brands they know offering trust, in order to avoid any risk as far as the quality of the tourism services.

When deciding between different alternatives offered on the market, the consumers will choose the best drawn image on the market, forming in the mind of the potential consumer with the help of information provided in the market, by the providers of tourism services, because "a little bit of image is worth (adeseori-n.n.) a ton of performing qualities" (Bucur-Sabo, 2006, p. 11), but it all makes sense in the context of dismantling and of the last obstacle, the need for maximum satisfaction. The decision making process in case of the consumption of tourism products is presented as an indirect ratio especially based on the image given by the bearers of the tourism offers, the direct contact with the tourism offer takes place upon the consumption. The purchase of a tourism product is based on rational and emotional arguments at the level of thinking of each consumer, considering the image and the total knowledge acquired from personal experience. Thus, the consumer may decide independently from the purchaser's decision to by a tourism product. In the mentality of the consumers of tourism products, an essential role is played by the tourism offer perceived as a series of positive or negative images similar to a table containing information received directly or indirectly from the market. In other words, the decision of tourism consumption may be passed in relation to the created image.

Thus, on the "route" of promotional actions, from the product to the consumer through the tourism market, it is necessary to build a relationship focused on the formation and development of the communication capacity. Thus, due to the complex character of the marketing communication activity, in its development, an important part is played by the attraction of new customers and the retention of the existing ones through sending a continuous message for the information of the potential customers, to the target public and the tourism operators as far as the detail knowledge of the characteristics of the marketed products, with the view to creating and maintaining a favourable image on the market for the company and its products. In other words, a favourable attitude from the company activity results in the reflection of its image, thus causing a series of modifications in the tourists' purchase mentality and traditions.

In the tourism industry, the marketing of the tourism product is based o the image formed in the mind of the consumer with the help of information provided on the market by the tourism services providers through brochures, catalogues, leaflets, online offers, video recordings, albums, etc. In

principle, it is considered that the mage includes the quality of the offered products and services, the accuracy, the promptness and the elegance, not deviating from common sense, taste and respect for what it seen, outlining the teamwork and respect for beauty and tradition.

3. Conclusions

The contour of notions and of the main components related to the tourism industry, i.e. tourism marketing at the national level, on the conditions of the development and of the modernization of a sustainable market economy and the evolution of the tourism. In an information-based company, the globalization of the economy and the scientific research in the field of tourism must make an important approach towards the comprehension of the message sent on the market where the image is the communication vector allowing for the generation of knowledge on the technological innovation and development.

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NEW TECHNOLOGIES SHAPING THE E-COMMERCE ENVIRONMENT

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Abstract: *The rapid growth of new technologies brings forth advances in speeds and the capabilities of both wireless devices and networks, determines continuous increase in customer expectations and forces e-Commerce companies to acknowledge customers as their most important asset. User-customization is increasingly common in electronic commerce while future speculation of mobile commerce benefits could generate more revenue to* a *wide range of industries.*

Key words: broadband, e-commerce, enterprise, mobile, technology

JEL classification: O 33, L 81

1. Introduction

Customer Lifetime Value (CLV) models are usually used in the field of conventional marketing to evaluate the lifetime value of customers in conventional businesses, but new adaptive models could provide online marketing the necessary and unique methods for maximizing revenue in e-Commerce sites. However the model is designed and whatever the methods, customer behavior and customer value prediction techniques are highly relevant.

As a low-cost and flexible technology, web services present significant potential for the online industry by enabling, in the long term, development of on-demand business processes that may revolutionize e-commerce. Madhusudan (2005). The highly dynamic nature and the openness of the environment, while imposing major requirements on a web service, determines an increasing demand for web applications and sustains a continuous growth in worldwide adoption of commercial applications. E-Commerce companies must realize the importance of being able to measure the value of their web customers; the ability to accurately predict the value of a company's customers has a large impact on the ability to intelligently influence business process policies and IT related decisions and might prove a decisive advantage in achieving competitive gains over other market players. Etzion, Fisher, Wasserkrug (2005)

2. Online ordering

It is of the utmost importance for enterprises to be visible on the Internet. In 2011, seven out of ten enterprises in the EU27 had a Website or a Homepage, but only two of which had one that allowed online ordering, reservation or booking options available. The highest percentage of enterprises offering "shopping cart" functionality and software on an online shop was for enterprises in "*Travel agency, tour operator reservation service and related activities*" (58%), followed by enterprises in the "*Accommodation, food and beverage service activities*" (35%), while 12% of all enterprises in the EU27 conducted sales via a website. Giannkouris, Smihily, Eurostat, Statistics in Focus 65/2011 (2011)

Table 1: Percentage of enterprises having a web site or homepage (all enterprises, without financial sector – 10 employees or more)

GEO/TIME	2009	2010	2011
European Union (27 countries)	/	67	69
Romania		35	34

Source: Eurostat, Statistics in Focus 65/2011

The Eurostat News Release (2011) stated that less than 20% of EU enterprises have a website offering online ordering. According to the Eurostat surveys, in January 2011, 69% of enterprises in the EU27 had a website, while17 of them made available to the users an online ordering, booking or reservation options and forms. Giannkouris, Smihily, Eurostat News Release 185/2011 (2011)

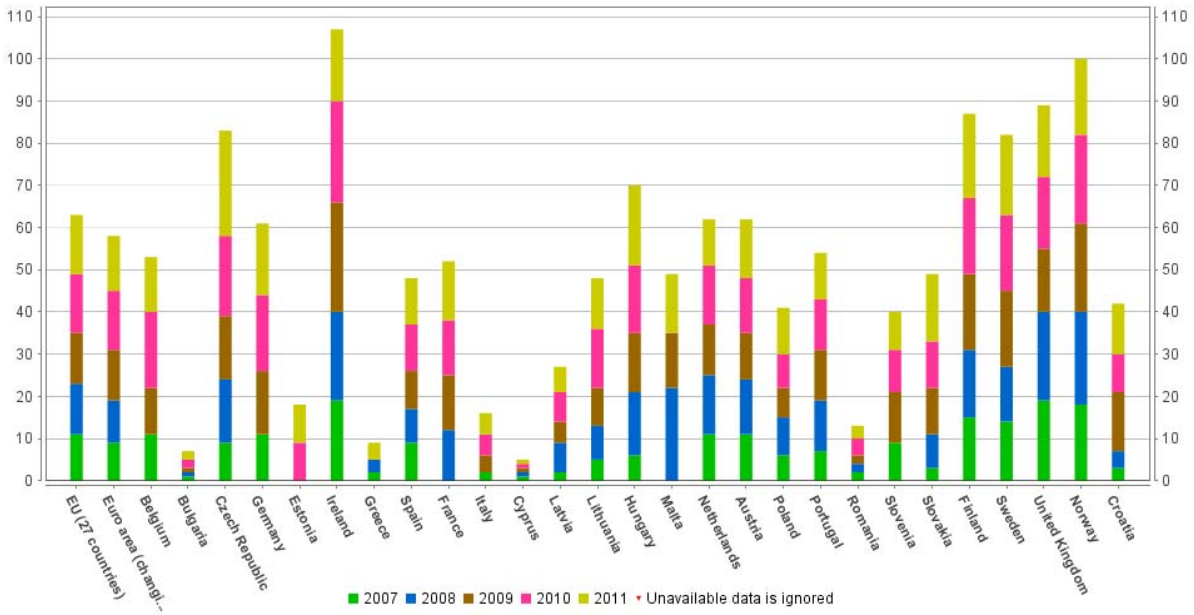
Table 2: Percentage of enterprises where the website provided online ordering or reservation or booking, e.g. shopping cart (all enterprises, without financial sector – 10 employees or more)

GEO/TIME	2009	2010	2011
European Union (27 countries)	/	16	17
Romania		11	10

Source: Eurostat, Statistics in Focus 65/2011

The number of enterprises offering services online via a website varies significantly between E.U. states. In January 2011, 93% of all enterprises registered in the Nordic Member States Finland had a website, those in Denmark and Sweden both had 89% website coverage, while the lowest percentages were encountered in Romania (34%) and Bulgaria (45%). At the same time, online ordering and booking services facilities availability ranged between 9% in Cyprus and Portugal and 33% in the Czech Republic. Giannkouris, Smihily, Eurostat News Release 185/2011 (2011)

Figure 1: Enterprise turnover on e-commerce



Source of Data: Eurostat, Code: tin00110

2.1. Self-serving customers

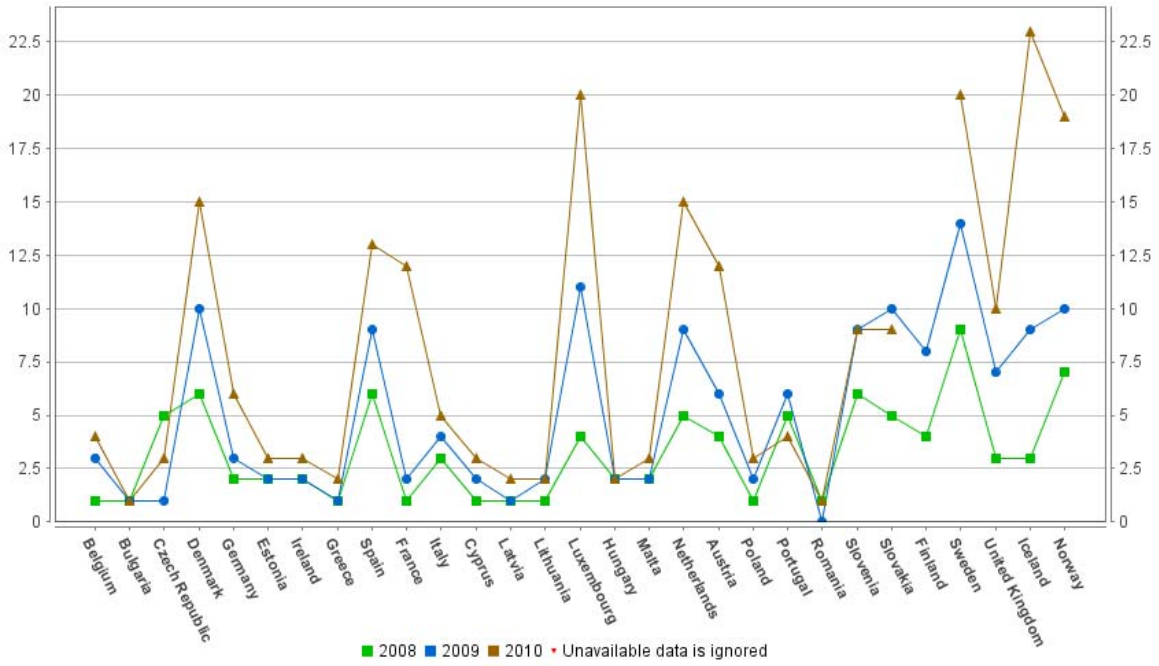
Online customers are not only online viewers of digital content but active suppliers of labor and knowledge to the service creation and production process. Customer participation is "*the degree of consumer's effort, mental and physical, necessary to participate in production and delivery of service*" Silpakit, Fiskin (1985). Self-service involves the discovery by customers of their own needs, thus benefiting by getting exactly what they want in a process under their control that improves the likelihood of actual purchase. Kamis, Stern, Ladik (2010)

2.2. Information Privacy

Since the dawn of the new millennia, information privacy has been recognized as an important concern no matter the discipline – be it computer science, management, law, or consumer behavior. 87% of Internet users admitted, for a 1999 survey, their concern with threats to their privacy while using the

Internet; Culnan, Armstrong (1999). Similar results have been presented by other credible studies. As the process of digitalization of personally identifying information continues the dissatisfaction with the privacy and security status quo is likely to increase while the costs of acquiring, storing and transferring such information will decline. Thus, some organizations are now taking privacy into consideration in the early stages of the product design process while balancing the advantages and disadvantages between maximizing the benefits from collecting customer information and implementing user privacy preferences. Poindexter, Earp, Baumer (2006)

Figure 2: Individuals using mobile phones to access the Internet



Source of Data: Eurostat, Code: tin00117

2.3. Traffic, Performance and Efficiency

Due to the booming Internet usage for commercial endeavors, E-commerce has become a significant element of today's economy, considering that online shops constantly offer state of the art information about products and services, both to users and businesses, ranging from personalized shopping to automated interaction between corporations. In spite of increasing power of e-commerce web servers, online shops have been unable to e-commerce sites have been unable to improve their level of service provided to the users. This is why focusing on server performance has become both desirable and necessary. Vallamsetty, Kant, Mohapatra (2003)

As the number of Internet users and online shoppers increases network traffic is dramatically spiking, leading to a delay of service in e-commerce systems highly probable due to the inefficient use of system resources, repeated requests for the same object and a large segment of bandwidth being occupied, resulting in decreasing customer satisfaction. For an overall improvement in e-commerce system data flow efficiency it is recommended a network traffic distribution between users, as opposed to high investments in improving individual system performance., by making available a user-centered interface capable of providing real-time, adaptive product information. Ko, Leem (2004)

2.4. Adaptive software

Regardless of application domain, user-adaptive software systems have already proved to be highly effective. Although ample evidence of personalization going mainstream in e-commerce, personalized systems that include customer relationship management are poorly represented.

Personalization, in general, has been reported to provide benefits throughout the customer life cycle by drawing new visitors, turning visitors into buyers, increasing revenues, increasing advertising efficiency, and improving customer retention rate and brand loyalty. Fink, Kobsa (2000)

3. New technology

Market competition, typically responsible for service diversity, and technology competition, which sustains evolution of advanced services, influence each other and make enterprise decisions even harder. As new technologies, products, and services take hold of our daily life, it is possible to have billions of dollars revenue impact for a single company.

The telecommunication industry is a fast-paced and constantly innovating environment that is undergoing serious changes due to regular technology substitution and technology usage trends, while the potential to gain revenue from new products becomes clearer and crucial to companies. The constant growth of online retail businesses has become a challenge; according to Forrest Group, US online retail sales reached 175 billion dollars in 2007 and were projected to grow to 335 billion by 2012. Au, Duan, Jiang (2012)

3.1. IT payoff

E-business technologies are in their inception, representing investments in innovative and state of the art information systems. These investments have many potential uses, such as enhancing customer marketing and sales relationships or facilitating the acquisition of the input goods to production.

Evaluating the return on investment for IT systems has always been a difficult task, even when the evaluation concerned the domain of only one firm. The dynamic nature of today's e-business technologies may emphasize the unavoidable issues regarding IT payoff investment. Added to the already difficult equation, the less quantifiable variables of trust, loyalty make it almost impossible to establish a specific payoff from technology investments in e-business.

One pertinent question arises, one that expects a certain answer: "*Does technology make the e-business, or does technology follow the e-business organizational and information needs?*" Strassmann states that "*There is no relationship between expenses for computers and business profitability*," Strassmann (1990), thus suggesting a lack of connection between money spent and performance of information systems, while using his own developed algorithm that calculates IT as a function of firm revenue, generating IT expenditure data but also causing validity questions for his IT payback conclusions. Strassmann (1998)

No one is able to determine for sure if IT payoff is dependent or not upon technology investments or innovations, but the answer to the evaluation of this e-business problem is bound to be found, due to the increasing number of e-business platforms that make use of cross-functional tools and inter-organizational e-business networks. Kleist (2003)

4. Mobile broadband

Enterprises use the internet for a wide spectrum of purposes, which includes the presentation of information on a website, offers and online sales or shopping facilities to users and interactions with public authorities. By January 2011, 95% of EU27 enterprises had access to the internet, while 87% of them had a fixed broadband connection for internet access, a 3% increase compared to the year 2010. However, a significant increase in mobile broadband usage by EU27 enterprises, between 2010 and 2011, has been observed, from an average of 27% to 47%.

"*The highest shares of enterprises with mobile broadband access in 2011 were found in Finland (77%), Sweden (67%) and Austria (65%), and the lowest in Romania (15%), Latvia (23%) and Poland (24%). More than 90% of all enterprises in Slovakia (94%), Lithuania and Finland (both 92%) and Sweden (91%) reported that they used the internet to obtain information from public authorities' websites in 2010, while it was less than half of enterprises in Romania (47%) and the Netherlands (48%).*" Giannkouris, Smihily, Eurostat News Release 185/2011 (2011)

Table 3: Internet access, fixed and mobile broadband connections by enterprises, January 2011 (% of enterprises)

	Internet Connection	Fixed broadband connection	Mobile broadband connection	
			2010	2011
EU27	95	87	27	47
Romania	79	54	8	15

4.1. Mobile Technology

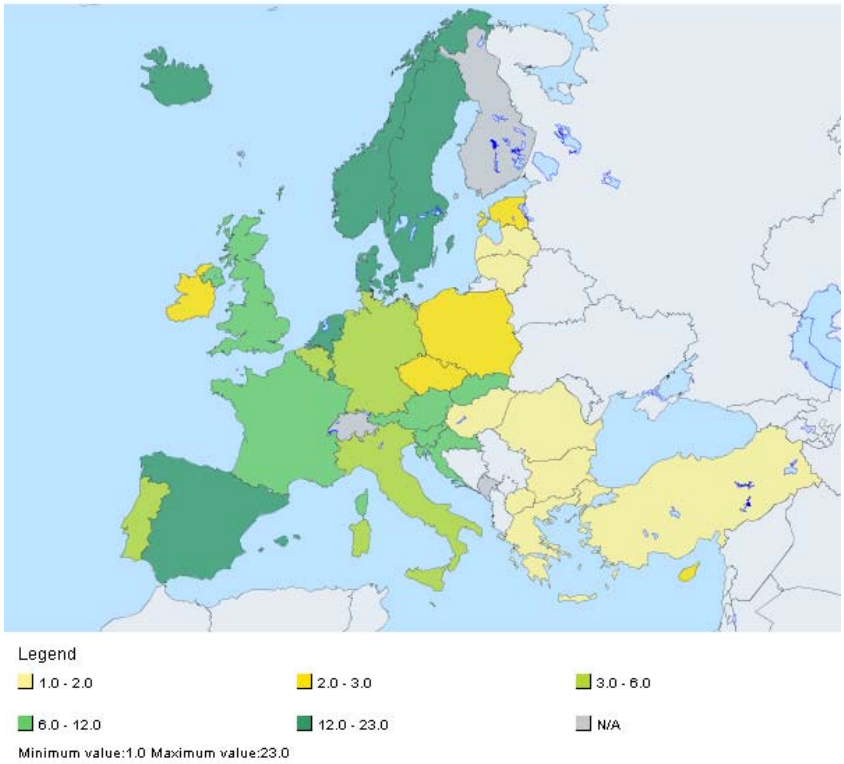
Multitasking has become the daily skill necessary for any modern enterprise to survive in the business environment. By converging the Internet and mobile technology, two of the most heterogeneous technological forces in modern ICT, into a ubiquitous mobile Internet service, our daily routines and business methods will forever change.

The two most distinctive attributes of mobile Internet technology are mobility – enabling communication, financial transactions and entertainment, on the move, via wireless Internet access - and personalization – a mobile device stores confidential data regarding personal identity, conferring mobile devices and their applications' distinctive value, compared to desktop and wired devices, both for work or leisure time.

Due to the omnipresent characteristic of mobile devices mobile users are able to access any service, at any time, from any place – as long as a quality and constant Internet connection is available. Mobile value can be summed up by three properties: ubiquity, real time services and accessibility.

These unique features offer service providers and e-commerce entrepreneurs the opportunity to benefit and generate revenue by implementing new technologies and online services and enable mobile users to enjoy a variety of new and upgraded multimedia mobile services. Mobile devices are personal items, containing personal information and preferences, making it easy to approach a potential customer or suggest possible acquisitions. Location discovery is also essential; by carrying user identity and allowing device tracking, it proves useful when providing a mobile user with information regarding sales, promotional offers or retail locations based on the user's geographic position. Kim, Hwang (2010)

Figure 3: Individuals using mobile phones to access the Internet via 3G



Source of Data: Eurostat, Code: tin00117

4.2. M-commerce

An increasing number of mobile devices and dedicated applications are being deployed via fast, cheap broadband networks, due to the fast pace of developing wireless and mobile technologies. As a direct consequence, the new trend of mobile applications usage is quickly catching on and attracting users into areas such as m-shopping and m-payment, among others.

