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ASPECTS AND INTERACTIONS OF COMPETITIVENESS AND EFFICIENCY IN CONTEXT OF A DURABLE DEVELOPMENT. CASE STUDY ON TOURISTIC SECTOR

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Abstract: *The economic competitiveness level, in general, depends on the quantity and quality of natural resources, technological level, available financier instruments, professional level, human resources qualification, etc. It is very important the efficient utilization of every component of the patrimony of a country, in order to develop, from the point of economic view of the country, and the strengthen of its position on the national stage. The practice of developed countries demonstrates that the increase of national competitiveness begins at the level of some concrete enterprises. We usually speak about the economic national competitiveness, but we refer, in fact, at the enterprises' competitivenss that participate in the concurential fight in the intern market, but especially on the extern market.*

Key words: Competitivenss, durable development, efficiency, strategy

JEL classification: D22, L25, L83

1. Introduction

Increasing volume and complexity of tourism services offer generated development of a real industry of travels and tourism this justify approach of the tourism phenomena as a distinct branch of a developing national economy being a component of the third sector .Due to its nature the tourism phenomena is particularly complex having deep social, political, cultural and economic involvements. Interference of its heterogeneous components determines a unique and original specific that is not identified with any of the traditional branches of the national economies explaining thus its approach as an autonomous manner. In the future development of tourism industry will be in a permanent correlation with development levels and rhythms of the other branches of the national economy.

Romania's participation in competition within the international tourism in the continent and the whole world under the terms of the existence of an especial valuable tourism patrimony at level of the exigencies of the European and world markets is a matter of firm action of The Govern.

2. Interaction between competitiveness and durable development

Systemic vision of the strategy of a durable development of Romanian tourism within the context of structural adjustment of the entire national economy imposes that particular attention to be paid to the fact that tourism has become an economic branch of priority being in organic interdependence with the other economic-social branches and sectors.

In the context of economic relations resulted from the integration process, the evolution of every enterprise, no matter the organization form, becomes more and more sinuous, and its activity more and more complex, with repercussions over its management.

The knowledge of enterprise's performances evolution, of the factors and conditions that influence it, is connected by the elaboration of a viable strategy on short, mid or long term.

The enterprises that enter into relations of interconditioning with the existent factors in their ambient environment, such as: contractors, clients, work force, banks, governmental institutions etc. The competitiveness of the enterprise is the result of four elements: the quality of goods and services; the presence of efficiency strategy of detachment and marketing; the technological level of the production; the qualification level of the personal.

The decisive element in the scientific and decisional plan is that of defining a firm and realistic conception regarding capitalization of the patrimony and objectives of the durable development of tourism.

According to the vision of the reform and structural adjustment program the transition stage to the market economy in our country involves profitability increase of all activities on the basis of an efficient capitalization of the economic possibilities, implementation of advanced technologies performed in the world.

Alignment of Romanian tourism to these demands is necessary due to its characteristic mobility as well as due to the importance of this sector within the economic rehabilitation of Romania.

In such a conception general objectives of Romanian tourism development for a market economy implementation may be outlined as follows:

- competitiveness increase of the tourism offer by tourism potential capitalization, modernization and development of the specific technical-material base;
- improvement of the organizational and legislative frame necessary for tourism competitive development;
- diversification and quality increase of tourism services;
- change of Romania's image as touristic country in Europe and in the world;
- trading of Romanian tourism products in the international market;
- providing the terms for tourism performance by diverse population categories;
- development of tourism for young people;
- perfectioning of professional training of tourism labour force.

There have to be considered basic principles of such a strategy the following: privatisation of tourism units, autonomy of economic agents and integration in the world tourism flow. Besides these, the state plays a significant role by its policy of development of the national tourism.

3. What role plays the state?

Objectives of a tourism policy are:

- extra economic by application in practice of travelling liberty and communication between countries and the cultural role of capitalization of the natural, tourism and architectural patrimony of the countries;
- economic, qualitatively and quantitatively as tourism policies encourage certain types of consumption in order to increase the output and orientate it towards the sectors and regions that have a special interest and a positive involvement effect upon economic increase of foreign trade and labour force employment.