The market opportunities are obvious and expectations for mobile commerce are quite high. This is why organizations that have yet to implement m-commerce as a distribution channel for financial operations and customer satisfaction through the modern infrastructure will do so in the near future.

Innovations in the field of mobile technology have determined complex global business systems. As a recent developed field, m-commerce business models are different and difficult to manage; this is why organizing these new technologies and services into a viable and balanced business model is an intricate task, one of an important nature for both organizations and researchers. The future directions of m-commerce development depend on understanding its key components and their potential to generate revenue.

The rise of m-commerce and the wireless Internet are considered to be the new wave in the communications industry. "*m-commerce can be defined as any transaction with a monetary value—either direct or indirect—that is conducted over a wireless telecommunication network*" Ngai, Gunasekaran (2007). Some researchers claim that m-commerce is an extension to e-commerce; others oppose this terminology and refer to m-commerce as a completely different field with significant potential and unique capabilities. "*Due to the unique characteristics possessed by mobile commerce, business models which have proved viable for e-commerce, not necessarily fit for mobile commerce*" Wong, Hiew (2005). Furthermore, the m-commerce user plays a threefold role i.e. of a technology user, a network member, as well as a consumer, therefore to fully understand the user adoption of mobile commerce all the three perspectives have to be integrated.

As a quick path towards m-commerce success, organizations tend to choose innovative, interesting, attractive applications or, quicker still, to modify and adapt an existing e-commerce application for the mobile environment. There is no doubt, m-commerce cannot and should not be taken into consideration as a new e-commerce channel or as a substitute to online shopping via desktop computers. Organizations must take m-commerce to the next level by avoiding existing models and by researching towards the ideal m-commerce model. Sharma, Gutiérrez (2010)

5. Conclusions

The last decade has brought forth an exponential increase in use and development of new technologies. From digital audio players, data compression, data storage hardware or software tools to portable media players, smartphones and Tablet PCs – all of which have played an important part for information society and human society, in general – human imagination has been driven by necessity and desire to improve and ease access to knowledge. In the 21st century, information available free of charge and restrictions is the same as being able to access the Internet. Due to the dynamic rhythm of day-to-day activities and business transactions, *mobility*, *personalization* and *interactivity* have become vital attributes to any endeavor, be it personal or enterprise, and the key directions and purpose for any new model or technology meant to innovate the way we think about our lives.

M-commerce is a promising and relatively new field resulted due to technological developments in wireless communication and mobile computing. There are numerous advantages, applications and success factors suggesting a wide adoption of mobile devices adoption, even though some of those implementations are bringing uncertainty to the game, but without an in-depth analysis over the possibility of developing sustainable m-commerce business models and a profound understanding of probable effects of mobility upon e-business there can be no advances towards developing dedicated and adaptive business models. This is why success depends on business model innovation and adoption of innovating and new technologies or services.

No matter what, m-commerce will continue to influence the conventional methods of doing business, telecommunication and mobile technologies will keep emerging to handle more and enhanced features and services, the demand for accessing the Internet on an anywhere will keep flooding the market with high computing powers and display provisions leading to increased business capabilities through mobile phones.

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IMPLICATIONS AND OPPORTUNITIES OF ONLINE ADVERTISING FOR INCREASING THE ROMANIAN MARKETING WORK MARKET. CASE STUDY: ONLINE ADVERTISING REGARDING JOB MARKETING PROMOTION

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Abstract: *The upward trend of online advertising has been driven by the increasing number of Internet users, but also communicators need to get out of the mix of traditional media. Exploratory research was carried out aiming to study secondary sources of information on labor supply specialized in marketing at the national level in the context of skilled labor market in economics. It was also developed a quantitative research instrument which has an online survey completed by respondents aged between 18 and 55 years. The data collected were interpreted using descriptive analysis; chi square test was used in order to observe dependence between variables.*

Key words: online advertising, job marketing, exploratory research, quantitative research

JEL classification: C18, C46, C82, C83, C87, E24, F16, M21, M31, M37, M51, O15

1. Introduction

Nowadays, marketers have more experience and are more "educated" in the Internet: most people who have used these tools to promote the results have been very good and equally well aware that can reach the target audience on the Internet.

The main bound to the global media industry in 2012 aimed at reducing opportunities for domestic consumption of energy in electronic devices, development of complementary relationship between traditional television and Internet television, online piracy and increased reduction of counterfeit media products, diversification of cinemas. Online advertising will grow to nearly $ 2012 to 30 billion Barcly's Capital as a prediction made in 2010. Online advertising will face many challenges this year because of adversity expressed by consumers and regulatory rules. As regards Romania, the evolution is in some way aligned with the international trend, but there are many aspects that are even more optimistic outlook than the global average, at least in terms of growth rate, if not necessarily net values. Thus, in terms of Internet advertising, store trend that online advertising will increase in 2012. Digital television has already been made in Romanian homes and at least one major operator of cable television introduced IP. Regarding piracy, we probably still class from the global average, despite the fact that the Romanian legislation is more aggressive in this area. Trend of print media to online migration, can be found here, but now in Romania online publications are either directly initiated projects online or printed publications mirror.

Figure 1: Online Ad Spending in the US, 2010-2014 (in Billions)

Sources	2010	2011	2012	2013	2014
Barclays Capital, February 2010	$24.9	$27.7	$30.9	$34.1	$37.5
Bernstein Research, August 2009	$24.2	$26.7	$29.4		
Collins Stewart LLC, January 2010 (1)	$26.6	$30.6	$35.1		
Cowen and Co., May 2009	$23.4	$25.9	$28.6	$31.0	
eMarketer, December 2009 (2)	**$23.6**	**$25.2**	**$28.3**	**$31.0**	
MAGNA, January 2010 (4)	$24.9	$27.3	$29.9	$32.8	$36.0
Myers Publishing LLC, January 2010	$24.9	$27.0	$30.7		
Oppenheimer & Co. Inc., February 2009	$25.9	$30.8			
Thomas Weisel Partners, March 2009	$24.5	$27.7	$30.4	$33.5	
UBS, July 2009	$24.7	$28.4			
Yankee Group, August 2009	$23.3	$25.6	$28.4	$31.1	
ZenithOptimedia, December 2009	$23.4	$27.0	$31.0		

Source: http://www.emarketer.com/

In 2011 we celebrate 18 years since the emergence of online advertising. Since he sold the first banner and so far, online advertising industry reached 25.2 billion USD figure (eMarketer). However, online advertising has faced many hurdles in 2011, says the study. One of these obstacles is the increasing public demand for online advertising adversity; the second increase could be the opposition to monitor online behavior. Online advertising will have to communicate, such as free information, quid pro quo advertising on the Internet for end users. Advertising industry must carefully monitor compliance issues. The success of online advertising grows, the number will increase and regulatory controls. In 2012, online advertising will have to face fierce competition coming from traditional media formats.

Online advertising market in Romania in 2012 is estimated around 10 million euros, a figure that cannot be ignored when one considers the advertising and online advertising growth in Romania, well above the global trend achieved so far.

Television via Internet. Also, according to estimates made by specialists, television industry will get a good year overall. Internet Television will contribute most likely to profit traditional television. This may seem paradoxical, particularly because Internet television was perceived by some commentators as the main competitor of the major traditional television. Internet Television is another medium, quality, set of content formats and audience completely different from those of traditional television.

In Romania, the traditional television is not threatened by the impact has the Internet, even globally, because ultimately the Internet is not merely to change the content distribution method, which ultimately is all a product of television "traditional". Of course, there are important opportunities such as increased interactivity opportunities and these opportunities will change the way we perceive and interact with "TV", but these arguments will be available for television as a service to the consumer. Destruction of online piracy on its own does not mean the end of counterfeit products. The significant increase in the number of broadband connections has attracted worldwide growth of online piracy itself. Increase speed broadband connections made it possible piracy of movies, television and software. In 2012, fighting digital piracy could be gained by fighting concentrated, taken with the education and sanctions such as denial of access to broadband, etc fine. In 2012, won a battle against piracy, but the entire war against piracy is foreseen to be extremely violent. It is possible that the media industry to try to look for new ways to increase security level media products. Shown encouraging prospects, growth rate is estimated in the tens. The evolution of cinema can be the best time to try reinventing the format on which there were too many changes in recent years. Major changes to the transition to digital format will not affect too much film studios. In 2011, properly equipped theaters could project including major events, from sporting events and concerts ending with. Major sporting events and concerts have been important so far as the public not to choose the cinema.

2. Literature review

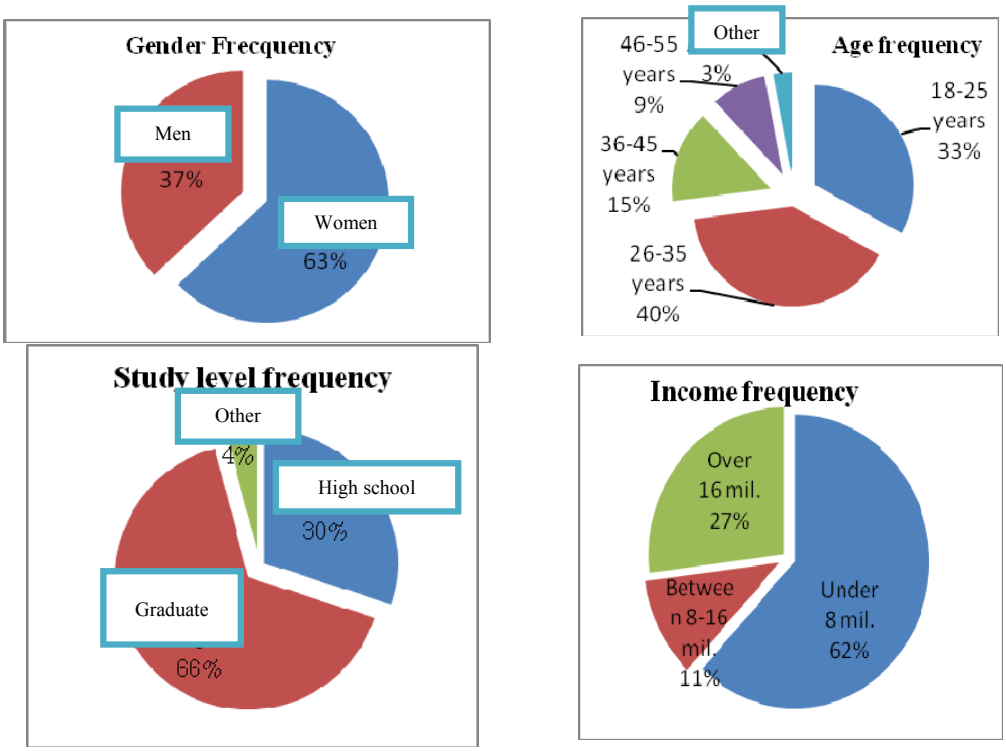
The Internet is growing at a much faster rate than ever recorded television or radio and probably will not weaken the pace for another two decades. Moreover, the Internet has become a means of communication very needful, accessible and available, in which more and more people are discovering the multitude and variety of methods of use of this global network. Therefore, the future of advertising is the advertising on the Internet, a form of promotion to increase international market and the local. Nevertheless, in Romania there are several hundred annual online advertising campaigns, to the few thousands or tens of thousands of campaigns in Western Europe. The upward trend of online advertising has been driven by the increasing number of Internet users, but also communicators need to get out of the mix of traditional media. Today, marketers have more experience and are more "educated" in the Internet: most people who have used these tools to promote the results have been very good and equally well aware that can reach the target audience on the Internet. The Internet is becoming more visible in the mix of marketing and communication, and for certain types of brand will become the main channel of communication even values that define it. Also, the Internet is no longer a hobby, now at least 5 million online users in the field. Ro, and the best way to reach them is advertising on the Internet. Although highly dependent on the product category to which we refer, for most categories, online advertising is a means of further differentiation and major phenomenon is the inclusion of advertising in the media mix for a number of increasingly large brands and products. To a large extent, the increase or decrease the importance of on line's success depends on having succeeded or not it has first campaign. Also two years we have campaigns that are conducted exclusively online. In fact, there are three types of campaigns: those that include all media (TV, print, radio, Internet) those that usually include a mix of Internet and other media (usually print and radio) and campaigns taking place only Internet because interactivity that

allows the environment. Unfortunately, currently exclusive online campaigns only play a complementary role in their advertising campaigns carried out according to the objectives and how communication is declining communication concept and execution. Online advertising is currently used more for branding process and to achieve greater awareness both in the narrow sense (for targets that use the Internet is significant and comparable with other media, business) and in the broad sense to achieve synergy with other media (in large promotions). Also, online ads are used for transmission - the click-through - of more comprehensive details on the brand / product / service that is advertised. As the largest investors in online advertising, now they come in telecommunications, banking and automotive. However, an online advertising campaign can be very specific objectives. With them, you can get famous (for a brand, product, supply, service, etc.), customer relationship (for example, you may be offered a free online service to develop a long term relationship with the target audience) sales leads (through which the user can be brought to the point of sale offline or online, the product is sold through an online store), you can collect data about users and to obtain a consumer-generated content. Regarding the effectiveness of the strategy website that was sent to the user by pressing the banner, can make various conversions, depending on objectives. In this way, how many users can continue browsing the site by clicking the banner versus how close the site immediately, how many of those who have reached the site of the banner using the options offered on the site for interaction (information about the details, send a friend print info, post online content, subscription to an online service), how to take a decision to purchase (online contacting of a seller / dealer or online purchase). Even if Internet has many measuring tools such as television, radio or print media, there are tools to measure effectiveness of advertising campaigns conducted over the internet. In other words, although we have no studies to say the campaign generated a sales increase x by y percent, we have customers who measure the results, which is satisfied and get their Internet budgets increase. The reason is very simple, online advertising has unique advantages. For those who know how to use the Internet, this means of communication unexpected advantages. Of these, interactivity is the most obvious, the Internet is also the only channel that allows this mode of communication. The cost of a campaign on the Internet is much lower than for other means of advertising. Internet is mainly a complementary array of value-added media campaigns conducted on traditional media. It also provides communication medium expanded creative possibilities, measurability, exposure, high affinity for targets young and modern media production costs and extremely low compared to traditional media, visitors can test reactions to various messages and executions at various times of day, different points of contact. On the other hand, companies who advertise their ability to receive instant feedback based on which the marketing people can build interesting projects. In addition, the method is fast targeting and online advertising campaign can reach the public, including during the service option is not available to other media. But perhaps most important is that when you are on the computer and surf the Internet, the consumer has a different behavior. His attention is much larger, otherwise distributed, because he is there with some definite purpose.

3. Research Methodology. Exploratory Research

Exploratory research was carried out aiming to study secondary sources of information on labor supply specialized in marketing at the national level in the context of skilled labor market in economics. Authors have developed a quantitative research instrument which has a questionnaire completed by respondents aged between 18 and 55 years. The results were combined and are presented below. It is important to know if brokers and websites online jobs mastered enough of marketing channels to promote. It must be observed both on the job application marketing but equally important is the existing offer. It is necessary that marketing graduates or even students who wish to embark on a post-graduation in the field to take advantage of features in easy search and retrieval of appropriate information in the online environment, since most young people and adults see the virtual environment. It is important to know the sites that are promoted in the marketing jobs or are criteria which must have the employee profile marketing and coordinated according to the identification to make an online promotion and that combined with proper several online marketing tools to reach prospective employees in marketing directly.

Figure 2: Frequency distribution for gender, age, study level and income



Source: SPSS output view

Media and presentation tools of labor supply in the National Marketing

Bringing young students or recent graduates on the labor market who have completed a college education with economic or social sciences, is done by newspapers as "The Financial Newspaper", "The Economist", "Exchange" magazine "Career" and very important with to the social and economic dynamism through the digital environment using sites like E-JOBS, MY JOB, FIND JOB, Save to, Locuridemunca.ro, hipo.ro, NETJOBS, www.ofertelocuridemunca.ro, www.cariereonline.ro. Websites that are posted job sites where companies recruit their future employees mediate the relationship between employers and candidates for posted jobs. Classification of Occupations in Romania in the field of marketing

1233 Code leaders in sales and marketing activity; Head of Department Marketing 123 301; 123 302 Head office marketing; Marketing Manager 123 307 (tariffs, contracts, procurement); 241 508 Bank Officer (credit, marketing, products and banking services); Marketing Specialist 241 921; 244 104 trade economist and marketing adviser; 244,104 in trade and marketing expert economist; 244 104 trade and marketing economist Inspector; 244,104 trade and Marketing Specialist Economist; Referee 244,703 marketing specialist; Manufacturer 245 527 delegate marketing events; Marketing 258 109 Research Economists; 258 110 Research Assistant Economist in Marketing.

341,404 domestic tourism transport travel agent / International / ticketing / reservations / accommodation / advertising / marketing / tourist assistance / external departures (outgoing) / foreign arrivals (incoming) / tourism business.

Specialist capabilities in marketing

Director of Marketing deals primarily with business analysis, planning, marketing and departmental management, integrated marketing campaigns, organizing, coordinating the implementation of strategies and marketing campaigns, control of the technical and economic implementation of marketing, negotiating and concluding contracts marketing, tracking resolving complaints, promoting the image of the organization, as well as organizing the subordinate departments.

Account Manager (Client Manager) deals mainly with establishing and maintaining relationships with customers subordinated, advertising strategy and tools for running their files, assessing the quality and accuracy of advertising proposals, managing client advertising budgets, and development and internal ordering (briefs).

Receptionist deals mainly with the performance of specific operations to customers and visitors reception, insurance payments, providing information to customers and visitors, re-routing and scheduling various resolving customer complaints or visitors, promoting the image of the organization, the organization framework of openness and closing reception point work and paperwork filing and reporting activities.

Head of Marketing - The heads of sales and marketing activity, led by Directors and in collaboration with other heads of departments and services, plans and coordinates the internal or external trade and marketing of the enterprise or institution, programs based on sales of goods account the results of market studies; established scales and commercial discount prices, delivery terms and methods of sale; supervise the rational use of human, material and financial, recruitment and training of staff, is the self in relation to other sectors of organization and with third parties. Educational: - (not defined, but not necessarily higher).

Bank Officer - specialists in banking policy applied in promoting and selling bank products and banking services (bank customer credit administration in lei and foreign currency accounts of individuals and legal entities, the operations executed in their order, carrying out operations of receipts and payments in lei and Monitoring of operations, etc.), making the customer interface, manages customer management activities by maintaining and developing partnerships with customers of the bank, evaluate assets and loans made to the guarantee of feasibility studies, carries out settlement between banking units ordered by the natural or legal persons and the bank's own etc..

Marketing Specialist - Specialists in commercial and administrative functions not found in previous group activities is devoted to analyzing and determining the volume of sales of products or services and changes in demand perspective, organizes and coordinates advertising campaigns. Study and approves the problems raised by the creation and management of an enterprise in financial and legal, organizational and commercial law, advising on patent issues, examining the application, compiles reports and motivates granting / not granting patents. Higher education level training.

Trade economist and marketing adviser - Economists working on national markets for goods, services and labor and solve economic problems targeting production, its cost, human activity and social environment and make available to decision makers advice in this regard. Level of education - higher education. Public Relations Specialist - public relations specialists create and manage the public image of institutions, companies, political parties and organizations, NGOs, etc.., Mediate conflicts and negotiations advises, manages relations with the media organization as a carrier The official word, the press office, prepare written and audiovisual messages, organize media events (press conferences, exhibitions, launches, etc. goods and services.

The advertisers are looking for employees for the position of: Junior Media Planner, Senior Media Planner, Account Manager, Senior Account Manager, Account Executive Manager, Copywriter, DTP, Art Director, Creative Director, Project Manager Online Customer Service etc.. Example. Case Study - Marketing Analyst

To obtain a marketing analyst job requires an analytical mind combined with creativity, a brand manager. One sector is developing in marketing research and marketing analyst job has become a strong point of a career.

A marketing analyst is more than a "data collection".

A marketing analyst must:

• analyze consumer trends;

• identify new markets;

• use information from the field to achieve profitable growth in the company bidding the job.

¬ Career issues relevant to the marketing analyst job:

• Bachelor’s degree in one of the following disciplines: marketing, anthropology, communication, political science;

• Very good communication skills written and oral, and a good networking capacity;

• Statistical and mathematical skills;

• Interest in social forms of behavior;

• Organizational skills and focus on solving problems.

Selection criteria for marketing analyst job

1. Bachelor's degree should be completed some courses that include elements of statistics and mathematics and business courses.

2. For those who are beginning careers in marketing and believes that inexperience is one minus the CV, it is advisable to do an internship that will help develop skills in data collection and analysis, interviewing and editing.

3. Should be taken into account and obtain a master's degree in marketing, statistics and psychology. Marketing research is a competitive field and increasingly more employers differentiate between candidates to interview with the master and those without. As a marketing analyst, M.Sc. is an advantage in addition to job and salary.

4. A first job in marketing research can be the assistant of a senior marketing analyst. It starts with just the entry level for later, as the employee has learned the "tricks of the trade" will make it easier to climb the corporate ladder.

5. Search for jobs and employers will be in areas such as consulting, nonprofit organizations and software companies, where the employee will be able to highlight the potential in a post marketing analyst.

6. Choosing a consulting contract. in some smaller businesses, employers prefer to offer marketing analyst job with such a contract than to hire an entire marketing department.

Advantage, countries who want to get a job in marketing

• Bachelor degree can bring into the field as a marketing specialist, but master's degree in finance, statistics or advertising causes employers to choose from the many CV applications;

• Extra-specialization in specific fields (biology, history, etc.);

• To become professional in the marketing research is needed as more knowledge on market trends, such as supply-demand ratio for certain sectors. There are many current researches on areas such as trade or investment that can be converted into real assets or job interview. Most companies employing marketing specialist they want their employees to be educated preferably in economics and social sciences, a minimum experience of 2 to 3 years, the skills developed ICT, communication, negotiation, fluency in speaking the language English, team work, stress resistance, ambitious, tenacious, full of initiative, flexible with a great capacity to adapt and not necessarily driving license category B.

Info-presentation intermediaries labor supply

• Bestjobs.ro - Bucharest - an impressive offering of approximately 2,500 active jobs, LinkedIn is currently the most important site of "bank of resumes."

• County Agency for Employment proposes about 1,500 jobs in various fields.

• Ejobs.ro - Bucharest - eJobs also contains an impressive offer over 1000 ads.

• Job.ro - Bucharest - less important than the other bank of resumes, but not negligible. As the only major site that offers free posting of job ads on Job.ro the general public other than those published announcements or eJobs LinkedIn.

3. Conclusions

Careers magazine appear in five jobs in marketing conditions are the main higher education, experience and skills of computer and English. Marketing Jobs prevailed which means that firms we are to develop marketing activities; of course, claims are raised regarding the training and experience. Supplement Professions also make a realistic X-ray of what is happening on the labor market in Romania, what happens to employers and employees in this period of economic crisis.

In Supplement profession is reminiscent of jobs in the field of marketing and website marketing www.profesiionline.ro section does not appear to post any job, but the sections such as communication, journalism, PR, etc..

The Economist newspaper this month were not job ads, but the comment about the MyJob (5th page) as "one of the most popular sites, online recruitment, who recently Play Video Play Video service launched by the candidates have guaranteed access to over 100 companies in the preferred, and employers get free resumes from those interested in their company. Play Video Play Video the companies are specialists willing to work in their team can build a solid database for future recruitment companies, for a more efficient selection. The new service starts with 120 companies registered, and another 10 people daily on average, are part of this service. According to the company, in this way, candidates receive maximum exposure, even to those companies that are not public jobs available or not yet carried out an act of recruitment, which increases the chances people wishing to find a suitable job. "In Bursa, the job

offers were found, but not under a name that lead to job is marketing the following: 4 channels - adding machine operator and 3 positions - operator input, validation and data processing. The requests were for the Marketing field, the most common being for education.

Application job in marketing is virtually non-existent in Romania. There is no education in this sense is not used to ask young people working and to appear as if they present a product to be purchased from the diversity of market competitors. Mentality of young marketers in Romania is confined, no attitude and expression that comes from upbringing reminiscences, no encouraging expressing their views and opinions, especially suppression of lack of self-confidence. From this resulted a licensed youth lacks personality, unusual in expressing creativity, thematic and ignorant opinions when needed by highlighting the qualities and skills available. "Open-minded" and "creativity" are terms that fit any runner who wants to have a job in marketing, which can make a career if you know how to better target market.

Another disadvantage is noted that it creates confusion between marketing and sales for some employers and employees these two are synonymous. It is a fatal mistake of becoming a cliché increasingly adopted the area and alter the true meaning of what Marketing Science. Thus some online brokers have associated section marketing jobs in sales and marketing-specific jobs were introduced in section Journalism / Communication / Advertising Supplement as those of ZF, professions where they are reminded of jobs in the field of marketing and website marketing www.profesiionline.ro section are not posted on the marketing job they recovered to fields like sales, communication, journalism, PR. Another negative aspect is the considerable differences in the amount of bids compared Bucharest marketing offers companies in other cities.

Also note and seriousness, careful expression in Romanian / English and Information fluid offers made by firms in Bucharest, unlike offers short, lack of information and dominated by superficiality made by companies in other cities. For example, www.findjob.ro site were found on the 1003 Marketing places in Bucharest, as opposed to 154 in Cluj, Timisoara 73, 44 - Dublin, 59 Science, 123 Brasov, Constanta 72, 35 Braila. Experience is a very desirable criterion by employing companies and marketers a disincentive for enthusiasts, with potential but no experience. The conditions required for a job in marketing is knowledge PC, SPSS, language fluency, masks the specialty marketing / communication, minimum 3 years' experience and personal qualities of each individual as well as flexibility, ease of communication, team work, adapting high resistance to stress, a positive attitude. For the site in eJobs the most sought after jobs Marketing Assistant Marketing Specialist was marketing. For MYJOB site, since many of the specific jobs Marketing (306 jobs Marketing / Market Research) are posted by employers in the area of Customer Service (565-http://www.myjob.ro/locuri job - work / any / service% 20clienti / any / any / any / any / any. html) above were presented and statistics for the sector. Per general, the number of applications in the field of customer service is number 2 after the sales, and marketing is the place 4 / 5, ranging from one month to another, depending on the number of existing jobs on site in different periods. For eJobs website on marketing and market research 207 jobs were found and a number of 658 posts (http://www.ejobs.ro/user/searchjobs) sales - 352 jobs and 1118 jobs and customer service - 32 jobs and 102 jobs (http://www.ejobs.ro/user/searchjobs). On 1st eJobs in the sales department has followed, and here there is a change from the previous rankings from MYJOB, being the place in the field of Marketing and Customer Service then those. Advertising must sell whatever media where promoted. Online site but cannot reach the maximum rate of promotion, and that's that trust that is given is quite limited so far. However, opportunities exist. Online site will work primarily with complementary role and then substitute the traditional media to media. The local advertising industry media budgets will be spent mostly on the radio or TV, I think the impact will occur but the consumer will be more informed and thus hard to believe without arguments.

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- www.iaa.ro;
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- www.vodanet.ro;
- www.e-marketer.com;
- http://www.iab.net/resources/glossary.asp, http://galide.jazar.co.uk/images/banner_hot_wired.jpg;
- http://dictionarurban.ro/expresion/846_broadband.aspx, /expresion/2034_internaut.aspx;
- http://www.webopedia.com/TERM/b/blog.html;
- www.instapundit.com, www.dailykos.com, *cf.* Paul A. Argenti, *op. cit*., p. 125;
- http://www.articlealley.com/article_130077_80.html, http://www.articlealley.com/article_85378_7.html;
- http://www.gabrielboaca.ro/wp-content/uploads/2007/11/top_agentii.jpg;
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- http://www.iqads.ro/ AdJob_read_9972/news_outdoor_romania_is_looking_for_an_account_manager, /AdJob_read_10034/;
- www.myjob.ro, www.findjob.ro, www.bestjobs.ro.

YOUNG CONSUMERS' ATTITUDE TOWARD THE PRODUCTS THAT REPRESENT THE MAIN OBJECT OF CAUSE RELATED MARKETING CAMPAIGNS

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Abstract: *The present paper presents a short research regarding the attitude of young students toward the products and companies that implement Cause Related Marketing activities. The main objectives of the present research were to observe the way in which the cause related marketing actions can influence the consumers' behavior determining him to change or not, in compliance with the perception of the company's adopted strategy. In the same time, we wanted to confirm or rejecting the hypothesis according to which Cause Related Marketing represents an instrument used by the companies in order to change consumers' behavior.*

Key words: Cause Related Marketing, consumer behaviour, consumer loyalty

JEL Classification: M 31, M 14

1. Introduction

Currently, consumer as the goods' demand carrier has become a real market partner whose occupied positions within it areimproving accompanying the development of the society. The consumers' purchasing behavior is becoming even more important for the businesses, organizations, bodies and institutions; this being the reason why the consumer is paying increasing attention to it.

A dilemma occurring lately is whether consumers are willing to reward "good corporate behavior" through their consumption decisions. Thus, it can be considered that one of the ways through which socially responsible behavior and consumption can be put together is Cause Related Marketing. In the case of CRM campaigns, the companies self oblige to donate a certain amount of money for a humanitarian cause.

Two of the most important authors that wrote about CRM were Kotler şi Lee (2005). They believethat CRM represents the commitment of a company to donate an amount of money for a certain humanitarian cause. The amount represents a percentage of the product's price, although there are many other types of donations, as we will see further on in this paper. This kind of campaign is generally implemented in a previously determined period of time and its most important objective is represented by selling products of the company. A certain percentage of the product's price is donated to a nongovernmental organization or to several other kinds of partners who have legitimacy in the chosen cause and the ability to manage the money. Usually the partnership between a company and a nonprofit organization appears when the cause related marketing activities imply a significant effort of the company: time, logistics, money management, human resources. In a partnership, this effort is split between the two partners, as well as the benefits gained after implementing cause related marketing activities.

Other authors take cause related marketing as being a strategy whose main goal is to achieve the marketing objectives through the support of social causes (Barone et all., 2000). Others consider that in most cases, the decision to adopt such strategies is based on a direct bound between product sales and company cause related marketing activities. Therefore, it might be concluded that the success of cause related marketing campaigns reflects, at least partial, the appreciation response of the consumer materialized in choosing the company's products and services by that consumer and, in the end, the increase of the profit that will determine the company to implement other cause related marketing activities.

Thus, in this paper, the authors want to confirm some hypotheses regarding the way in which cause related marketing actions influence consumer behavior, determining him to change/ or not change his consumption behavior based on the perception of the strategy adopted by the company. Depending on how the consumer perceives the campaigns and the objectives of the campaigns run by the company, he

may choose to buy products and/ or services of a company, can maintain or improve his loyalty towards a brand or on the contrary, he may be indifferent to the company's efforts to support a fundraising campaign for a cause.

Cause related marketing is defined by Adkins (1999) as being a business that implies a partnership between a company and a nonprofit organization in order to achieve mutual benefits. But from our point of view, this author's definition limits the activities of cause related marketing only to donating money, if this is so, then the definition is not complete. Donating goods like: food, computers, cycles, etc., are also activities that cause related marketing programmes can imply. A relevant example for that is the one of Sealy company that donated beds for the children from the NASCAR Victory Junction Ganc Camp during a cause related marketing campaign.

There are some people who argue that CRM does not represent the best way to support a social cause, because it must use an intermediary (a company or a nonprofit organization) in order to make donations, to do good. Others argue that if it was not for these CRM campaigns, many causes would remain anonymous although the donation mechanism is very simple implying zero effort for the client (he does not feel the effort of the donated amount of money). This is one of the hypotheses we intend to verify by analyzing the data resulted from the application of a questionnaire among students.

In order to observe the extent to which young people between 18 and 30 years believe that CRM is a tool successfully used to improve brand loyalty, a questionnaire was applied to a total of 129 students in the final years from "1 Decembrie 1989" University of Alba Iulia and pupils of the economic profiles from "Dionisie Pop Maţian" High School. Thus, their purchase and consumption behaviour, their perceptions towards CSR and CRM activities carried out by companies and, not least, the confirmation or repudiation of the hypothesis that CRM is a tool for maintaining or improving consumer loyalty was studied.

2. Research methodology

The scope of the present research is represented by the trying to know the young consumers' behavior toward the products that represent the main object of cause-related campaigns and also the impact that these kinds of campaigns have on the brand loyalty of the young students from the economic profiles of the "1 Decembrie 1918" University of Alba Iulia.

The objectives of the research:

Establishing the objectives of the research has a direct impact on the research methodology and on the costs implied. Every scope has at least one objective. They express the scope of the research in measurable terms and define exactly the information the research wants to obtain. The objectives of the present research are:

1. Observing the way in which the cause related marketing actions influence the consumers' behavior determining him to change or not, in compliance with the perception of the company's adopted strategy. According to the way in which the consumer perceives the objectives and the campaigns implemented by the companies, he can choose to buy the products and/or the services of one company, he can maintain or improve his loyalty toward the brand, or, on the contrary, to remain indifferent to the efforts the company does in order to gather fund to o humanitarian cause.
2. Confirming or rejecting the hypothesis according to which Cause Related Marketing represents an instrument used by the companies in order to change consumers' behavior.

In order to better manage the research, we have established the next Hypothesis:

1. The companies' CRM activities can raise the consumers' loyalty toward the brand.
2. The affinity of a client toward the cause supported by a company can raise his positive attitude toward that company.
3. The level of a person's income can influence his attitude toward the companies that implement cause related marketing activities.
4. Female are more inclined to donate than male.

Establishing the population, the sample and the sampling method of the research:

The research was conducted in urban environment, among the students from the economic profiles of "1 Decembrie 1918" University of Alba Iulia. The sample was determined for a 95% guaranteed possibility of the results and for an error margin of +/-5%. The method used was the random method including 129 persons.

Gathering data:

Gathering the data was possible with the help of GoogleDocs Programme. Information was obtained through the intercepted survey method; the directed and structured instrument used was the questionnaire. The latter was designed in a relevant, concise and precise way, with closed questions with fixed response or forced-choice. The management of the process was conducted exclusively online.

Results interpretation and conclusion drawing:

At this phase, based on the information derived from statistical processing of data, a number of trends, relationships and correlations have emerged, the hypothesis of research were confirmed or refused and all have been interpreted in order to characterize and understand the marketing phenomenon regarding the students' behavior towards the products covered by the campaigns related to humanitarian causes.

Using the method of the *analysis of a nominal variable* we obtained the following results:

Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	female	102	79.1	79.1	79.1
	male	27	20.9	20.9	100.0
	Total	129	100.0	100.0	

The number of the respondents to the present question is 129. Of these, 102 are female, and the other 27 are male. From the second column, representing the relative frequencies expressed in percentages, we can see that 79.1% of respondents are female and the remaining 20.9% are male.

Have you ever done a donation?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	NO	46	35.7	39.0	39.0
	YES	72	55.8	61.0	100.0
	Total	118	91.5	100.0	
Missing	System	11	8.5		
Total		129	100.0		

To the question meant to ascertain whether the respondents have ever made any donation, we obtained the following results: from the total of 129 respondents, 11 refused to answer to this question, 46 of them, representing 35.66%, responded that they have never made a donation and the rest, 72 people, representing 55.81%, claimed to have made donations. Unfortunately, the number of the ones who have never donated is quite high in our sample.

Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	under 20	50	38.8	38.8	38.8
	20 - 25	76	58.9	58.9	97.7
	over 25	3	2.3	2.3	100.0
	Total	129	100.0	100.0	

As for the respondents' age, 38.76% of them said that they were having between 18 to 20 years, 58.91% were aged between 20 and 25 years, while only 2.33% were over the age of 25. If we pay attention to the results in terms of quantity, than we can mention that 50 of the respondents are aged less than 20 years, 76 of the respondents are aged between 20 and 25 years and only three people are aged over 25 years.

In order to obtain these results we used the method of the analysis of a ordinal variable.

What is your opinion about the companies that develop fundraising campaigns for various humanitarian causes?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	indifferent	4	3.1	3.1	3.1
	good	59	45.7	45.7	48.8
	very good	66	51.2	51.2	100.0
	Total	129	100.0	100.0	

Using the same analysis method we obtained the upper table from which we can conclude that: 3.10% of the respondents said they feel a sense of indifference toward the companies that run fundraising campaigns for various humanitarian causes, while 45.74% said it is a good thing for companies to conduct fundraising campaigns, and the rest, representing 51.16% and the larger part of them, seemed to have a very good opinion of the companies that run fundraising campaigns for humanitarian causes. In other words, four people remain indifferent to the efforts of the firms to engage in fundraising campaigns while 59 of respondents say it is a good thing, and 66 people think this is very good.

Does it worth buying from a particular company because of the humanitarian campaign it helds?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	NO	19	14.7	14.7	14.7
	YES	110	85.3	85.3	100.0
	Total	129	100.0	100.0	

To the question designed to explore the attitudes of the young consumers towards their intention to buy from a particular company as a reward of the campaigning which it carries, 85.27% of the respondents (110 persons) said that they feel stimulated to buy products of a certain company that carries humanitarian campaigns, while 14.73% (19 persons) of the respondents disagree with this.

Another opinion that this questionnaire wanted to obtain was to find the attitude toward the products that are subjected to fundraising campaigns. The majority of the respondents (58.14%) say they have a good opinion, while others (37.98%) claim to have a very good opinion of these products, and 3.88% of the respondents express their indifference to such products.

The fact that a company implements fundraising campaigns for humanitarian reasons can determine you to buy a product that it promotes?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	NO	22	17.1	17.1	17.1
	YES	107	82.9	82.9	100.0
	Total	129	100.0	100.0	

As it can be observed from the above table, the fact that the company conducted fundraising campaigns for humanitarian causes might cause most of the respondents (82.95%) to buy products from that certain company. The rest of the respondents (17.05%) think that products should not be bought from a company just because it runs a humanitarian fundraising campaign.

In the same time, the fact that a product is introduced by a company in a humanitarian campaign seems to yield the most respondents (79.07% - 102 persons) to buy again and again the same product, which means that consumer's loyalty to that product is maintained or even improved. A number of respondents (20.93% - 27 persons) are however convinced that placing a product in a humanitarian campaign does not necessarily seems to maintain its loyalty.

And yet, in terms of young consumer preferences, only a share of 67.44% of them prefer to buy products that are subject to the campaigning, leaving the remaining share of 32.56% them to look indifferent or not to prefer the products that are subject to campaigning.

From the students surveyed, 90.7%, representing 117 persons, said they would buy a product both for the quality and the supported cause, while 9.3%, 12 persons, would not do so.

Are you ready to remain loyal to a brand that promotes a social cause?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	NO	26	20.2	20.2	20.2
	YES	103	79.8	79.8	100.0
	Total	129	100.0	100.0	

While 79.84% of the students respond positively to the question that refers to the remaining faithful to a brand that would support a humanitarian cause, the other 20.16% are not willing to remain loyal to that brand.

Are you ready to change your consumption habits in order to positively contribute to a social cause?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	NO	48	37.2	37.2	37.2
	YES	81	62.8	62.8	100.0
	Total	129	100.0	100.0	

It is very interesting the fact that only 68.2% of the respondents are ready to change their consumer behavior in order to positively contribute to a social cause, the others 37.2% are not ready to change their behavior, although 99.2% of those questioned consider that companies implication in social responsible activities is a good thing.

At the question: Do you believe that the social campaigns of the companies have the purpose of raising the sales, 55% said yes, 28.7% said no, while 16,3% believe these campaigns are meant not only to improve the company's image, but also to raise the total sales and through that to help several socially disadvantaged categories of people.