Settlement of a planning strategy of tourism development assumes an important aspect that is represented by planning procedures and methods. Political, economic-social environment, conjuncture with its implications at national and world level put a print on the structure of the national touristic plans. Quantitative aspect of planning regarding both the objective and aimed effect resides in definitivation of those optimum stipulations that will maximize the economic effects of tourism development within given economic – social and political terms. Instruments of economic policy specific to this sector visa, those measures that are applied within the touristic field and use budgetary, monetary and fiscal instruments. Financial of the touristic activities by the state budget is targeting to encourage development of certain areas or components of the touristic offer (such as low interest credits granting for encouragement of tourism investments). Monetary measures are adopted in order to maintain or even increase the international competitiveness of exported touristic products. Fiscal measures are aiming either stimulation of touristic companies by exoneration, decrease or postponement of taxes payment or the increase of the budgetary incomes by differentiated taxation of the touristic activities.

Development of touristic product thus, that to be assured a superior capitalization of the existent conditions and factors and increase of its quality and competitiveness.

Structural and organizational reform aiming to organize the touristic activities and establishment of their working mechanisms in accordance with the requests of the market economy, visaeing development of market forces and reinforcement of offers capacity to penetrate and resist in the international competitive market partnership between the commercial and public sectors as well as correlation of strategies, programmes and actions that contribute to the development of the touristic sector and quality of services .

Development of labour force in tourism – necessary instrument for assurance of a durable competitive position.

Improvement and development of marketing and promotion activity is targeting the creation of a correct and positive image of Romania in the supply markets, markets regain and development, marketing activity mechanisms and instruments perfecting as well as the way of their financing ,private sector involvement in the coordinated and efficient trading of the touristic programmes .

Romanian tourism integration in The European and world tourism trends as well as facility of the touristic flows towards and in Romania regarding: development and promotion of a durable tourism, harmonization of the specific tourism regulations with legislative stipulations of The European Union countries, assurance and keeping with a secure and safe domestic climate for tourists, elimination of the obstacles regarding free movement and facilitation of the domestic and international tourism circulation ,active participation within the international bodies and elaboration of documents for European integration in tourism area .

Assurance of tourists protection, security and safety regarding: consumers safety and interests, access to adequate information, consumers education that visa recognition of Romania as a safe touristic destination that promotes the respect for consumers and their rights.

Perfecting of juridical background necessary in order to reach the objectives of tourism development , establishment and perfecting of the working mechanism of this one viseing evaluation of present regulations level and necessities settlement, harmonisation of normative frame with the international legislation ,correlation of activities and regulation necessities with the other activity sectors, promotion of specific touristic proposals , control regarding application of specific tourism legislation.

Correlation of policy within the field of tourism with national economic policy by establishment of legislative proposals and concrete measures aimed to facilitate tourism development.

Generally these are action directions and ways of increase and development of tourism sector at national level. On one hand these can be achieved by touristic companies by the adopted policy and strategies that have to vise besides the increase of their own competitiveness the increase of the sector within which they activate in but especially by State intervention with its macroeconomic policy correlated with measures undertaken in order to prepare Romania's adhesion to European structure .

4. The firm behaviour and strategy to obtain efficiency, competitivenss on this market

At the level of the touristic companies under the terms according to which modern tourism acquires more and more important dimensions a particular problem with which touristic industry confronts on a large scale is that of assuring services of superior quality .Quality is the component that presses on efficiency increase of touristic activities and that has to be considered by any development strategy at macro economic level .

For the management of a tourism company the strategy of services distributed to consumers represents the action plan aimed to assure obtainment of positive economic results in her confrontation with competitors. For the elaboration of a competitive strategy managers of the companies have in view the following components:

- identification, analysis and selection of the basic elements of the strategy;
- understanding of the necessities occurred in strategy application;
- integration of basic elements in a comprehensive and consistent strategic plan.

For its success in the carried out activities (profitability) the tourism company has to master the basic elements of the strategy in such a manner that they organically and harmoniously integrate in the activity objectives of the company. These objectives will be achievable only under the terms that for every touristic product or service it will exist a strategic orientation clearly worded in concordance with the demands of the market and segments of the market capable to accept the offered items.