Do you believe that through the „Doneaza o felie de paine" campaign, VelPitar intends ti improve its image?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	NO	68	52.7	52.7	52.7
	YES	61	47.3	47.3	100.0
	Total	129	100.0	100.0	

In order to actually see if the respondents consider that a company uses social campaigns for improving their own image, we addressed the students the following question: Do you believe that through its campaign "Donate a slice of bread" VelPitar intends to improve its image? 48.1% of the respondents gave an affirmative answer, while the others 51.9% gave a negative one.

Do you consider that the brands involved in fundraising campaigns for humanitarian causes have social value?

	Frequency	Percent	Valid Percent	Cumulative Percent

Valid	NO	14	10.9	10.9	10.9
	YES	115	89.1	89.1	100.0
	Total	129	100.0	100.0	

As for perceiving some brands that are implied in humanitarian campaigns as having social value, 89.1% of the young people said yes, while 10.9% said no.

Income

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	less than 500	101	78.3	78.3	78.3
	501 - 800	17	13.2	13.2	91.5
	801 - 1200	7	5.4	5.4	96.9
	over 1200	4	3.1	3.1	100.0
	Total	129	100.0	100.0	

As expected, because most of the respondents were students and had no job, they have quite low incomes. According to the applied questionnaire, 78.3% of the respondents have incomes below 500 RON a month; mostly they represent incomes from study or merit scholarships or money from their parents. The monthly incomes of others (13.2%) are between 501 and 800 RON, while 5.4% have an income between 801 and 1200 RON, and only 3.1% of them over 1200 RON.

Have you ever done a donation? * Gender Crosstabulation

			Gender		
			female	male	Total
Have you ever done a donation?	NO	Count	34	12	46
		% within Gender	36.6%	48.0%	39.0%
	YES	Count	59	13	72
		% within Gender	63.4%	52.0%	61.0%
Total		Count	93	25	118
		% within Gender	100.0%	100.0%	100.0%

From the above table it can be noted that from118 respondents to the question that searches to find if they ever made any donations answered 93 female individuals, representing 78.8% of the total number of respondents, and 25 male individuals, representing 21.2 % of the respondents. It is quite obvious that the percentage of female individuals who made donations is higher than that of the male individuals who ever made donations. Thus, 59 persons, representing 63.4%% of female respondents, said they had made donations, while those of the male only rate of 52.0% say this. One can therefore conclude that female people are more likely than male individuals to donate, at least for young students of the University "1 December 1918" Alba Iulia.

Analysis of association between two variables - the first step involves verification that the relationship between the two variables using χ 2 test, and then the contingency coefficient interpretation in order to analyze the association degree between the two variables. From the Analyze Menu - Descriptive Statistics – Crosstabs, the two variables are chosen and from the Statistics window select the desired parameters.

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	1.084[a]	1	**.298**		
Continuity Correction[b]	.657	1	.418		

Likelihood Ratio	1.068	1	.301		
Fisher's Exact Test				.358	.208
Linear-by-Linear Association	1.075	1	.300		
N of Valid Cases	118				

a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 9.75.

b. Computed only for a 2x2 table

Symmetric Measures

		Value	Asymp. Std. Error[a]	Approx. T[b]	Approx. Sig.
Nominal by Nominal	Contingency Coefficient	**.095**			**.298**
Interval by Interval	Pearson's R	-.096	.094	-1.037	.302[c]
Ordinal by Ordinal	Spearman Correlation	-.096	.094	-1.037	.302[c]
N of Valid Cases		118			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

c. Based on normal approximation.

Formulating the null hypothesis: there is no association between the two variables, with the alternative that there is. We can say with a 95% approximation (Sig.> 0.05) that the two variables are related. Asymp. Sig. (Two-sided) is 0.298 and is therefore greater than the threshold of 0.05 that we set. The contingency coefficient is 0.095, being different from 0, so the relationship between variables exists, but is mild.

In conclusion, the null hypothesis is not supported and can be stated that between a person's gender and its propensity for donating is a connection, being able to say with a very small probability that, in this case, feminine people seem to have a greater predisposition to donation than male.

AGE? * Have you ever done a donation? Crosstabulation

			Have you ever done a donation?		
			NO	YES	Total
AGE?	under 20	Count	20	27	47
		% within Have you ever done a donation?	43.5%	37.5%	39.8%
	20 - 25	Count	25	43	68
		% within Have you ever done a donation?	54.3%	59.7%	57.6%
	over 25	Count	1	2	3
		% within Have you ever done a donation?	2.2%	2.8%	2.5%
Total		Count	46	72	118
		% within Have you ever done a donation?	100.0%	100.0%	100.0%

From the above table it can be noted that from all the students (118) from the ones which gave a negative answer to the question whether they have made donations (46 people), 43.5% were younger than 20 years, 54.3% are 20 to 25 years and 2.2% are over 25 years. Conversely, those who answer affirmatively to the question about donations (72 persons), 37.5% were younger than 20 years, 59.9% are aged between 20 and 25 years, while 2.8% were over 25 years.

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	**.433**[a]	2	**.805**
Likelihood Ratio	.432	2	.806
Linear-by-Linear Association	.424	1	.515
N of Valid Cases	118		

a. 2 cells (33.3%) have expected count less than 5. The minimum expected count is 1.17.

Symmetric Measures

		Value	Asymp. Std. Error[a]	Approx. T[b]	Approx. Sig.
Nominal by Nominal	Contingency Coefficient	**.060**			**.805**
Interval by Interval	Pearson's R	.060	.092	.649	.518[c]
Ordinal by Ordinal	Spearman Correlation	.061	.092	.653	.515[c]
N of Valid Cases		118			

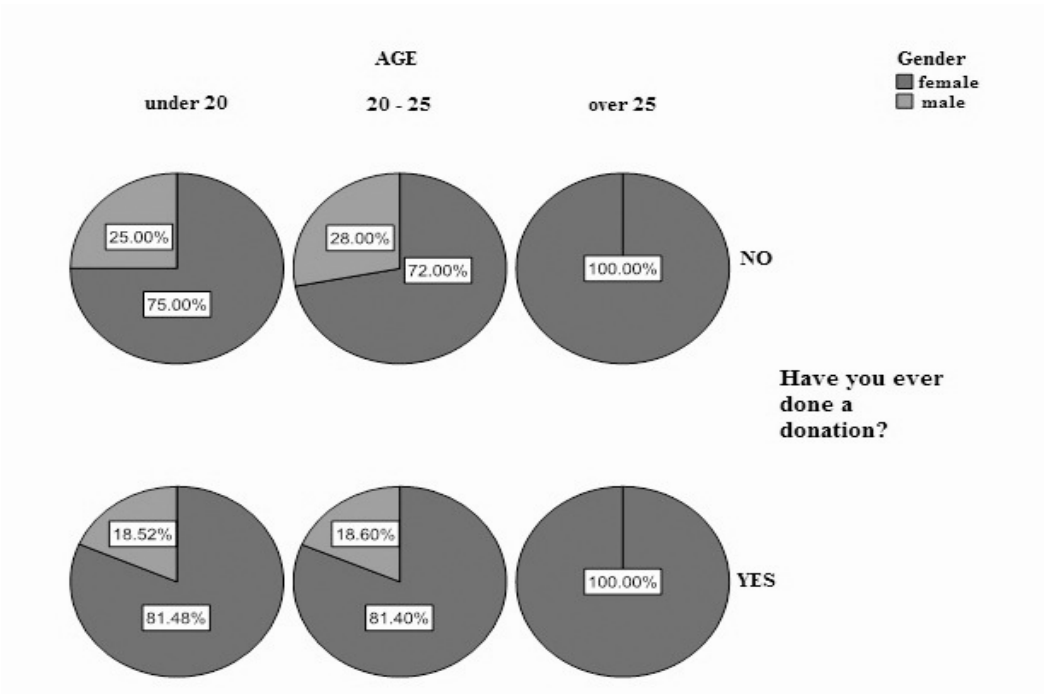
a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

c. Based on normal approximation.

We formulate the hypothesis that there is no association between the two variables, with the alternative that there is. As we can see from the above,we are able to say with a 95% approximation (Sig.> 0.05) that the two variables are not related. Asymp. Sig. (Two-sided) is 0.805 and is therefore greater than the threshold of 0.05 we set. The contingency coefficient is 0.060, being different from 0, so the relationship between variables is mild.In conclusion, the null hypothesis is accepted and we can mention that between the ages of people and their penchant for donating is no important link.

Next we want to see the relationship between the three variables, namely age, gender and predisposition to donation,and also connection between age, gender and income.



It can be seen from the chart above that from the students falling in the category "under 20" years and who have not made donations (20 people), 75% are female gender (15 people), and 25% are male (5

persons). Of the same age, and who answer affirmative to the question regarding donations (27 people), 81.48% are female (22 persons), and the remaining 18.52% are male (5 persons).

At "20-25" years age category (25 people who have not made donations) we have 72% female person (18 people) have never been donations and 28% male persons (7 persons) also have never made donations. At the same age category, of those who have made donations (43 people), 81.40% are female (35 persons), while 18.60% are male (8 people).

For the "over 25" years age category, the respondents areall female persons (3 persons), which is the reason why for the negative responses (1 person) and also for the positive (2 persons) regarding the donations, the percentage for female persons is 100%.

Among those females who are under 20 years (40 people), 87.50% (35 persons) have the income below 500 RON, 10% (4 persons) have income between 501 and 800 ron, and only 2.5% (1 person) have incomes between 801 and 1,200 ron. In the same age, 90% of the males (9 persons) have income below 500 ron and 10% (1 person) have income between 501 and 800 ron.

In the 20-25 years age group are a number of 76 people, of which 59 are female and 17 male. For those of females (59) 72.88% (43 persons) have income below 500ron, 16.95% (10 persons) have income between 501 and 800 ron, 8.48% (5 persons) income between 801 and 1200 ron and only 1.69% (1 person) have income over 1200 ron. At the same age, male individuals are divided according to income, as follows: 76.47% (13 people) have income less than 500ron, 11.76% (2 persons) have income between 501 and 800 ron, 5.89% (1 person) have income between 801 and 1200 ron, and 5.88% (1 person) have income over 1200ron.

The last category, that of people over 25 years is represented only by female persons (3 persons) of which 33.33%, representing one person has income below 500ron, while 66.67% (2 persons) have income over 1200 ron.

Next, we want to check if the proportion of the ones that do not consider it worth buying from a company because of the humanitarian campaign it carries is significantly different from 0.35%.
Null hypothesis is formulated:
H0: $p = 35\%$
H1: $p \neq 35\%$

The proportion of those who consider it worth buying from a company because of the campaigns it carries is 35%, with the alternative that it differs from 35%.

Descriptive Statistics

	N	Mean	Std. Deviation	Minimum	Maximum
Does it worth buying from a particular company because of the humanitarian campaign it helds?	129	.85	.356	0	1

Binomial Test

		Category	N	Observed Prop.	Test Prop.	Asymp. Sig. (1-tailed)
Does it worth buying from a particular company because of the humanitarian campaign it helds?	Group 1	YES	110	**.85**	**.35**	**.000[a]**
	Group 2	NO	19	.15		
	Total		129	1.00		

a. Based on Z Approximation.

From the above table we can see that the probability of accepting the null hypothesis (Asymp.Sig. (One-tailed)) is 0.000, so the probability of accepting the null hypothesis is below the threshold of 0.05, and therefore the hypothesis is rejected and, therefore, the alternative will be accepted. One can therefore conclude that the proportion of those who consider it worth to buy from one company because of the humanitarian campaign which it carries is 35%, but the observed ratio is 85% as measured by the present hypothesis variable.

3. Conclusions

Currently, consumer as the goods' demand carrier has become a real market partner whose occupied positions within it areimproving accompanying the development of the society. The consumers' purchasing behavior is becoming even more important for the businesses, organizations, bodies and institutions; this being the reason why the consumer is paying increasing attention to it.

The results that we obtained at the end of the study analysis confirm the hypothesis that we advanced at the beginning of the research. This means that through cause related marketing campaigns, a company can improve its image. A more positive image for a company means a larger profit. This can be a reason for lately authors' writing more and more about social responsibility as being a marketing tool, although some authors believe these kinds of activities have a certain immorality. Although, if we think about the fact that corporate social responsibility, precisely cause-related marketing is an instrument used in a win-win-win strategy, we might stop thinking about the company's profit means and appreciate their effort for a better society.

The study also points out that by using specific methods for cause related marketing, the company can influence the young people consumption behavior. By offering the consumer the opportunity to make a good thing for a humanitarian cause with zero effort, the company not only helps the consumer but it also improves its image, raises its profit and can make the consumer became loyal to a certain brand.

The attitude of the investigated group towards humanitarian campaigns carried out by companies is mainly positive. Most of the questioned students are ready to pay more for products that are the subject to cause related campaigns, and they argue that their brand loyalty can be determined or maintained by such actions. In the same time, we can observe from the data obtained in the research that some young people still look at the quality of a product, and they believe that a product, in order to be bought by them must also be a quality product and not only a product subjected to a cause related campaign.

As for the young people predisposition for donation, it can be mentioned that female young people seem to be more prone to donation than male individuals. This is also specifiedin other expert studies conducted by researchers worldwide. Another factor that seems to have a direct influence on the young student predisposition toward donation is their income. Thus, it played out that the higher personal income is, the higher increases their propensity to donation.

The main limitations of the research concern, on the one hand, that it relies solely on the creation of a hypothetical situation for the respondents to be able to answer the questions, and on the other hand, there is the possibility for errors to appear during the online application of the questionnaire. We know that managing its completion on this path is more difficult for the researcher.

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REFOCUSING MARKETING TO REFLECT SOCIAL RESPONSABILITY

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Abstract: *As traditional marketing statements are inherently in conflict with the social responsibilities of companies to customers, the concept of corporate social responsibility is a dead end. In this paper, based on assumptions of the Service Dominant logic and Service science, we conceptualize a marketing framework in which social priorities are consistently integrated into the company's operational considerations. The implications are manifold. Academic researchers can adopt a new research perspective, useful to investigate various relationships between individual and social value. Business practitioners will receive theoretical support for the development of strong and honest marketing practices that reflect social responsibility.*

Key words: corporate social responsibility, Service Dominant logic, Service science, service systems.

JEL classification: M 31

1. Introduction

Social effects of marketing activities were a central concern of early marketing thought (Witkowski, 2005).Marketing was first described by scholars as an institution and a social process (Ivey, 1921; Pyle, 1931; Stewart, Dewhurst and Field, 1939; Duddy and Revzan, 1947; Vaile, Grether and Cox, 1952; Alderson, 1957; Drucker, 1958), as "an economic tool used to achieve indispensable social outcomes" (Breyer, 1934, p.31).

Based on understanding the need for social legitimacy, marketing philosophy has always been well-intentioned. It was recognized that marketing should serve not only business but also the needs of society, that it must act in accordance with public interest wildly sharing social goals and that its responsibilities extend well beyond the profit motive (Breyer, 1934; Lazer, 1969; Kotler, 1975; McKitterick, 1976; Dixon, 1982; Fisk 1999; Lusch, 2007).

Unfortunately the traditional logic which has guided the marketing activities so far prevented business practice to substantially and consistently achieve these goals(Lush, 2007). The concept of social responsibility came in the academic discourse in the second half of the twentieth century as a possible solution. In the last decades formal writing on the subject has shifted to the "corporate social responsibility" concept which remained largely ineffective (Carroll, 1999).

Marketing practice is still criticized for lack of ethics and social responsibility (Hastings and Haywood, 1994; Smith, 1995). Marketing is blamed for focusing on transactions and profit, promoting materialism, negative influence of cultural values, intrusion into people's private matters, manipulative nature, pressing sales tactics, environmental destruction, waste of resources, establishing opportunistic prices, labor exploitation, spread of greed and consumerism, commoddifying human relations (Reuter and Zitzewitz, 2006, Nicholls and Cullen,2006; Kotler, 2006, Sheth and Sisodia, 2006; Lusch, 2007; Hackley, 2009).

Therefore, the need to identify effective ways to integrate ethical and societal dimensions in marketing activities is even more acute. Responding to this need, in this paper we have two objectives. On the one hand we emphasize the inherent contradiction between the traditional marketing logic and the desire for social responsibility. On the other hand, we conceptualize a framework for understanding the business that covers the gap between social aspirations of the marketing philosophy and business practice. The conceptual foundation is based on the premises and assumptions of emerging marketing paradigms Service Dominant logic and Service science. The managerial and academic research implications of this new approach are also discussed.

2. Corporate social responsibility - An antagonist perspective

The concept of Corporate Social Responsibility (CSR) rooted in the traditional marketing logic is a dead end. As the sponsorship by the Cosa Nostra of a center against drug addiction is no evidence of social responsibility on its part, inherently opportunistic way in which profit is pursued by the companies following the traditional marketing logic cannot be reconcile by the corporate social programs.

The marketing logic represents the mental model or the framework of thought through which managers perceive and understand the business reality (Lusch and Vargo, 2006). Traditional marketing orientation was called "manufacturing logic" (Norman, 2001), "old enterprise logic" (Zuboff and Maxim, 2002) or "goods dominant logic" (Vargo and Lusch, 2004). According to this paradigm, "marketing is a combination of activities designed to produce profits by providing, creating, stimulating and satisfying the needs and/or desires of a selected market segment" (Eldrige, 1970, p.7). Satisfying the needs, means in this context reaching business objectives related to profit and not involving the protection of customers' welfare (Bell and Emory, 1971). Customers are perceived as exogenous means for achieving organizational ends (Hackley, 2009). To expect that a company operating in this logic puts social priorities and values before the company's operational considerations is unreasonable (McGee and Spiro, 1988).

The CSR concept has had a long and complex history, which led to the accumulation of a substantial body of literature (Carroll, 1999). However, what are the specific responsibilities to society which firms should assume remain unclear. In their broadest meaning, these responsibilities are defined as "the economic, legal, ethical, and discretionary expectations that society has of organizations at a given point in time" (Carroll, 1999, p.283). They are circumscribed to "serious attempt to solve social problems caused wholly or in part by the corporation" (Fitch, 1976, p 38). In practice, these concerns remain at best complementary to current activities of the company, not incorporated effectively into business logic by which profit is pursued and achieved. Abela and Murphy (2008) reveal a clear separation between business theory and ethical theory, ethical recommendations appearing as a distinct stage in the marketing activities and can be easily overlooked by practitioners. Because of this separation, companies get to pursue additional benefits in exchange for the social responsibility shown, justifying some social programs and socially responsible business decisions by a reasoning which focus on long-term economic gains (Davis, 1960; Johnson, 1971). Common are situations where corporate social responsibility has become a philanthropic palliative for the lack of social responsibility in which the business is actually conducted.

The debate on CSR remains largely sterile as it addresses social responsibility in contrasts with company's reason of being. The contradiction between the notion of social responsibility and marketing traditional logic does not derive from economic function performed by the company. In a competitive environment, obtaining profit is the basic condition for the survival of the firm (Webster, 1994). Pursuit of profit is one of the manifestations of social responsibility as the economic viability of the company is vital to society (Carroll, 1999).

Apparent incompatibility between the notions of profit and social responsibility masks the real reason of firms' inability to fully assume their social responsibilities. What makes impossible for companies to fully and consistently assume their social responsibilities is the conceptual framework within which they operate. Much of the social effects generated by firms are outside the prescriptions of this frame of reference, outside the logic that guides the present practice of marketing. Inherently conflicting relationship between traditional marketing statements and the concept of CSR can be discussed around three antagonisms: individual value vs. social value, the role of client vs. the role of citizen and the company vs. the client.

2.1. Individual value vs. social value

Traditional marketing focuses on transactions, singular or repeated, customers' practices being ignored. The goal of marketing is the production and selling as many units of output as possible (Kotler, 1972; Vargo and Lusch, 2008). Social effects of production and consumption are put by companies on the customers' shoulders. After all, companies are doing nothing more than to satisfy customers' needs. What is valuable for the customer is created and offered by companies according to individual needs. The customer has the right to accept or reject the companies offer. Based on this "right," the customer often ends up being burdened with many social responsibilities that belong to the company. In addition, companies conceptualize customer needs outside their social context which creates a perceptual gap between individual and social interests, between what is valuable for the individual and social values. The concern for mass customization emphasizes this trend. In social responsibility discourse, this becomes

more an ordinal problem, seeking to justify the primacy of one set of values over the others (Carroll, 1999). Traditional marketing logic lacks the appropriate explanation framework to cover this gap. Traditional marketing reaches out to exploit and increase the antagonism between individual and social value. How value creation is conceptualized in this logic provides no means by which the individual value could be established in social values or social value could be derived from the individual value. The antagonism between the two types of values cannot be reconciled, although they should be seen as facets of the same coin, because are mutually dependent.

2.2. The role of customer vs. the role of citizen

The gap between individual and social value is based on the lack of congruence of the two roles fulfilled by any individual in society: the customer and the citizen. Traditional marketing logic offers no solution to harmonize this duality which becomes antagonistic in the context of consumption. According to traditional logic companies address the customers not the citizens. The company aims to consistently meet customer needs (Kotler, 1972), lacking the means by which these needs can be aligned with the aspirations and needs of citizens. For this reason, only the customers are expected to be socially responsible. If individuals would not be characterized by customer/citizen antagonistic duality, traditional marketing statement that it fulfills customers' wishes would be sufficient to perceive a default assumption of social responsibilities by companies. In the context of this duality, however, the notion of corporate social responsibility is a dead end because it does not change the way in which the client it is perceived by the company nor does it empower the customer to be able to take up real social responsibilities. New business logic is needed to show how to obtain a value configuration that meets the balanced individual and the social needs.

2.3. The company vs. the client

The lack of harmony between the individual and social value, between the role of customer and citizen derives from antagonistic position assumed by the companies and customers from the traditional marketing logic perspective. While companies are seen as creators of the value offered on the market, customers hold the opposing position of destroyers (consumers) of value (Morgan and Strong, 1998; Vargo and Lusch, 2004). Traditional logic does not provide a framework able to give relevant explanation by which value could result from a collaborative process between company and customer. Only in such process social responsibility could be mutually assumed. Traditional marketing focuses on efficiency by insulating the market actors and processes (Vargo and Lusch, 2004). Communication is typically unidirectional; customers are marketed and "penetrate" without a true dialogue (Lusch et al., 2006). The notion of social responsibility makes no attempt nor can solve this problem.

Customizing social responsibility by identifying social stakeholders in that company should take responsibility (Ansoff, 1965; Freeman, 1984) does not cancel nor change traditional marketing logic antagonisms. The individual value-social value dichotomy exists among all stakeholders, with the prevailing of individual value. The only stakeholders for which social value is paramount are future generations. As represented in absentia interests of this group are suffering the most. Information asymmetries, imbalances of power between stakeholders and the dominance of large companies make illusory the harmonization of all these interests (Sheth and Sisodia, 2006). Business companies are social agents far more active and stronger than most other social stakeholders. To be productive, the discussion on social stakeholders has to be translated in a marketing logic that allows the mediation of the roles and responsibilities of market actors in creating value.

The poorest and yet the most cited argument for the notion of corporate social responsibility is assumption that managers will refrain from participating in markets where long-term effects on consumers are negative because they know that at some point consumers will punish these markets and companies (McGee and Spiro, 1988). From this perspective, CSR is seen as a cost that is desirable only when long term profit is pursued. The relationship between social responsibility shown by companies and their financial performance is however unclear. The studies conducted by Pava and Krausz (1996) and Sen and Bhattacharya (2001) show not only the effect of assumed social responsibility on companies financial performance is often elusive but can be negative. Not surprising when one considers that marketing trivialities created spoiled and shallow customers led mainly by emotion and the principle of pleasure. While companies perceive social responsibility as a cost, customers come to perceive it as a burden which lowers their personal pleasure. The model of rational customer on which companies can lay the social responsibilities associated with the consumption on behalf of meeting individual needs is false and should be abandoned. The idea of social responsibility should be firmly anchored in a market logic that enables it to truly guide marketing practices.

3. The Service perspective on value creation

The traditional model of linear value chain in which the company is the creator of value and customer the consumer of value was increasingly challenged in the marketing literature of the last two decades (Normann and Ramirez, 1993; Holbrook, 1994; Ravald and Gronroos, 1996; Vandermerwe, 1996; Wikstrom, 1996, Woodruff and Gardial, 1996; Normann, 2001; Vargo and Lusch, 2004; 2006; Gronroos, 2006). These authors have shown that customer value cannot be perceived as something given by the firms but as the result of customer's value generating processes.

Summarizing the traditional marketing logic assumptions, Vargo and Lusch (2004) have proposed a new paradigm to guide theory and business practice called Service Dominant logic (S-D logic). S-D logic proposes a collaborative and systemic vision on value creation, which includes customers and other market players (Vargo and Lusch, 2004, 2008; Vargo, Maglio and Akaka, 2008). From this perspective, business companies cannot create and deliver value; they can only make value proposals and provide services as inputs to achieve it. Perceived in terms of provided benefits and not of fungible out-puts (Vargo and Lusch, 2004, 2008), service is the support of value, being performed by entities acting on each other. The value is created in the customer's context as "value in use," through integration and interaction with resources provided by organizations, applying its resources as well (Gronroos, 2008, Vargo, 2008).

S-D logic is seen as a potential philosophical foundation for Service science (Vargo and Akaka, 2009). Service science describes participants as service systems (Normann, 2001). Service systems are conceptualized as configurations for value co-creation and include people, technology, value proposition (connecting internal and external service systems) and shared information (Maglio and Spohrer, 2008). Services systems are holders and integrators of resources (Vargo and Akaka, 2009) creating value by integrating resources (Lusch and Vargo, 2006; Arnould, Price and Malshe, 2006). Service systems can vary in size from individuals to companies, organizations, nations and the global economy (Vargo and Akaka, 2009).

4. The conceptual model of Service Systems Social Responsibility

Collaborative vision on value creation and the perception of market actors as service systems that create value through integration of resources open the opportunity for conceptualizing a framework in which social responsibility can be equitably shared between all stakeholders. In this, the balance between individual value and the social can be achieved. The conceptual model we propose is canceling the traditional marketing logic inherent antagonisms and establishes theoretical premises to mediate a socially responsible behavior by all social actors.

Defining organizations and individuals as service systems, Normann (2001), shows that each service system acts on the market both as a supplier and as a customer. Not just companies, but individuals or other organizations can be suppliers at one time. Not just individuals, but companies or other organizations can be customers at one time. As service systems may have only these two states constantly alternating, we summarize the discussion of social responsibility around them, referring to social responsibility of the service supplier and service customer. S-D logic's collaborative perspective on value creation makes these two states of a service system (supplier and customer) not antagonistic but complementary.

4.1. The social responsibility of the supplier

Responsible resource integration for the value facilitating proposal

From the S-D logic perspective the supplier does not create value, but can only make value propositions (Vargo and Lusch, 2004; 2008). Value is always co-created through the collaborative process between supplier and customer. Service science conceptualizes value proposals as links between service systems. Each service system is connected via value propositions in value chains, value networks or systems of value creation (Normann, 2001).

Gronroos (2000) argues however, that value is created within the customers' everyday practices, through their processes of value generation belonging to them. Accordingly, Vargo and Lusch (2008) conceptualize value as "value in use," determined, always uniquely and phenomenological, by the beneficiary. As a result, in creating value for customer the supplier fulfills rather a role of value facilitator. The supplier cannot make value propositions but proposals to facilitate the value in use for the

customer. These value facilitating proposals have exchange value and form the connections between service systems.

Since customer value is determined only by the customer, to prepare a value facilitating proposal which will be validated in consume not only accepted at the point of exchange, the supplier must understand and know the value creation processes belonging to the customer. Value is created through the integration of resources (Lusch and Vargo, 2006; Arnould, Price and Malshe, 2006). The supplier must know and understand how the customer integrates the resources available to him. Available resources mean that customers can access also resources belonging to other service systems (Gronroos, 2008, Vargo, 2008). The only credible way for the supplier to ensure that its value facilitating proposal will be validated in use (in consumption) is the transformation of customers in active participants in preparing the proposal. This means empowering customers and seeing them as operant resources generating effects, and not passive recipients of the outcome of a linear value chain (Vargo and Lusch, 2004). By definition, customers have a certain degree of knowledge or skills that can contribute to service processes (Vargo and Lusch, 2004, Gronroos, 2008).

S-D logic distinguishes between two types of resources: operand and operant (Vargo and Lusch, 2004; 2008). Operand resources (natural resources, goods and money) are resources that are acted upon to produce an effect. Operant resources (skills, knowledge) are employed to act on other operand or operant resources. "Service is the application of specialized competences for the benefit of another or the entity itself" (Vargo and Lusch, 2004; p.2). To provide the service, the supplier also integrates resources and applies his skills (Vargo and Lusch, 2004, Vargo and Akaka, 2009). The empowerment of the customers allows them to know and understand how the supplier in turn integrates resources which are available to him. Social responsibility of the supplier becomes a matter of responsible integration of operand and operant resources. By empowering the customers this responsibility is shared across all service systems. Seeing value as a result of resources integration belonging to a vast network of service systems, the ontological distinction between individual and social value disappears. The customer value comes to signify an integrated marketing value.

4.2. The social responsibility of the customer

Responsible resource integration for the value actualization process

Vargo and Lusch (2008) argue that value is determined uniquely and phenomenological by the customer, it is idiosyncratic, experiential, contextual and full of meanings. Accordingly, value is not static but has rather dynamic, fluid meanings, varying in time depending on the situations and customers characteristics. Conceptualization of service systems as dynamic configuration of resources (Sphorer et al., 2007) emphasizes the dynamism of perceived value. Therefore it is fairer to understand value as something actualized not as something created. Value is actualized by the same system every time differently, even if identical facilitating proposals are used as input. Similarly, under the same conditions, the actualized value by two service systems is different (Frondizi, 1971).

Value itself is neither good nor bad but how it is actualized by a service system influence the value actualized by other systems. The customer social responsibility in the process of value actualization reflects the preoccupation of service systems not to adversely affect the value actualization for other systems, present or upcoming. Interactive processes between service systems in which resources are integrated and the value is actualized are conducted not only by reason (Holbrook and Hirschman, 1982). At the highest level of abstraction service systems can be seen as individuals or groups of individuals. Interactive processes involving human beings include the integration of stimuli (Lee and Shafer, 2002; Oliver, 1993). Therefore affect and emotions influence interactions between service systems and hence how the value is facilitated and actualized over services networks. Affect is an important catalyst of the interactions between service systems.

The value actualized by the customers is a marketing integrated value. The conceptualization of the actualized value as marketing integrated value balances the individual and the social interest. The distinction between individual and social value loses its relevance since it recognizes that the marketing integrated value is facilitated by all partners of the value network (Lusch, 2007). It is recognized that no service system (provider or customer) have adequate resources to obtain value independently. In this context, discussions on social responsibility of the market actors will focus on the effects of how value actualization of a service system will have on value actualization of other systems and on how resources are integrated throughout the network services. The value facilitating networks should be understood as

ecosystems (Vargo and Lusch, 2009). How value is facilitated and actualized by a system affects the whole ecosystem.

5. Discussions

When the facilitation of the integrated value becomes a marketing objective a more comprehensive jurisdiction of value creation is established. This allows companies to analyze the social responsibility of their actions in the broader context of the ecosystem they belong. Under the pressure of globalization, leading to the internationalization of these ecosystems, business companies are forced to broaden their perspective on the social effects that they and their network partners generate. Marketing traditional logic focused on the linear value chain is unable to guide responsible marketing practices in the context of increasingly complex value facilitating networks.

Service as a business logic allows companies to more clearly define their own social responsibilities and those of other service systems with which interact. Decoding interactions between service systems at the resource integration level highlights with greater precision the social implications of marketing practices. Companies are service systems that contribute substantially to the value actualization for most other service systems. The way in which companies understand their social responsibilities is vital to society.

Understanding the service as the exchange denominator (Vargo and Lusch, 2004) creates a more democratic premises on the market actors' relationships. Since each service systems from the value facilitating network is alternately both supplier and customer, power imbalances can be reconciled at least at the ontological level. The practical consequence will be the openness of businesses to customers and expanding businesses concerns beyond the moment of transaction towards the customer value actualization processes. The companies' constant concern for how other service systems integrate the resources to prepare facilitation proposals and to actualize value makes social responsibility defaulted.

From an academic perspective, the conceptual model leads to many research questions. Both as a customer and as a supplier, service systems integrate a variety of resources, some of their own, some from other systems, so as to design facilitating proposals or to actualize value. We have to find out how different configurations of resources are designed in order to facilitate or to actualize value. When a certain resource configuration is optimal? Which are the service systems that through their way of integrating resources significantly influences social effects generated by the activity of the business company?

Interactions between provider and customer generate effects across service systems networks. What are and how can these effects be managed? How does profit influence the configuration of value facilitating proposals made between service systems?

Globalization has accelerated the market processes and decreased the timeframe in which both individuals and companies think their activities. Instant gratification, immediate individual gain and short-term profit are pursued. Companies, like people, believe their only social responsibility is to pay taxes in full and on time. The proposed conceptual model allows widening the horizon for all service systems of the value facilitating network. Finding the normative prescriptions of the model and the concrete ways in which can be operationalized needs further research.

6. Conclusions

Marketing traditional logic in which marketing activities have been conducted so far prevented the business practice to take substantial and consistent social responsibilities (Lusch, 2008). The separation of the business from ethics theory makes ethical recommendations appear as a distinct stage in the marketing activities, a step that can be easily missed by practitioners (Abela and Murphy, 2008). The focus on transactions and profit and operating with a linear value model in which the company is the creator of value and the customer its consumer, generates market antagonisms that cannot be reconciled with by the Corporate Social Responsibility concept.

Collaborative vision on value creation and perception of market actors as service systems that create value through resource integration, allows conceptualization of a marketing framework in which social responsibility can be equitably shared between all stakeholders and balance between individual and social value can be achieved. The conceptual model we propose is based on those two states in which each any service system exists alternatively on the market: supplier and customer. S-D logic's

collaborative perspective on value creation means that these two states of service systems are not antagonistic but complementary. The social responsibility of the supplier becomes a matter of responsible integration of operand and operant resources. The expression of social responsibility in value actualization for the customer is concern not to jeopardize the value actualization for other present or future service systems. By empowering customers these responsibilities are shared across all systems that form a service ecosystem.

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MODEL BASED ON KEY PERFORMANCE INDICATORS FOR ASSESSING THE MARKET POSITION OF A COMPANY. CASE STUDY IN A CAR RENTAL COMPANY

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Abstract: *The present paper is the result of a research approach realized on the Romanian car rental services' market. Beginning from the characteristics of this economic sector and from the activity's specificities of the car rental companies, the present study intends to develop an evaluation model of the position on the competitive market of a Romanian company in the car rental industry, based on Key Performance Indicators and Balanced Scorecard. The research's objectives reside in defining an indicators set depending on their importance and on the impact's dimension over the organization's competitive maturity level. The study's result is the creation of an objective assessment instrument of the company's rating on the car rental market.*

Key words: Key Performance Indicators; Balanced Scorecard; Car Rental Industry; Business Trip Index.

JEL classification: M 31

1. Introduction

A series of conjuncture factors, arising especially from the deep transformations generated by the globalization phenomenon, lead in the last decades to an important extension of the services sector, the car rental one having an important share. Nowadays we are witnessing substantial modifications in the geographical repartition of the production and of its control manner, in the liberalization of the products, services, capital and work forces exchanges. In these conditions, the car rental services has known an important development, enabling the apparition at national level of some new companies, which alongside with the ones established in the domain (*Avis, Europcar, Hertz etc.*) cover a significant market share and accede to a great part of the request. The car rental service is increasingly more imposed at worldwide level as an alternative to the transport with own vehicles. One of the particularities of the car rental activity resides in the fact that due to the economic ensemble development, at national and international level, this service type is no longer mainly addressed only to the tourists' category who request a car in their vacation periods, but it intends to accede to the request coming from the business people category, whose mobility manifests during the entire year. A second significant aspect characterizing in entirely the car rental service refers to the great feedback on it of each deep change in the structure and functioning of the competitive market. Thus, the apparition of the new economic agents in the industry, commerce, transport sphere, the accentuation of the competition between them, the rapidity of the sale processes, represent a great part of the factors which determine the companies to adapt and to revise their strategic options. In this measure, one of the « success keys » is determined by the insurance capacity of the employees', commercial representatives' mobility, who by the nature of their tasks are dependent on possessing a transport means that seldom is their own.

The car rental also became in the post-communist Romania a growing business, many of the companies in this sector resorting to rigorous practices, methods and instruments in the domain of the management, marketing or informatic and communication technologies. During the beginning of the car rental market the most aimed target group were the tourists, but their percentage in the total of the car rental demand was relatively low, Romania being a country with a still relatively low exploited touristic potential. Towards the end of the 90's, once with the increasing volume of the foreign investments in Romania, a well defined clients category begins to be formed, consisting of the companies' staff which opened in Romania business representations, commercial banks etc. It should be noted that, for this clients category, the car rental companies began to offer services associated to the main one, in this case, renting office logistics, as well as travel logistics necessary for a business man, passenger in town.

Taking into account the car rental market dynamic on worldwide level, but also the "youth" of this market at Romania's level, it becomes important for the top management of the companies activating

in this sector to have an instrument by means of which it can rigorously and realistically assess its market rating. The acceding to such a managerial request is motivated both by strategic considerations and by the fact that on a developing profile market, gaining the leader position and imposing the own brand represents a real success.

In this context, the purpose of this paper consists in developing a model to assess the position on the competitive market of a Romanian company in the car rental industry, based on Key Performance Indicators (KPI). In fact, a company's competitive maturity level represents a measure of its performance, which might be quantified through a relevant organizational benchmarks number, reflected in KPI. There have been taken into account in elaborating the model, different importance levels of the defined KPI set, as well as their alignment to a strategic development instrument, materialized in the Balanced Scorecard matrix.

2. General considerations regarding the car rental market and the car rental services

The car rental market was hard hit during the recent economic recession largely due to overall decline in spending, and reduced travel, among other factors. According to Euromonitor International (2010) small and medium car rental companies in Romania have perished under the pressure of the financial crisis, while the large players were faced with a very volatile consolidating market. Highly dependent on the corporate sector, and affected by the declining numbers of incoming tourists, car rental companies have not had their best period in Romania since the onset of the recession. However, revival in economic conditions at global level, restored the consumer needs and confidence which reflected in improved car rental market. As there are expectations of continued economic revival, the travel related activities will also increase, further driving the growth of car rental market.

The last year's edition of the Research and Markets (2011) report provides an analysis of the global car rental industry, with focus on various geographic regions. The car rental market is well organized in developed nations and further growing. The United States accounts for the majority share in the global car rental industry, followed by Europe and other developed nations. The competition on the car rental market is intense and primarily based on price, service, and reliability. *Hertz*, *Enterprise*, *Avis Budget*, and *Dollar Thrifty* are the four key players in the global car rental market (tabel 1). This industry has the roots in a constantly growing in emerging economies like India, China, and Brazil, among others.

Tabel 1: United States Car Rental market – Fleet, Locations and Revenues. RA

Company	U.S Cars in service (Avg. 2011)	U.S Locations	2011 U.S Revenue est. (in millions)	2010 U.S Revenue (in million)
Enterprise Holding	920.861	6.187	$ 11.100	$ 9.800
Hertz	320.000	2.500	$ 4.241	$ 4.081
Avis Budget	285.000	2.300	$ 4.110	$ 3.900
Dollar Thrifty	118.000	445	$ 1.645	$ 1.628

Source: (Auto Rental News Magazine, March/April 2012)

The performance of the car rental services is the resultant of some quite heterogeneous factors arising from the vehicle fleet potential managed by the company, but also from its marketing strategy, managerial competences, the exploiting capacity of the new informatic and communication technology, the ability of monitoring the competitive environment. There are many key success factors that drive profitability in the car rental industry (Monestime, 2012). The efficient use of the vehicle fleet is one of the factors that determine success in the car rental sector. Because rental companies experience loss of revenue when there are either too few or too many cars sitting in their lots, it is of paramount importance to efficiently manage the fleets. This success factor represents a big strength for the industry since it lowers if not completely eliminates the possibility of running short on rental cars. Another key success factor that is common among competing firms is the integration of technology in their business processes. Through technology, for instance, the car rental companies create ways to meet consumer demand by making renting a car a very agreeable deal by adding the convenience of online rental among other alternatives. Furthermore, companies have integrated navigation systems alongwith roadside assistance to offer customers the piece of mind when renting cars.