Because of these considerations strategy of touristic services appeals to marketing concept in order to elaborate partial strategies such as:

- strategy of services range –a company may restrain or expand services palette according to the necessities offered by market;
- prices and tariffs strategy-the range of the touristic products of a company will restrain or expand varying with the align possibilities of prices and tariffs to those of competitors;
- quality strategy- starts from the fact that the essential argument of tourism products and services competence is the quality of performed services depending on these being determined promotional efforts of penetration, keeping with or expansion in different segments of market;
- concept of touristic product: no tourism company risks the hazardous launching of a touristic product in the market. Preparation for trading begins in the moment the market studies attest the product utility and will continue till the product is capable to be traded.

For a manager it is not enough to know his own company and customers; he also has to know how competitor companies are acting. Information he can obtain about competitor companies are elements that contribute to the orientation of his own policy in elaboration of the strategic plans that permanently aim a better competitiveness in the market. Detailed study of the competitors is necessary especially for distinguishing the company from these competitors and thus to achieve a better position in the market. Notice of weak and strong points of his own company in comparison with competitors may suggest new ideas, solutions susceptible to contribute to offers content improvement.

Additionally, the study of competitors behaviour has the advantage of allowing a thorough analysis of the measure in which the adopted strategy is or is not efficient enough. Competitive position of touristic companies is determined by existence of some positive and negative aspects related to this side of their activity. Identification of these aspects is facilitated if analysis of the competitive position is effectuated by considering its determinant factors.

Some factors with positive action upon competitiveness are:

- possession of some competitive advantages (cost, quality of touristic products);
- abilities within field of marketing superior to the average level in the sector;
- possession of some distinctive competences;
- performance of a creative, dynamic and efficient management;
- management capacity of correct understanding of the realities of the sector and touristic market;
- control of an important segment of the touristic market as well as increase of market segment covered with its own touristic products;
- holding the image of a redoubtable competitor in the market;
- offer of some touristic products sensitively differentiated from those of the competitor companies;
- increase of tourists fidelity towards the offered products/services;
- achievement of some competitive costs under the level registered in the market, etc .

Factors that can have negative effects upon competitiveness of the touristic companies may be: absence of real competitive advantages; lack of necessary financial resources; application of inadequate strategies reflected in diminishment of the economic-financial performances; improper distribution of the touristic products/services; achievement of touristic products/services at superior costs; meeting of some difficulties in the development of touristic products/services; absence of some indispensable abilities for a successful competition especially in the fields in which this one has the highest potential ; deterioration of the image of the company in customers' perception, etc.

In order to effectuate a rigorous evaluation it may be quantified with maxim objectivity, for his own company and the competitor companies, every factor with positive action as above mentioned by rating (very weak, weak,average, strong, very strong).

5. Conclusions

New conceptions regarding tourism development have to consider not only the various and complex reports that exist between tourism and other social-economic territorial phenomena but also it has to refer to the tourism phenomena itself as it will be outlined in the nearest future. For Romania this concept is aiming consideration of the evolution of the social phenomena in the country that within the market economy terms will generate formation of new categories of potential tourists, new motivations for leisure spending and, consequently, apparition and development of a new touristic demand.

The complexity of the economic environment generates a series of fundamental problems with which confronts every enterprise and what concentrates on the aspects connected with its positioning in the economic concrete space in which activates, the objectives on which is focused, the resulted costs and the gaining opportunities. Instruments of the tourism policy are those arising from global economic policy together with sectorial planning and specific instruments of the touristic sector. Global economic policy has numerous levers for encouragement of development of touristic activities and can be grouped in three categories: financial, fiscal and economic-social levers. For touristic companies under the terms according to which modern tourism acquires more and more important dimensions a particular problem with which touristic industry confronts on a large scale is that of assuring services of superior quality. Quality is the component that presses on efficiency increase of touristic activities and that has to be considered by any development strategy at macro economic level. Therefore strategic plans are too differentiated from the point of view of the product particularities commanded ,before all, by the seasonality of the touristic activity, duration of the cycle life of the product and the terms in which created product will be able to be capitalized.