In Romania, the car rental market is relatively new and less known from the point of view of its potential, importance and advantages. Moreover, its development and consolidation is – beyond the

technical and economic development factors – a matter linked to the clients' mentality and behavior vis-à-vis the presence of such a service at the level of the competitive market in Romania.

2.1 Why do people appeal to car rental services?

The rental business is a service industry. According to Van Looy (2003) services have the characteristics that they are intangible, perisable, and that theier production and their consumption are not separable. This also applies to car rental services because they are not tangible product and they have to be produced and consumed at the same time as well as in the same place. The argument for supplying the car rental service by the profile companies reside in satisfying the mobility need of some client categories with different particularities and requests. This service's utility is however reflected by other characteristics, like:

- *It is a practical service*. No matter whether is addresses to the tourist or to the business man, the car rental on short or medium term is a practical alternative to traveling with the own vehicle. The car rental companies are preoccupied to provide through their offer a wide range of cars (different type ans size), at accessible prices, allowing the customer to dispose of a vehicle adapted to his needs, when and where he desires. The car rental locations are usually in airports or train stations, as these are considered to be the most important places in which such a service is requested.
- *It is an economic service*. Such a particularity is appreciated from two different perspectives: the one of the tourists and the one of the business men. In the first category's case, statistics show the preference of the clients who travel with a touristic purpose, for renting a car especially when the destinations are multiple and need a combination of transport means (airplane, car, ship, train). In the second category's case, it is revealed that for a person who travels for business (within and especially outside the country) it is more efficient from the perspective of the transport expenses to rent a car during his stay (there are taken into account only the rental costs and the ones for purchasing the fuel). Moreover, the great majority of the car rental services developed various client loyalty programs, as well as partnerships with the airlines or the railways, by means of which they can offer preferential taxes, discounts or attractive prices.
- *It is a service adapted to the sustainable development principles.* A current practice of the car rental companies is the maintenance of a cars fleet with a medium age of 12 months, comparatively with personal vehicles (approx. 5-7 years). This aspect is determined by the fact that a rented car is in circulation between 60% and 90% of the time, in consequence the physical wear rate being much higher than in the case o the personal vehicles. In these conditions, the renewal rate of the vehicle fleet is high, which makes a car rental company to permanently dispose of vehicles with advanced technical characteristics (low gas emissions, low degree of noise pollution, modern and adequate design etc.). It should be remarked that the maintenance of an obsolete vehicle fleet is not only against the sustainable development principles, but it constitutes an essential excluding reason from the market of the respective company in time. The most important long term trends in the car rental industry today are technological innovation through the adoption of green cars, navigation systems and other technological features.
- *It is a substitution service that* can be appealed in case the personal vehicle is temporary unavailable, or in case a company cannot use its own cars for some justified reasons.

2.2 Characteristics of the Romanian car rental market

The car rental market in Romania consists essentially in two company categories:

a) International Rent a Car companies represented by *Avis, Hertz, Europcar* etc. These ones are organizations with tradition in the domain, which operate in most states of the world, either directly or through the agents belonging to the respective brand. The clients they address to are usually physical persons or multinational companies.
b) National Rent a Car companies of small and medium dimensions, serving the local market and which identified certain market niches within it, a reason why they are not competing and are not strongly competed, by the international companies.

It must be mentioned that a car rental company might offer besides the short term renting services (« *short term rental* ») the one for longer periods of time (« *long term rental* »). The second renting version is preferred by the big companies, within the project management. The most significant example is represented by the case of a foreign company which desires to realize a feasibility study in Romania regarding the beginning of a investment. Therefore, the company has to provide to the project team the

necessary infrastructure, including the transport one. The use of the own vehicles is not justified for a period of about 8 months, sometimes this being absolutely impossible if we take into account a company with its headquarters on the American or Asian continent. The most efficient solution is externalizing the transport expenses, by renting cars from the car rental companies in the long term rentalsystem. The rental rate includes in this case all afferent costs (road taxes, insurance taxes, maintenance etc.), these ones representing fiscal deductible expenses for the service's beneficiary. A concise analysis of the car rental market in Romania highlighted some specific aspects regarding:

Clients, target market, market segmentation. The following main segments might be identified within the market, to which a car rental company addresses:

Occasional tourists and clients – it is about individuals who appeals to the car rental service for a few days depending on their necessities. Usually, a significant raise of the sales volume arising from this client's category is registered in the holiday periods.

The insurance companies – these ones provide a car in the conditions in which the own car of the ensured person has been stolen or seriously damaged. The current practice consists in signing a partnership between the insurance company and the car rental one.

The commercial companies in the private sector – these ones rent on short term one or more cars for their employees, who travel for business within or outside the country. In the situations in which the traveling is for longer periods of time, the company prefers the service's formula of long term rental type, which is more efficient from the expenses point of view.

Acquisition and management of the auto fleet. There are many possibilities for a car rental company to make and develop its vehicle fleet:

Purchase from the car dealers (internal or external)through the classic sales and purchase agreement. Taking into account that the financial effort is considerable especially in the initial moment of the business onset, few companies appeal to this solution.

Purchase in leasing system from the specialized companies. It is the most often used solution, both among the national companies of small and middle dimensions, but also at the big companies' level, due to the possibility to space out the capital expenses during the leasing period.

Getting an Auto Loan it is an option rarely used by the car rental companies, due to the difficulties raised by the bank norms, but it can be used for purchasing a very small number of vehicles.

The big companies accumulate hundreds to thousands of vehicles, therefore fleet management is becoming increasingly complex. The company decides on the fleet size and fleet structure. Ordinary, these decisions were made by the company with very limited use of mathematical models. While in the past fleet planning could be performed manually, the new size of the planning problem necessitates the use of advanced planning tools. Papier (2007) develops an analytical model for fleet size optimization, that take the stochastic nature of the car rental business into acount. He shows how the optimal fleet size can be computed under stationary and under non-stationary demand.

The investment process for starting the car rental service. Generally, the investments volume and their directions for use are a problem linked to the company's financial availability, the development strategy, the particularities of the market and to a series of objective and subjective factors. When a car rental company starts her business the investments involved are pretty high. There are some marketing steps which are very important for starting a car rental business:

Find a Mentor- find someone who has experience in this field and ask for their advice.

Keep the vehicles in good working condition- always should keep the vehicles in top condition. Nobody wants a car to break down on them in the middle of a highway. The cars number varying from 30-200 pieces for the small enterprises to more than 1000 for the big companies. The auto fleet structure and size depends on the target group best represented on the market, for which the company considers that it can reach a satisfying level of its turnover.

Develop an informatic and communication infrastructure – it should include executive information systems for managing the processes or digital scoreboard for the managers or communication technologies such as *Customer Relationship Management, Call Center.*

Find a qualified staff,forthe pick-up and drop-off service, the vehicles maintenance, or the administrative tasks.

Although it is a relatively new market in Romania and the development perspectives are positive, it must be remarked that the demand for car rentals is mainly driven by increase in air travel, increase in hotel occupancy rates and implementation of appropriate distribution and logistics strategy by the companies operating in the car rental market.

3. Study regarding the position's assessment of a car rental company on the profile market, by means of a Key Performance Indicators set

3.1 The research's objective

The present research is oriented to the development of an innovative assessment model of a car rental company's position on the profile market in Romania, using the processes' assessment technique through Key Performance Indicators (KPI). In essence, such a model is useful for determining the company's rating on the market, depending on which it might control or redefine its strategic options. With the purpose of defining more rigorously the KPI set, the information selection of quantitative or qualitative nature was based on the data sources provided by the company during the research, derived from: the monthly sales history; the company's marketing strategy; the staff's structure; the evolution of the marketing expenses; the ongoing projects; the internal and external audit reports for management; the market studies regarding the consumers' satisfaction; the annual activity reports.

3.2 The research's methodology

For an objective study's approach, the research intended to define the Key Performance Indicators in the form of organizational benchmarks. The concrete defining of these indicators resulted from analyzing the statistical data series, realized both in the company's internal plan and in the external environment at national level. The KPI set included in the structure of the assessment model proposed as a research's objective exclusively covers *conformity indicators(Ic)*, by means of which the effective registered levels are being reported for each KPI, at the levels appreciated by the research team as being optimal, in terms of the best practices in the domain. In order to realize a more realistic company's market rating at the level of the car rental services in Romania, the conformity indicators have been established on a [1,3] scale, depending on each KPI's importance and its impact's dimension over the company's sales volume. Thus, the maximum value of the conformity indicators (Ic=3) represents the company's advanced maturity level on the competitive market, appreciated through the KPI's optimal values. At the same time, depending on the conformity level, there has been established a proportion of each KPI within the assessment model, using the following coefficients: 0,99 for KPI belonging to the maximum conformity level (Ic=3); 0,66 for KPI belonging to the medium conformity level (Ic=2); 0,33 for KPI belonging to the minimal conformity level (Ic=1). Beginning from these specifications, the research was developed on the following levels:

Level 1. Defining the Key Performance Indicators set. The company's internal environment analysis, correlated with the external environment's research (economical, technological, socio-political and contextual) leaded to the definition of the following KPI, considered to be representative for determining the rating on the Romanian car rental market:

1. *The increase index of the medium annual price for car rental service* – describes the increase service's rental price, established depending on the demand's elasticity on different market segments, as well as on the often subjective perception of the clients. Generally, there is appreciated in the car rental sector that a raise with 1% of the rental price contributes to a raise with 8% of the profit, in the hypothetical conditions of ensuring a constant demand (Hong, 2007).
2. *Medium index of the vehicle fleet renewal* – influences the company's capacity to honor the demand on the market and to insure a wider covering of it. A representative indicator used in the specialty literature is RPU (Revenue Per Unit), which indicates the annual medium profit obtained by using an unit in the own vehicle park (Boeffgen & Kartach, 2008).
3. *The medium index for assigning the publicity budget on different channels* – is an indicator with a direct influence on the company's sales volume, as well as on its image in the competitive environment. It is determined by reporting the publicity budget for a certain channel to the total budget assigned for the publicity.
4. *Business Trip Index* - is the most used indicator worldwide, for appreciating the business tourism evolution, representing the main evaluation and comparative analysis means of the degree in which the big cities might represent destinations for business trips. According to EIU (2008) the *Business Trip Index* (BTI) is calculated by taking into account a number of 31 assessment criteria, grouped in five categories: the civic safety level, the medical assistance services, the culture and the environment, the infrastructure for land, road or air transport, the medium cost of a voyage (accommodation, food, rent a car).

5. *The general index of the new established economic agents at national level* – it determines an important weight of the business trips volume and results from reporting the number of "new entry" economic agents on the market to the total number of existing companies.
6. *The increase index of the worldwide petrol's price* – the fuels' increase generates negative effects over the car rental companies by discouraging the clients to rent a car (Avis Budget Group, 2006). Being given that this market is one in which the price represents the main competition criteria, it is very difficult to transfer to the customers the supplementary costs generated by the fuel's increase.
7. *The request's index of cars taken over in airports* – is an extremely relevant indicator for the company's activity, the weight of the demands for car rental with taking over or with destination in airport being usually between 70% and 90% of the total rental requests (Avis Budget Group, 2006). It is determined by reporting the number of cars rented from the company's office situated in the airport to the total number of rented cars.
8. *The company's position on the search browsers (Google)* – represents one of the most relevant performance indicators, by means of which the company's position on the competitive market might be appreciated. In the digital economy, the organization's rank in the cyberspace is appreciated by means of a specific indicator named Search Engine Result Page - SERP (Bozzon, 2011).
9. *The online visibility index of the slightly negative articles* – is an important indicator for the company's image on the *world wide web*, through which there are quantified the slightly negative online publications regarding the company's services. It results from reporting the slightly negative articles' number to the articles' number published on the first page of the search engines.
10. *The realization degree of the objectives assumed through the Management Plan* – is an indicator of the managerial effectiveness, resulting from reporting the number of objectives planned for the current year to the number of the realized ones.
11. *The interests' coverage rate* – a financial indicator resulting from reporting the gross profit to the interest expenses.
12. *The debt rate* – is the result of reporting the company's total debts level to the total value of its assets.
13. *The conformity rate of the operational procedures* – results from reporting the number of procedures complying with the legal standards to the total number of the company's operational procedures.

Table 2 includes the Key Performance Indicators set considered to be significant for elaborating the assessment model of the analyzed company's rating on the car rental market. After a detailed analysis of the KPI set, through the evolution in time of the data series characterizing them, the conformity indicator has been determined, as well as the proportion of each KPI within the respective model.

Table 2: KPI used for evaluating the company on the car rental market

Item. no.	KPI Code	KPI Name	Conformity Indicator (Ic)	Proportion within the model
1	MAP	The increase index of the medium annual price for car rental service	2	0,66
2	MFR	Medium index of the vehicle fleet renewal	3	0,99
3	MPB	The medium index for assigning the publicity budget on different channels	3	0,99
4	BTI	Business Trip Index	1	0,33
5	NEA	The general index of the new established economic agents at national level	1	0,33
6	WPP	The increase index of the worldwide petrol's price	1	0,33
7	RCA	The request's index of cars taken over in airports	3	0,99
8	SERP	The company's position on the search browsers (SERP)	3	0,99
9	OLNA	The online visibility index of the slightly negative articles	2	0,66

10	MPD	The realization degree of the objectives assumed through the Management Plan	2	0,66
11	ICR	The interests' coverage rate	2	0,66
12	DRA	The debt rate	3	0,99
13	CROP	The conformity rate of the operational procedures	3	0,99

Source: Authors

Level 2. Aligning the KPI to the Balanced Scorecard perspectives. In order to assess the services' performance offered by the company included in the study, we have chosen to include the Key Performance Indicators set defined in the previous stage, in the Balanced Scorecard Matrix which constitutes an important strategic development instrument. Introduced as a concept by Kaplan & Norton (2001) Balanced Scorecard (BSC) is a reporting tool that shows the financial and non-financial indicators of a company, grouped in four perspectives, disposed as a matrix: Internal Processes, Finance, Customer and Learning and Development. There is presented in table 3 the distribution of the Key Performance Indicators, which compose the analyzed company's market rating within the BSC matrix.

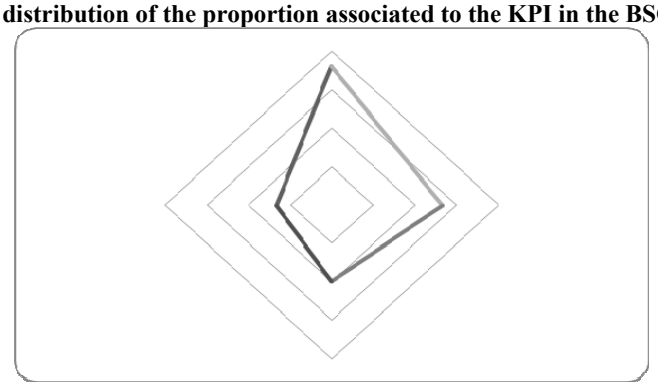
Table 3: The modeling of the company's market rating evaluation system by means of the Balanced Scorecard

Learning and development perspective	**Financial perspective**
Applicable KPI: • Business Trip Index • The general index of the new established economic agents at national level • The realization degree of the objectives assumed through the Management Plan	**Applicable KPI:** • The increase index of the worldwide • petrol's price • The interests' coverage rate • The debt rate
Internal processes perspective **Applicable KPI:** • The increase index of the medium annual price for car rental service • Medium index of the vehicle fleet renewal • The conformity rate of the operational procedures	**Customer perspective** **Applicable KPI:** • The medium index for assigning the publicity budget on different channels • The request's index of cars taken over in airports • The company's position on the search browsers • The online visibility index of the slightly negative articles

Source: Authors

Level 3. Determining the company's marketing rating. From the qualitative point of view, respectively from the one of distributing the proportion associated to the KPI in the calculation formula of the company's market rating, it might be observed that the importance order of the four perspectives is the following:: Learning & Development (1,32), Finance (1,98), Internal Processes (2,64,), Customer (3,63) (figure 1) :

Figure 1: The distribution of the proportion associated to the KPI in the BSC perspectives



Source:Authors

Furthermore, by taking successively into account the four perspectives of the BSC matrix, it will be remarked that the medium percentage (P_{Avg}) assigned to each KPI are ranked as it follows:

- Customer perspective: P_{Avg} = 3,63 / (4 KPI) = 0,907*/KPI*.
- Internal processes perspective: P_{Avg} = 2,64 / (3 KPI) = 0,880*/KPI;*
- Financial perspective: P_{Avg} = 1,98 / (3 KPI) = 0,660*/KPI*;
- Learning and development perspective: P_{Avg} = 1,32 / (3 KPI) = 0,440*/KPI*;

This distribution reveals the fact that the gravity center of the model proposed for the company's market rating evaluation is focused on the Customer component, considered to be the main strategic pillar of the company's marketing strategy included in the study. In the context of the previous defined proportion, the company's market rating is determined according to the formula:

R *= [MAP] * 0,66 + [MFR] *0,99 + [MPB] * 0,99 + [BTI] * 0,33 + [NEA] * 0,33 + [WPP] * 0,33 + [RCA] *0,99 + [SERP] * 0,99 + [OLNA] * 0,66 + [MPD] *0,66 + [ICR] * 0,66 + [DRA] * 0,99 + [CROP] * 0,99*

The positioning of the company's market rating within the interval [0,1] expresses *the maturity level* of the company in the competitive environment The definition and characterization of the maturity level will be the subject of some future researches, based on the experimenting the proposed assessment model at the level of a representative companies in Romania.

4. Conclusions

Although it cannot be discussed about a tradition of the Romania car rental market similar to the ones in the United States or Europe, in the last decades the competitive mechanisms determined a rigorous selection of the economic agents in this domain. The economic environment's dynamic and incertitude raises new challenges for the actors operating on a still forming market, these ones resorting increasingly more to techniques and instruments useful in practicing a strategic performance management. From this perspective, the research we have realized intended to elaborate an instrument useful for the car rental companies in assessing the competitive maturity level. Conceived as an assessment system of the market rating by means of a Key Performance Indicators set, the proposed model is a innovative measure for the management practice and the companies' management in the car rental industry for at least two reasons: firstly, due to the methodology included by the respective model, based on using the Key Performance Indicators and Balance Scorecard concepts with the purpose of appreciating the company's position on the national car rental market; secondly, through the fact that the proposed model is not limited only on financial aspects, but it also take into consideration other perspectives linked to customers, organizational processes or economic development.

We appreciate that the present research offers through its results a strategic marketing tool useful for the economic agents in the car rental industry and in the same time a management practice capable to consolidate their competitive advantage.

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A MARKETING REVIEW OVER THE CONTENT OF THE CONSUMER'S PRIVATE SPACE

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Abstract: *The increased employment of the direct communication media, and the extended processing of the personal data has intensified the discussions about how approaching the consumer's private space and protecting his or herprivacy. The unclear and general definition of the personal data content and protection leaves room for an inappropriate employment of this data affecting the direct marketing industry.*

Paper examines the evolution of the consumer's private space content and dynamic based on the results provided by the research waves conducted in 2010 and 2012 using an identical methodology employed at the level of two similar samples of Romanian consumers.