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MARKETING STRATEGIES IN ADVERTISING SERVICES A NEW PARADIGM OF CHANGE FROM OFFLINE TO ONLINE ADVERTISING

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Abstract: *Advertising means more than reaching target audiences and making sales, it's more about people and relationships. This aim of the paper is to explain the marketing mix elements in the industry of services, explaining how, when and why we use one strategy instead of another.*

Also it defines the new paradigm of marketing promotion as Advertising Services on the Internet. As expected results, it identifies a number of features in the Online Advertising presenting the advantages of using Online Media. Also it establishes a new typology in the case of online customers and integrates Online Communication into the general Communication Strategy.

Key words: marketing mix, services, online advertising

JEL classification: L80, M31, M37

1. Introduction

It is by now a universally admitted fact that the *marketing of services* is different from the marketing of physical goods. Shostack (1977) raised the issue first in a *Journal of Marketing* article titled "Breaking Free from Product Marketing." Later, Berry (1980) reiterated that "Services Marketing Is Different." Since then, an impressive body of literature has surfaced, idiosyncratic to services (e.g., GAP model, SERVQUAL, services capes, personalization), certifying the "differences" of service marketing from other types of services.

A very interesting theme of research is presented in "Services Marketing" by Christopher Lovelock and Jochen Wirtz (2004) which address the *Customer Interface* as the most important element in the Marketing Mix of Services.

The rationale for a separate treatment of services marketing centers on the existence of a number of characteristics of services which are consisted cited in the literature: *intangibility, inseparability of production and consumption, heterogenity, and pherishability* facts that are also presented in some books and specific literature in Romania as in Iuliana Cetina (2004) book „Marketingul serviciilor : abordare teoretica si studii de caz" or in Valerica Olteanu(2005) „Marketingul serviciilor : o abordare manageriala". Also there are some really interesting articles focused on the historical evolution of services like the" by Csorba, Luiela-Magdalena (2007) article published in the Journal of Commerce titled "Evolutia marketingului serviciilor - factori de influenta si restrictii".

On the advertising of services some special challenges have been discussed by a number of service researchers. George and Berry (1981) argues that service advertising is problematic because of three features of services, namely, that (a) service is a *performance* delivered by service employees, (b) there is *variability* in the delivery of services, and (c) the service product is *intangible*. To address these aspects of intangibility, George and Berry suggest a number of guidelines for advertising: s*ome of the advertising should be directed at employees*; *Second,* service customers perceive a risk and, consequently, *seek word-of-mouth recommendations; Third*, to handle the problem of intangibility, advertising should make *the service tangible by using tangible cues*, like concrete images or umbrella advertising.

Other authors addressing the same problem of intangibility, Berry and Clark (1986) are proposing four strategies of *"tangibalization": association, physical representation, documentation, and visualization.*

The foregoing literature addresses the important issue of intangibility, points to the difficulty it creates, and identifies several approaches to overcome it.

In Romania we can find some information related to the Services Industry in the doctoral thesis of Dipse, Ion-Costan (2008) „Publicitatea pe Internet" or at Gheorghe Orzan (2007) article "Publicitatea online, piata si profilul utilizatorului de produse si servicii in Analize comparative".

I didn't find any books written in Romania which address specifically the subject of Advertising in the Marketing of Services and Internet Media.

2. Marketing Mix Strategies in the Services Industry

In the marketing of services we can find different components like: tourism marketing, finance-banking marketing, transport marketing, educational marketing, cultural and sportive marketing and the marketing of the environment of the service company.

The marketing mix is a set of instruments which the company uses to reach its objectives. The “product” strategy is one of the most important components of the marketing mix and it has many alternatives like*: standardization, renew of services (new services creation), brand and symbols* and many other.

The strategy of the *tangible elements* can be structured on the attributes given by the global product: *ambiance, spatial disposal, signs and symbols.*

The “price” strategy has a special place in the marketing mix because it makes the product “tangible” and it may offer information regarding the quality of the service. The Quality and the Brand are important factors of the price strategy but the price strategy includes also: *price formation, demand, price level, mobility of the price*.

The “distribution” (placement) strategy has in its components: *the distribution network, the principal channels of distribution, the client-service department and the process of the distribution like an activity*.

The right strategy for the marketing mix policy varies from industry to industry, from company to company and is made based on: *the dimension of the distribution network* (the strategy of development of the network, the strategy of limitation of the network, and the strategies for the development of the offer, brand, network); *the channel type, the demand structure and the typology of services* (one service, one intermediary, one market segment; one service, multiple intermediaries, one market segment; one service, multiple distribution channels, multiple market segments; more services, multiple distribution channels, one market segment).

The promotion strategy has different communicational levels, both internal and external like: *media (publicity), public relations, branding strategy and sales promotion.*

Marketing of services involves the right mix of pricing strategy, distribution, promotion and product in the company strategy.

As particularity, the marketing of services has to do with the “intangible” products and therefore is different than traditional marketing involving the continuous mix of marketing strategies adapted to the *customer needs* and *expectations*.

From the above, the *pricing* and *promotional* strategies gain new valences because *price adjustment* is strongly related to services and it can be discussed in the context of different types of services (e.g. online promotion of tourism services) adjusted to the individual customer. Also, standard promoting through promotions in physical shops is not a necessity, resulting lower costs and a redirection of the advertising budgets (advertising) to the Online Media necessities.

In the case of the *distribution*, it can be done both through traditional channels as well as "relationship marketing" especially counting on previous recommendations and other information of former clients who have benefited from the services in the past.

Definitely, the product is always adjusted to the market needs and as noted before, the costs of these adjustments is not as high as the price needed for the traditional “product” strategy. As regard to the promotional strategy in case of services, trends in recent years showed a tendency to move the budget from offline advertising to online advertising environment.

Promotion at this level means the use of media channels such as advertising on TV (peak mobile companies in particular), radio (promotion of weddings organizers or other services, etc.), print (daily and weekly newspapers and magazines – for travel agencies and tourism industry) and increasingly the use of online media channels like the advertising through CPM –cost per mile, clicks, special projects, use aggressive promotions, social media (facebook, twitter) and mobile marketing.

As in *relationship marketing*, here, is extremely important the business relation between marketing and sales team of a company and the customer *to be right and tight*. Basically, it aims to guarantee the customer satisfaction after buying and using the service (it can be a mobile subscription, a vacation or a relaxation package or a subscription to a swimming club etc).

In the case of advertising marketing services there are more people involved in this phenomenon than in the “advertising of tangible goods”. Besides the marketing team, the customer deals with all the members of a company, wherever are the Sales People, the guide in a vacation, or the stewards at board on a plane, or the Customer Service from a mobile service company. The marketing of services allows a constant adjustment of „asset quality” with a rapid feedback based on the Customer-Provider Relationship.

In the process of marketing and advertising of certain types of services (such as those related to mobile phones or those related to information provided by the news agencies) product strategy is different from the tangible goods and is affecting the price and advertising of the “service”.

In the above mention cases, the quantity of the purchased service is "unlimited" and this means that the manufacturer (mobile phone service provider and the news agency provider) can send virtually "unlimited" information to a number of „infinite” customers.

The advantages are multiple because it allows a better adjustment of the prices; such prices can be affected by competition *and less by the cost of production. If we were to refer only to them, the manufacturing costs are relatively small* compared with the production costs of a tangible product.

Also, in this case, the service is better oriented to the customer needs and demands with a rapid adjustment in terms of both time and cost.

Quality is one of the most important techniques and strategies that a company uses in a marketing environment, whether we are talking about the quality of products or the services acquired, of the customer relationship team, or the quality of the marketing personnel or the supply chain personnel.

The Quality strategy is a sure guarantee for ensuring the prerequisites for success.

At last, but not at least, *communication* is very important in the online media environment of a service company. Communication means a lot of things from traditional banners and Internet Service Customer Relations (24/24) to promotion by Articles (free or advertorials) and PR messages like “Press Communication”, news and online conferences and Online Special Events. Below, you will find some of the most important techniques that a company uses in the area of communication in both Offline and Online Environments.

Table 1: Communication techniques used in the marketing of services

Environment Communication	***Interpersonal Communication***
INTERNAL COMMUNICATION -advertising at the sale place -advertising on the company intranet -brand, logo, images	INTERNAL COMMUNICATION -contact personnel -sales personnel -customers -internal marketing
EXTERNAL COMMUNICATION -inscription for following -information signals (phone, emails) -advertising (online, offline, contextual advertising) -direct marketing -participation to trade fairs	EXTERNAL COMMUNICATION -sales agents (no need in the online) -publisher network and media agencies -public relations(PR) -advertising by recommendation -word of mouth

Adaptation from: Simona Aurelia Bodog, Florian Dorel Bodog, Dorina Rosca (2006), Particularităti ale promovării serviciilor, Analele Universitatii Oradea

3. Advertising as the principal component of the promotion strategy

3.1. Advertising – General characteristics

Advertising often tends to be confused with communication, promotion or commercials. Advertising is a form of promotion represented by a complex of activities which have in purpose: to be known and appreciate, to sell the product and to form favorable attitudes towards an idea, action or theory.