Key words: privacy, consumer's private space, direct marketing

JEL classification: M 31

1. Introduction

The historical roots of the debates regarding the privacy are to be found in the conclusion issued, at the end of the 19th century, by the Pacific Railway Commission (1887), on the essential, for the citizen's peace and happiness, "right of personal security" (Langenderfer and Cook, 2007), and the individual's "right to be left alone", approached and explained by Louis Brandies in 1890(Wirtz, Lwin, and Williams, 2007). Since then, many definitions have been given aiming to explain the content of privacy from different angles but all these attempts were rather difficult due to the wide number of related interests such as the personal information control, reproductive autonomy, access to places and bodies, secrecy, and personal development (Kemp and Moore, 2007), and succeeded to clarify things only partially, due to the various anglesconsidered, such as the right to be let alone, limited access to the self, secrecy, control of personal information, personhood and intimacy (Solove, 2002). The information age has made even more difficult not only the definition of privacy, but its defense in front of the many invading ways, based mainly on the internet employment(Pan and Zinkhan, 2006).Frauds, identity thefts and deceptive consumer surveys made consumers more discrete and sensitive to the need of protecting their privacy (Pitta, Franzak, and Laric, 2003).

From a marketing perspective, the definition of privacy should focus on the personal data regarding the consumers. In this respect, privacy has been defined as the claim of individuals, groups or institutions to determine for themselves when, how, and to what extent information about them is communicated to others (Westin, 1968).Definition proposed by Schoeman in 1984 adapted the content of privacy at individual level presenting it as a claim, entitlement or right of an individual to determine what information about himself (or herself) may be communicated to others; the measure of control an individual has over information about himself, intimacies of personal identity, or who has sensory access to him; and a state or condition of limited access to a person, information about him, intimacies of personal identity (Jóri, 2007).In this context, the privacy should be considered in connection with its particular area of application – the consumer's private space – described by the amount of information regarding the demographics, psychographics, and behavioral characteristics of the individuals, and the rights they should have to disclose or not their personal data, and to have this data protected through the appropriate laws and means (Veghes, 2009).

Analyzing the evolution of the definitions given to the personal data in the 1998-2008 decade, Grant (2009) has concluded that the content of the personal data, representing the central issue in the data

protection, is still under debate, and the need for identification and definition of this data is strong. Bergkamp (2002) has observed that solving the privacy issue may imply a "classical choice of political philosophy" – the option between relying on the market (providing flexibility and ability to accommodate the diverging demands), respectively on the government (imposing one-fits-all merely formal solutions). Although most of the consumers have realized that participating in direct marketing is a necessary part of being in a consumer society, they are concerned about the unauthorized use or the misuse of their personal data and information, mainly in the forms of sale of their data without permission, unsolicited contact by businesses, the feeling that businesses know too much about their personal information, and the accuracy of data retained in databases (Pope and Lowen, 2009).

2. Methodological Notes

Data regarding the content of the consumer private space, defined through the personal information the consumers would be open to disclose to different data processors, have been obtained, both in 2010 and 2012, through the similar research approaches aiming an significantly extended overall scope: to assess the exposure, attitude, current and future behavior of the consumers in connection with the direct marketing efforts of the organizations, respectively to measure the attitude and behavior of the consumers in terms of the protection of their personal data.

The identification and assessment of the consumer's private space content has considered, both in 2010 and 2012, a set of 27 research variables grouped in four categories of data – demographics, psychographics, identity, and relational:

- ***demographics***: gender, age, profession, occupation, level of education, income, and personal and family wealth of the respondents;
- ***psychographics***: political preferences, religious options, sexual orientations, visited websites, household access to different goods, household access to different services, and hobbies and interests of the respondents;
- ***identity***: first and last name, place of work, content of the e-mail correspondence, personal Id number, ID serial number, health status, legal status and biometrics data of the respondents; and
- ***relational***: mailing address, phone number, mobile phone number, e-mail address, and personal web address of the respondents.

Data have been collected, in January 2010, at a level of a sample including 78 Romanian consumers living in Bucharest and other cities, aged 18 to 30, with higher education, respectively, in January 2012, at a level of a sample including 153 Romanian living in Bucharest, aged 23 to 34, with higher education, and holding a professional status of full-time employees,freelancers, entrepreneurs, managers, and students. The respondents have been asked about thepersonal information, corresponding to their demographics, psychographics, identity, and relational characteristics, they would prefer to have protected.

Based on the provided responses, a structure of the consumer's private space has been built, in terms of the above-mentioned four categories of data, and defined according to the frequencies associated to each research variable (in fact, personal information) the respondents would prefer to have protected:

- ***personal data*** (associated with frequencies of 75 % and more, corresponding to a primary or a core area of the consumer's private space);
- ***rather personal data*** (associated with frequencies between 50 and 74.9 %, and corresponding to a secondary area of the consumer's private space);
- ***rather not personal data*** (associated with frequencies between 25 and 49.9 %, and corresponding to a tertiary area of the consumer's private space); and, finally,
- ***not personal data*** (associated with frequencies less than 25 %, and corresponding to a peripheral area of the consumer's private space).

The particular objectives and hypotheses of the research approach described in this paper are:

O1. The comparative (2012 versus 2010) assessment of the personal data importance in terms of the consumers' willingness to have this data protected

H1. Both in 2010 and 2012, consumers attribute a different importance to the protection of the different demographics, psychographics, identity, and relational data.

O2. The comparative (2012 versus 2010) assessment of the content of the consumer's private space defined using the demographics, psychographics, identity, and relational data

H2. There are not significant differences, in 2012 versus 2010, in terms of the structure and content of the consumer's private space defined using the demographics, psychographics, identity, and relational data.

3. Main Findings

The definition of the consumer private space should begin with the identification of the consumers' personal data they would prefer to not have disclosed, to have protected instead or, generally, to exert a certain form of control over the related processes of collection, processing, management, and further employment.

The frequencies associated to the personal data the respondents would prefer to have protected have illustrated (Veghes, Pantea, and Balan, 2010),the significant differences (assessed using the Chi-square test, at a 0.05 level of statistical significance), on the one hand, between the four categories of personal data (Pearson Chi-square $\chi^2 = 24.73$, theoretical Chi-square $\chi^2 = 12.59$), and, on the other hand, inside three out of four of these categories – demographics (Pearson Chi-square $\chi^2 = 149.08$, theoretical Chi-square $\chi^2 = 12.59$), identity (Pearson Chi-square $\chi^2 = 54.51$, theoretical Chi-square $\chi^2 = 12.59$), and relational (Pearson Chi-square $\chi^2 = 47.92$, theoretical Chi-square $\chi^2 = 12.59$), the exception being represented by the psychographics (Pearson Chi-square $\chi^2 = 6.85$, theoretical Chi-square $\chi^2 = 12.59$). The consumers' concern for the protection of these data varied from a category to another, and, inside each category, from a type of data to another. Empirically, the protection of the personal data should be differentiated: there are some data deserving to be protected, or, at least, better protected, by comparison to other data, both being "personal" to the same extent.

Two years later, the frequencies associated to the personal data the respondents would prefer to have protected illustrate the significant differences (assessed using the Chi-square test, at a 0.05 level of statistical significance), on the one hand, between the four categories of personal data (Pearson Chi-square $\chi^2 = 13.72$, theoretical Chi-square $\chi^2 = 12.59$), and, on the other hand, all of these categories – demographics (Pearson Chi-square $\chi^2 = 74.02$, theoretical Chi-square $\chi^2 = 12.59$), psychographics (Pearson Chi-square $\chi^2 = 19.27$, theoretical Chi-square $\chi^2 = 12.59$), identity (Pearson Chi-square $\chi^2 = 33.39$, theoretical Chi-square $\chi^2 = 12.59$), and relational (Pearson Chi-square $\chi^2 = 23.32$, theoretical Chi-square $\chi^2 = 12.59$). The results obtained in 2012 confirm the consumers' concern for a differentiated protection of these data from a category to another, and, inside each category, from a type of data to another. The results also suggest an improvement of the consumers' understanding of the content of the personal data in connection with the desired level of their protection.

The comparative analysis of the dynamics of preferences regarding the personal data protection reveals the significant changes produced between 2010 and 2012: the consumers prefer to have their personal data protected to a larger extent (Pearson Chi-square $\chi^2 = 12.88$, theoretical Chi-square $\chi^2 = 12.59$), with a particular concern for their psychographics (Pearson Chi-square $\chi^2 = 100.47$, theoretical Chi-square $\chi^2 = 12.59$), demographics (Pearson Chi-square $\chi^2 = 74.06$, theoretical Chi-square $\chi^2 = 12.59$), and relational data (Pearson Chi-square $\chi^2 = 23.54$, theoretical Chi-square $\chi^2 = 12.59$). The identity has represented and continues to represent a very important category of data in terms of the protection to be provided: that is why the consumers concern for their protection did not change significantly (Pearson Chi-square $\chi^2 = 8.94$, theoretical Chi-square $\chi^2 = 12.59$) remaining high.

Table 1: Consumer preferences in terms of their personal data protection

Demo graphics	%		Psycho graphics	%		Identity	%		Relational	%	
	2010	2012		2010	2012		2010	2012		2010	2012
Gender	7.7	21.6	Political preferences	24.4	32.7	First and last name	61.5	63.4	Mailing address	62.8	71.2
Age	9.0	28.8	Religious options	21.8	30.7	Place of work	51.3	64.1	Phone number	67.9	66.0
Profession	37.2	45.8	Sexual orientations	23.1	34.0	Personal Id number	96.2	90.8	Cell phone number	84.6	85.0
Occupation	38.5	45.8	Visited websites	17.9	48.4	ID serial number	91.0	92.2	E-mail address	50.0	62.1
Education	16.7	20.9	Home access to goods	20.5	43.1	Electronic correspondence	49.2	62.1	Personal web address	15.4	32.7
Income	84.6	75.8	Home access to services	17.9	30.7	Health status	37.2	43.8			
Personal/ Family wealth	74.4	76.5	Hobbies & interests	10.3	15.7	Legal status	41.0	46.4			
						Biometrics data	62.8	65.4			

The most sensitive personal data are those referring to the consumers' identity and their "relational ports" – the communication channels allowing the consumers' direct, interactive, and personalized approach – while the demographics and psychographics appear to be less important in terms of the protection that should be provided for. The results also denote a rather defensive attitude of the consumers: for 24 out of 27 research variables, the percentages are higher in 2012, by comparison to those of 2010, the lower (but not necessarily significantly lower) values being registered for income, personal Id number, and the phone number. If two years ago, the consumers were apparently happy to reasonably protect their personal data, with a focus on identity and relational data, now they would desire an extensive protection also covering their psychographics and demographics.

Table 2: Personal data and the private space of the consumer

Areas of the Consumer's Private Space	Years	Types of personal data			
		Demographics	Psychographics	Identity	Relational
Primary area (75 % and more)	2010	Income	–	Personal Id number, ID serial number	Cell phone number
	2012	Personal/family wealth, Income	–	ID serial number, Personal Id number	Cell phone number
Secondary area (50–74.9 %)	2010	Personal/family wealth	–	Biometrics, First and last name, Place of work	Phone number, Mailing address, E-mail address
	2012	–	–	Biometrics data, Place of work, First and last name, Electronic correspondence	Mailing address, Phone number, E-mail address
Tertiary area (25–49.9 %)	2010	Occupation, Profession	–	Electronic correspondence, Legal status,Health status	–
	2012	Occupation, Profession	Visited websites, Home access to goods, Political preferences, Sexual orientations, Religious options, Home access to services	Legal status,Health status	Personal web address
Peripheral area(less than 25%)	2010	Education, Age, Gender	Political preferences, Sexual orientations, Religious options, Home access to goods, Visited websites, Home access to services, Hobbies & interests		Personal web address
	2012	Age, Gender, Education	Hobbies & interests	–	–

The content of the consumer's private space did not change significantly in the last two years, the distribution of the personal data within the framework of the four specific categories remaining, basically the same in 2012 as in 2010:

- the primary (core) areaof the consumer's private space include a combination of identity, relational data, and demographics: the personal identification number, the serial number of the identification documents, the cell phone number, and the personal income were and, together

with the personal and/or family wealth (as the 2012 results reveal) are perceived by the respondents as having the most personal nature (although, at least for the first two, the concrete risks related to theircollection, processing, management, and further employmentare rather low);

- the secondary area of the consumer's private space include a set of identity and relational data: biometrics, place of work, the place of work, and – as the 2012 results denote – the content of the electronic correspondence are the identity data with a relatively high personal nature, while the mailing address, the phone number, and the e-mail address are the most personal relational data. The results provided by the research waves of 2010 and 2012 support the conclusion stating that the consumers prefer to be hardly reachable (through direct, interactive, and personalized communication channels), and anonymous in terms of financial status and identity;
- the tertiary area of the consumer's private space include a combination of demographics, psychographics, identity, and relational data: the occupation and profession, the visited websites, household access to different goods, political preferences, sexual orientations, religious options, and household access to different services, legal and health status, respectively the personal web address of the consumers describe its content. The presence of the above-mentioned psychographics in the tertiary area of the private space expresses the stronger concern of the consumers for the appropriate protection of their privacy, as well as the increasing complexity of the definition given to the consumer's private space;
- finally, the peripheral area of the consumer private space includes the age, gender, and level of education, as well as, the hobbies and interests of the consumers, all registering higher percentages in 2012, by comparison to the 2010 research wave. The most significant change occurred in this area in the last two years is represented by the shift of the psychographics (with the exception of the consumers' hobbies and interests) to the tertiary level.

The structure of the consumer's private space and its recent dynamic suggest that consumers tend to seek an increased protection of their personal data, with a particular concern for the relational and identity data. The relative openness to disclose some of their demographics and psychographics, as it has been denoted by the results of the 2010 wave,has slightly decreased: the consumers appear to be willing to disclose without too many reserves only the data about their age, gender, education, hobbies, and interests (coincidentally or not, quite the information that are the most provided across the social networks such as Facebook or LinkedIn). The organizations aiming to approach the consumers in a direct, interactive, and personal manner should consider and overcome the expected difficulties derived from the limits in collection, processing, management, and further employment of the consumers' personal data. Maintaining the anonymity and restricting the access to the "relational ports" appear to be the consumers' strategies aiming to keep a safe distance from the different providers of goods and services in order defend their private space and privacy.

4. Limits of the research

Both the research waves of 2010 and 2012 have been conducted under the context created by the following limits:

- the variables used to define the private space of the consumers: further improvements should be made mainly in terms of adding more personal data inside of each of the demographics, psychographics, identity and relational data;
- the scale used to measure the extent to which data related to the consumer's demographic, psychographic, identity or relational features can be assessed as "personal", "rather (not) personal", respectively "not personal": further improvements should consider a more appropriate delimitation of the primary (core) area's boundaries of the consumer's private space, and the employment of other scaling methods able to provide a more detailed measurement of the personal nature of the data regarding the consumer;
- sample and the sampling procedure used: further improvements should facilitatethe consideration of supplementary sampling criteria, mainly related to the extension of the sample coverage to the national level.

5. Conclusions and main implications

Findings of the research waves conducted in 2010 and 2012 show that consumers are not so willing to disclose their personal, mostly the identity and relational data, striving to maintain their anonymity and restrict the access to the "relational ports" in order to keep a safe distance from the

different providers of goods and services and to defend their private space and privacy.

The major implications of the appropriate definition of the consumer's private space, as were observed based on the results provided by the 2010 research wave, are validated by the results of the 2012 research wave, and refer to:

1) a better understanding, a more adequate assessment, and a more effective capitalization of the personal data regarding the consumers: knowing with animproved precision what is personal (in fact, sensitive) and what is not for the consumer, what data is the consumer disposed to disclose about his or her demographics, psychographics, identity and relational ports, it will become easier to create a friendly and facilitating environment for building and development of the long-term profitable relationships with customers and prospects;
2) a better legal environment concerning the collection, processing, management and further employment of the personal data: a cleareridentification and definition of the personal data will lead to a clear of the delimitation of the consumer's private space, decreasing the related risks and preventing thepotential abuses of the companies, government institutions, and other public authorities and private bodies in relationship with the consumers and/or the citizens;
3) a more effective consumer's control over the personal data and, consequently, over his or her private space: implementation of a specific mechanism of control, based on the already existing rights (to be informed and to object against the data processing, to have access and to intervene upon the data, to no be the subject of an individual decision, and to refer to a court of law), or to be granted in the near future (the right to be forgotten), could allow consumers an effective participation and control in the collection, processing, management and employment of their personal data.

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THE ECOAGROCLUSTER - AN ANSWER TO GLOBAL CHALLENGES, FOCUS ON SUSTAINABLE DEVELOPMENT

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Abstract: *For many years, even when the global economic outlook was much more positive than today, UNCTAD stressed the need for systemic coherence. It has regularly highlighted the shortcomings of the internatio nal economic system and has defied mainstream economic theory .*

The philosophy of the EcoAgroCluster project can be defined as the organization of an research/educational, social, financial, business, technological, administrative, legal and operational infrastructure based on a network of entities involved, one way or another, within the framework of ecoagrarian activity.

The aim of the EcoAgroCluster is to promote existing native competencies in the area of food production, technologies and marketing and to enable networking among industry participants.

Key words: Sustainable Development, Reinforce and dignity, Agricultural businessmen, Cooperatives, Marketing,EcoAgroCluster

JEL classification: M 31, Q 13

1. Introduction

The crisis could be ascribedto the persistence of large global imbalances, which where the outcome of long periods of excessively loosemonetary policy, especially in the advanced economiesduring the last decade. Global imbalances have beenmanifested through a substantial increase in consumptionin the US, which is the cause of the current deficit. On theother hand, a substantial surplus in Asia, particularly inChina and in oil exporting countries in the Middle Eastand Russia caused global imbalance which was themajor underlying cause of the crisis (Mohan, 2010). Thecauses of recent crises can be seen as follows:

- The bursting of the housing bubble causing areallocation of capital and a loss of household wealth anddrop in consumption.
- A sharp rise in the equity risk premium (the riskpremium of equities over bonds) causing the cost ofcapital to rise, private investment to fall and demand fordurable goods to collapse.
- A reappraisal of risk by households, thereby causingthem to discount their future labour income, increases theirsavings and decrease consumption (Mckibbin andStoeckel, 2009).

2. Implications of the persistence of the global economic crisis

For many years, even when the global economic outlook wasmuch more positive than today, UNCTAD stressed the need forsystemic coherence. It has regularly highlighted the shortcomings of the international economic system and has defied mainstreameconomic theory in its justification of financial liberalization withouta clear global regulatory framework. UNCTAD has drawn attentionto the fact that the world economy was overshadowed by serioustrade imbalances and has questioned how they could be corrected without disrupting development.

In recentyears, UNCTAD noted the growing risk that the real economy could becomehostage to the whims and volatility of financial markets.

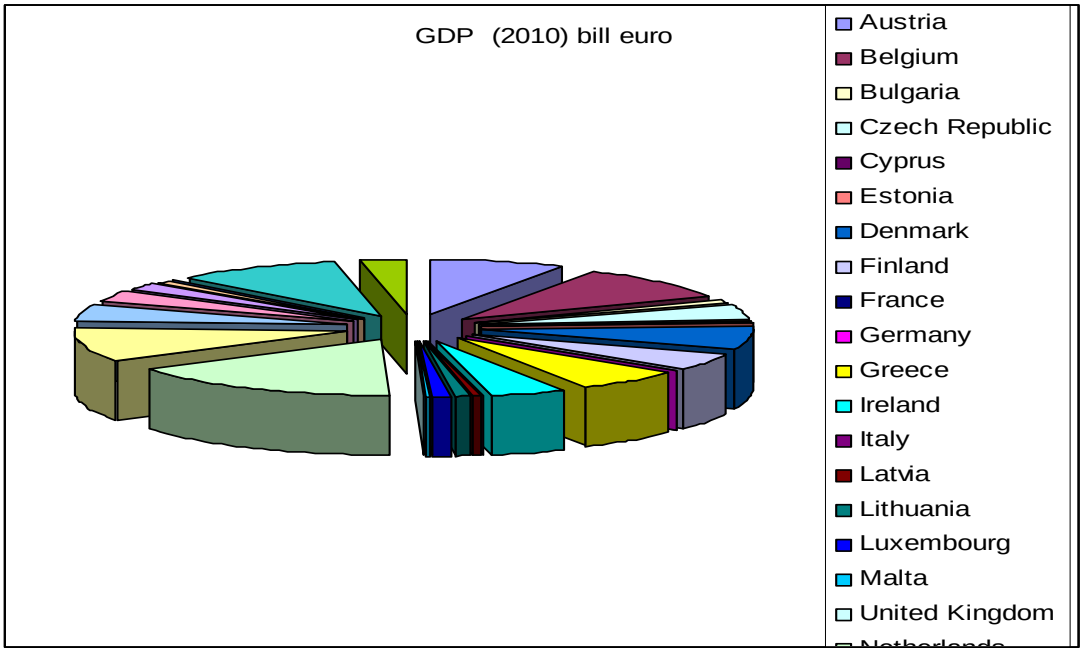
Maybe we should look towards the functions of money (via the exchange, measure of prices, active reserve, means of payment in economic relations based on credit, a means to achieve unilateral transactions, means of influencing economic activity, a symbol of wealth and power economic) and to see that perhaps some of them are consistently met.

Table 1: Detailed map of sovereign debt issues and the EU

Country	GDP (2010) bill euro	Percentage of national GDP of EU GDP	Government debt in GDP	Government deficit bill euro	Inflation (Aug 2011)
Austria	284	2.30%	72.00%	205	3.70%
Belgium	353	2.90%	97.00%	341	3.40%
Bulgaria	36	0.30%	16.00%	6	3.10%
Czech Republic	145	1.20%	39.00%	56	2.10%
Cyprus	17	0.10%	61.00%	10	2.30%
Estonia	**14**	0.10%	7.00%	1	5.60%
Denmark	234	1.90%	44.00%	102	2.40%
Finland	180	1.50%	48.00%	87	3.50%
France	1,933	15.80%	82.00%	1,592	2.40%
Germany	2,450	20.20%	83.00%	2,062	2.50%
Greece	230	1.90%	143.00%	329	1.40%
Ireland	154	1.30%	96.00%	144	1.00%
Italy	1,549	12.70%	119.00%	1,843	2.30%
Latvia	18	0.10%	45.00%	8	4.60%
Lithuania	27	0.20%	48.00%	10	4.40%
Luxembourg	41	0.30%	18.00%	8	3.70%
Malta	6	0.10%	68.00%	4	2.30%
United Kingdom	1,696	13.90%	80.00%	1,353	4.50%
Netherlands	591	4.80%	63.00%	670	2.80%
Poland	354	2.90%	55.00%	196	4.00%
Portugal	173	1.40%	93.00%	161	2.80%
Romania	122	1.00%	31.00%	37	4.30%
Slovakia	66	0.50%	41.00%	27	4.10%
Slovenia	36	0.30%	38.00%	14	1.20%
Spain	1,062	8.70%	60.00%	641	2.70%
Sweden	346	2.80%	40.00%	146	1.60%
Hungary	98	0.80%	80.00%	78	3.50%

Note: The limit set by the Treaty of Maastricht government debt of EU countries is 60%

Figure 1: GDP
(2010) billion



Source: eurostat.ec.europa.eu/statistics

3. Agriculture in time of crisis

WEST LAFAYETTE, Ind. —While the uncertainty on Wall Street directly affects the financial sector, a Purdue Extension agricultural economist says it's the indirect consequences coupled with weather concerns that has the agriculture industry on edge.

Agriculture, with the exception of livestock, has been more resistant to recession, said Mike Boehlje.

While farmers should not ignore the capital markets, Boehlje said the current financial turmoil's effects are more indirect and focus mostly on demand adjustments.

"When there is long-term instability there tends to be a flight to real assets," Boehlje said:

"People move away from financial assets. Agriculture is a real asset industry, so that does offer some protection."

Even if the sector contributes only 2.5% of the EU's GDP, agriculture is inescapably a strategic factor in the sustainable development of societies. Food supply, security, the quality and diversity of produce, town and country planning (80% of the Union's territory is rural and here farmers are the principal actors), the environment, the dynamism of rural areas: the CAP is closely involved in all these questions. Action is needed in many of these areas, and a common project allows collective responses. Undermining the CAP by giving way to the siren calls of economic "modernism" would neglect these questions. The Union must bring a response to these questions of economics, health, society, planning and the environment; issues which were once settled "naturally" by a myriad of small landholdings, but which today risk being ignored in a context of more rarefied agriculture.

After half a century the CAP still adheres to objectives set out in the Treaty of Rome. Adaptations and reforms have made the policy particularly complex and unclear.

To make the CAP coherent are necessary, at least, the following:

a. To ensure the continued existence of European agriculture which is productive, competitive and diverse, while maintaining both market-regulation instruments – as security nets – and standards in safety and quality.
b. To promote agriculture which respects the environment.
c. To guarantee economic and social development in rural areas, by financing different rural actors including those not directly related to farming.

4. Area under agro-environmental commitment

In2009almost one-quarter of the EU's total utilised agricultural area was enrolled in agri-environmental measures.

In EU-27, 24.7 % of the UAA were in 2009 under agri-environmental commitment.

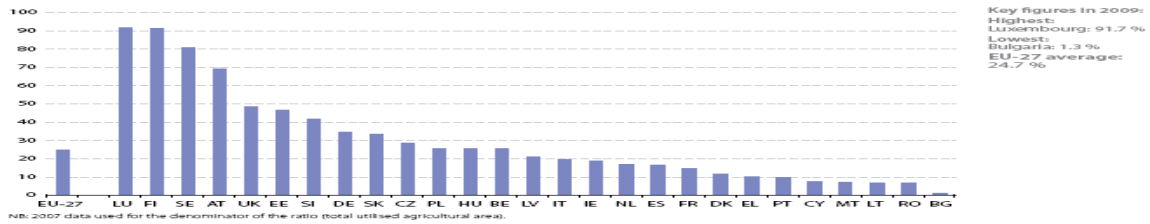
A group of four countries (LU, FI, SE and AT) was far ahead of the others. In these countries, more than two third of their UAA were under agri-environmental commitment (between 69.2 % and 91.7 %).
In 6 EU countries, the ratio was below 10% (BG, RO, LT, MT, CY, PT).

Between 2005 and 2009 the share of agricultural area occupied by organic farming in the EU increased considerably

Organic farming in the EU increased by almost one third between 2005 and 2009.

The share of organic farming in utilised agricultural area (UAA) in the EU increased from 3.6 % to 4.7 % between 2005 and 2009. This increase is also reflected in the number of organic producers in the EU, which rose by 9.5 % between 2007 and 2008.

Figure 2: Area under agri-environmental commitment, by country (% of total utilised agricultural area) - Source: European Commission, Directorate-General for Agriculture and Rural Development

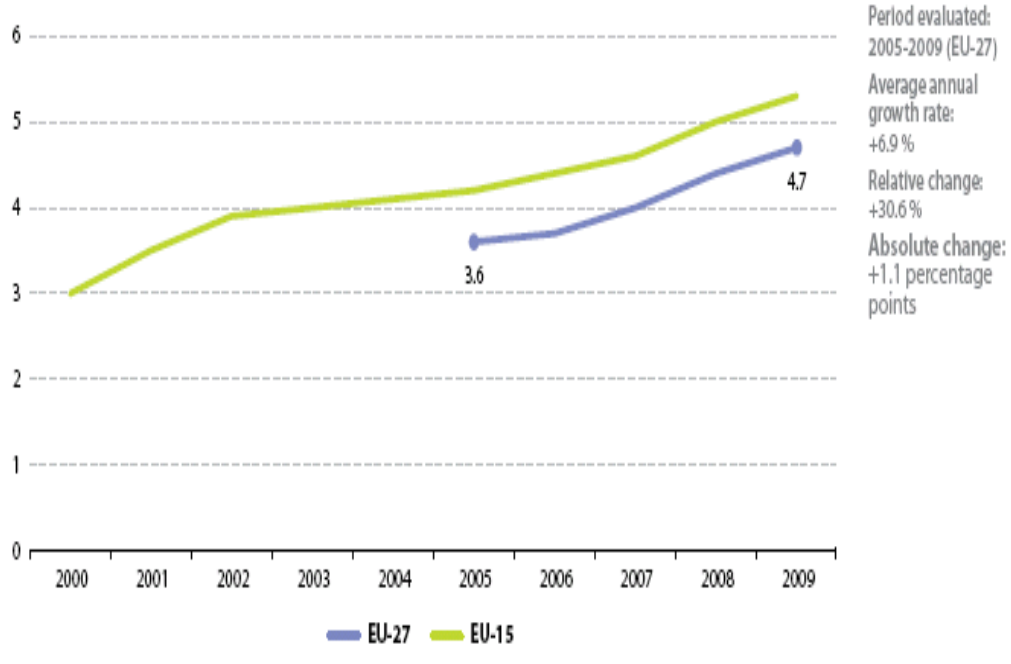


Source: eurostat.ec.europa.eu/statistics

4.1. Organic farming

At the level of Member States, the largest increases between 2005 and 2009 were in Malta (400 %), Poland (130 %), Spain (126 %) and Lithuania (109 %). Austria still held the largest share of organic farming in utilised agricultural area, with 18.5 % in 2009, followed by Sweden (12.8 %), Estonia (11 %) and the Czech Republic (10.6 %). The smallest share of organic farming could be found in 2009 in Bulgaria (0.2 %) and Malta (0.5 %). Overall, the organic farming sector grew during this period in all Member States, with the exception of Portugal, Bulgaria and France.

Figure 3: Averageanualorganic-farminggrowth rate



NB: Eurostat estimates.

Source: eurostat.ec.europa.eu/statistics

The indicator is defined as the share of total utilised agricultural area (UAA) occupied by organic farming (existing organically-farmed areas and areas in process of conversion).

Organic farming is a method of production, which puts the highest emphasis on environmental protection and, with regard to livestock production, animal welfare considerations.

It avoids or largely reduces the use of synthetic chemical inputs such as fertilisers, pesticides, additives and medical products. Farming is only considered to be organic at the EU level if it complies with Council Regulation (EC) No 834/2007, which has set up a comprehensive framework for the organic production of crops and livestock and for the labelling, processing and marketing of organic products, while also governing imports of organic products into the EU. The detailed rules for the implementation of this Regulation are laid down in Commission Regulation (EC) No 889/2008.

Table 2: Organisations and sites with EMAS registration - number

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Italy	6.7	8.0	7.6	7.0	6.4	7.3	7.9s	7.9	7.5	8.1s
Cyprus	:	:	:	:	0.6	1.0	1.2	1.5	1.6s	1.9s
Latvia	:	:	:	:	1.6	6.8	9.4	8.1	8.9	8.7
Lithuania	:	:	:	:	1.4	2.3	3.5	4.5	4.6	4.8
Luxembourg	0.8	1.6	2.2	2.3	2.5	2.4s	2.4s	2.6	2.7	2.7s
Hungary	:	:	1.6	2.0	2.3	2.2	2.1	1.8	2.1	2.4
Malta	:	:	:	:	0.0	0.1	0.2	0.3s	0.4s	0.5s
Netherlands	1.6	1.9	2.2	2.2	2.5	2.5	2.5	2.5	2.6	2.6
Austria	13.8	14	14.5	15.5	16	16.7	16.7	17.1	17.5	18.5
Poland	:	:	:	0.2	0.5	1.0	1.0	1.8	2.0	2.3
Portugal	1.2	2.0	2.1	3.2	5.6	6.2	7.2	6.3	5.6	5.7s
Romania	:	:	:	:	:	0.7s	0.8	1.0	1.0	1.2
Slovenia	:	:	:	:	4.6	4.6	5.5	5.9	6.1	6.3
Slovakia	:	:	:	2.2	2.6	4.6	6.2	6.1	7.3	7.5
Finland	6.7	6.7	7.6s	7.1	7.2	6.5	6.3	6.6	6.5	7.2
Sweden	5.9	6.6	6.8	7.2	7.0	7.0	7.2	9.9	10.9	12.8
United Kingdom	3.7s	4.3s	4.7s	4.2	4.3s	3.8s	3.8s	4.1	4.8	4.1
Norway	2.0	2.6	3.1	3.7	3.9	4.2	4.3	4.7	5.1	5.5s
Switzerland	:	:	:	:	:	11	:	:	:	:

Source: eurostat.ec.europa.eu/statistics

As eurostat informsus, this indicator is defined as the number of EMAS-registered organisations and sites. The EMAS (Eco-Management and Audit Scheme) is a voluntary environmental management system implemented by companies and other organisations from all sectors of economic activity including local authorities, to evaluate, report on and improve their environmental performance.

The scheme integrates ISO 14001, International Standard for Environmental Management System, as its environmental management system element. Since April 2001, corporate registrations are possible, wherein organisations gather all their sites under one registration number.

The European Commission started to collect numbers of sites in addition to number of organisations in March 2004 to give a more accurate picture of EMAS development.

5. EcoAgroCluster and Sustainable Development

5.1. Ecosanogenesis

Ecosanogenesis concept, revolves around human actions and how their refractory multiple environments: nature and society, material and spiritual culture, all about being in an all relational.

Overall objective of this paper is to identify, now in the twenty-first century, practical and achievable ways of ensuring the food resources of mankind, respecting the principles of Bio, of sanogenesis and ecoeconomics, that wise man to become a partner in his triple hypostasis by the manufacturer, regulator and consumer in intensive agroecosystems.

System of crop cultivation that uses biological methods of fertilization and pest control as substitutes for chemical fertilizers and pesticides, which are regarded by supporters of organic methods as harmful to health and the environment and unnecessary for successful cultivation. It was initiated as a conscious rejection of modern agri-chemical techniques in the 1930s by the British agronomist Sir Albert Howard. Miscellaneous organic materials, including animal manure, compost, grass turf, straw, and other crop residues, are applied to fields to improve both soil structure and moisture-holding capacity and to nourish soil life, which in turn nourishes plants. Chemical fertilizers, by contrast, feed plants directly.Biological pest control is achieved through preventive methods, including diversified farming, crop rotation, the planting of pest-deterrent species, and the use of integrated pest management techniques. Bioengineered strains are avoided. Since organic farming is time-consuming, organically grown produce tends to be expensive. Organic produce formerly accounted for a minuscule portion of total Romanian farm output, in recent years.

5.2. The philosophy of the EcoAgroCluster

The philosophy of the EcoAgroCluster project can be defined as the organization of an research/educational, social, financial, business, technological, administrative, legal and operational infrastructure based on a network of entities involved, one way or another, within the framework of ecoagrarian activity.

All this must be put on the basis of the following priority aims:

-Establish an agro-industrial and food infrastructure to promote socio-economic development and enhancement of the territories, revitalizing the action groups, creating synergies among the entities involved.

-Modernize and promote the change of cities operational paradigm to reinforce and dignify the role of agricultural businessmen, more precisely, of the business entities, work cooperatives and other entities of transformation, marketing and distribution of agricultural productions.

-Promote the integrated production mechanisms of agricultural activity on the basis of the maximum use of resources and natural production elements to guarantee, in the long term, a sustainable agriculture.

-Foster technological enhancement and qualitative and quantitative generation change in the food and agriculture industry.

-Incorporate procedures, knowledges, instruments, tools and casuistry of agricultural best practices in the whole process and productive stages, incorporate research work in the EcoAgroCluster as a main actor.

-Promote educational processes to develop and consolidate those actions to favour the creation of new agricultural companies integrated into the EcoAgroCluster, particularly focusing on professional reinsertion of those manufacturing sectors underprivileged by restructuring processes of the job market and/or the crisis of the traditional cultivation system to the detriment of other uses of land.

-Design an architecture of measures, actions, and informations for an integral development of sustainable agriculture, first in the SE Romania, where I am studing the tendence of cosumers about ecoagrofood.The architecturewill be under the following basics: ecofood quality and security; sustainability and efficiency of the resources put into practice in the production process (water, energy, human capital); promotion of multi-functionality in the agriculture sector as a source of resources, wealth, development, environmental and landscaping and, consequently, as a relevant functional and cultural sustenance in the Romanianterritories, but not only.

The EcoAgroCluster must implemented in the territories a series of actions covering the scope of creation of a networkand coagulation of all elements and actors (public and private) as an integral part of it.

Its essential target will be to foster and manage all inherent activities to clusterization (association of the local agriculture productive chain) of civil service, enterprises, professionals, financial entities, associations, cooperatives and private individuals connected somehow with agriculture activity.

5.3. EcoAgroCluster Strategy, Objectives, Activity

So, the aim of the EcoAgroCluster is to promote existing native competencies in the area of agrofood production, technologies and marketing and to enable networking among research center, agricultural producer, industry participants, and not least, consumers.

Strategy is to promote research, sustainable development, innovation and technology for ecosanogenetic agroproduct. But results of research is dedicate to develope of new production and conservation

procedures, to valorise all agroproducts, entrepreneurship, development of new business models, training and to informe about the latest results of reserch, qualification in spririt of ecosanogenetic product.

Objectives are the following:

- In a such cooperative,EcoAgroCluster, must establish strong relationship between research, ecoproduction territory, raw agroproductsdelivery finished products specificityand consumers;
- Must be valorization and integration of the residues by-products;
- Strong link with research must allow introduction of new technologies in food conservation to maintain its natural organoleptic characteristics;

The target groups of the Cluster include food industry operations across the entire value chain:

- Agricultural research
- Agricultural production
- Food processing trade and industry
- Food retail and wholesale
- Manufacturers of machines and equipment for food
- Processing, cleaning supplies, pest control, packaging
- R&D, laboratories, consultants and more

Activity

The EcoAgroCluster bases its activities on valorise the results of the research in the network ecovegetable and animal farms, ecoagroindustrial sector, focusing on ecoagricultural products: ecofruit and ecovegetables processing, ecoanimal and vegetable fats, alcohol-free beverages.

The EcoAgroCluster covers the entire chain, from agricultural production to the final packaging, including marketing and management soft.

The EcoAgroCluster must promotes the organization of workshops focused on the companies needs, about:

- the CAP alterations effects until 2020 to sectors of ecofruits, ecotomato;
- warehouse management;
- food preservation and conservation processes;
- packaging and materials in food contact;
- use and recovery of by-products of agricultural and agro-industrial;
- antiseptics processes and quality certification systems between industry and agricultural;
- eco clients management and marketing.

6. Conclusions

Ecoeconomics is a concept proposed by Lester Brown referring to an economy can develop without affecting their long term support system, environment. to meet needs for food, energy, water

To eliminate waste, increase of breeding population will be solved scientific problems insoluble today, then will be put in place technologies and efficient logistics systems industrially applicable financially and socially acceptable . But must consider the fact that while growth is quantitative change, qualitative development requires changes in a synchronous approach to the requirements of time, to meet present generations, but does not hinder future generations!

I see research as an end in itself and represents but it is how to provide a clear benefit triad-produced human nature. The positive effect of this point of view is in the fact that the implications that can generate ecosanogen making a product and by stimulating demand of the market, no longer a problem to interest a small group, the researchers, but is a concern society in a globalized.

Inputs for production and circulation of goods and services related to nutrition are multiple economic data from law, engineering, management, ethics and not to ignore, to the marketing.
To design policies that have a chance of effectively helping the rural is now a very important thing.

In the EcoAgroCluster is vitaly to identify and loyalty consumers of such products, clean, but more expensive to put a link between the EcoAgroCluster and clients.

Imposing ecosanogeneza concept is not easy, especially in times of crisisand now on the brink of predicted food crisis when almost exclusively interested in the quantity that carry a particular product.

But we have to gather strategies designed to help:

A.Penetration sanogeneza ecological information related to the general public from professionals, information leading ultimately to educate people in the spirit of quality and demand for goods which have not been produced at the expense of the environment;

B. Awareness of stakeholders to support environmental, economic and health policies;

C.Development infologistic system scientifically effective, practicable in terms of financial and socially acceptable;

D. Ecoagroclusters will allow, in addition to cooperation in upstream and downstream product chain, cooperation with research institutions, with local organizations and resources by providing marketing management and valuing these ecoproducts for informed and loyal customer for these products.

There can be no doubt that, apart from the need to strengthen financial regulation at the national level, the current problems of the global agroeconomy require global and local solutions.We, researcher, must play a central role in this process, but not only us, or not only institution which has the universality of membership and credibility to ensure the legitimacy and viability of a reformed governance system but also it is very important to involve every stakeholder in building architecture EcoAgroCluster .

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