AMA (American Marketing Association) defines advertising as “*any fee form of non personal presentation and promotion of ideas or services on behalf of known sponsor*”. From this, advertising has a commercial character, like a commercial transaction. Also, the advertising message is for the general public not for a unique individual. Despite promotion strategy, advertising makes notoriety, changes the brand image, is abstract and it proposes to make the product desirable, to act and to reach its objective: to be sold out. But advertising is just o component of promotion and communication.

Advertising is not identified by commercials, although in the economic –social activity this frequently happens. Commercials are an advertising component but not the only one.

Advertising includes: *free advertising* based on information broadcast which leads to higher consumer confidence and the upraising of the prestige of the company by: articles, conferences, reports, banners, posters etc

Unlike commercial publicity, advertising proposes to indirectly influence consumer behavior and not to trigger faster the buying decision. It also aims to create a positive image about a product and the firm, without to circulate information and to use means of determining the purchase decision.

3.2. New paradigm of change: from Offline to Online Advertising

Advertising on the Internet is increasing in importance and impact in all around industry especially in the service industry. For the advertising industry, the Web is simultaneously the biggest challenge and the biggest opportunity in a long time. Current advertising spending by AMA is increasingly really strong in the last years, especially in the US (Google and Yahoo) and also in Europe, UK. In *Romania* because of the economic crises we see a rise in the budget of multinational companies since 2008. The prediction for future advertising spending in the Online Services Industry is really good, with the Internet surpassing magazines, matching radio, and trailing only television, newspapers, and direct mail as an advertising medium.

The advertising budget comes from investing into websites, promotion by Google Ad Words and Ad Sense, traditional banner campaign on CPC, CPM or Affiliate programs and the high returning from Social Media environments like Facebook or Twitter. For this, the ad-serving business has evolved from the need to greater online advertising expertise. Companies such as “Doubleclick Incorporated” invest heavily in devices to mine, analyze, and use data about Internet users and their behavior. In Romania TradeAds is a company who is heavily involved in research patterns of the online media environment in order to better serve the ads on the Romanian websites.

In the service industry, “Travel” was the most important business on the Web in terms of the volume of e-commerce (eMarketer 1999a, 1999b, 1999c) but in latest studies “mobile device services” comes quickly from behind.

3.3. The Efficiency of advertising campaigns in Services Marketing Industry

The success of the Internet over other media environments for the distribution of the message is based on several features including: *interactivity, personalization, measurability, interconectibility, economy* cost.

Lately has been a shift from traditional marketing (offline communication) to online marketing. In Online Marketing Industry in the last couple of years we seen a shift from advertising paid by “impression” (branding) to a better use of promotional cost in the context of the current financial crisis, to the performance marketing and advertising performance „leads” and „cost per sale”.

What does this mean? Advertising has become a way by directly supporting the Sales capacity of a Company. This translates into a more wisdom allocation of advertising budgets on performance campaigns with „cost per sale” or direct mailing.

Efficiency is measured in: the number of users who clicked on a banner campaign, the number of users who have left their contact details in an online form or directly into the number of products (conversion rate) sold by online advertisements.

3.4. Online Advertising -Features and Characteristics

When you buy / acquire a service from a promotional campaign practically you buy a long-term service relation with that company.

The current transition from online to offline publicity was made in the context of the global economic crisis and particularly to the fact that more and more newspapers from Romania in terms of printing costs, distribution and other factors, decided to go from print-offline to the online media environment.

This fact draw a new strategy in terms of online advertising for better „serving” of this market, advertisers who wanted to do a better measurement of the rate of response of potential customers compared with the previous measurement of efficiency of advertising in newspapers or other printed environments.

The advantages of the online media compared with other media are clearly superior because it involves a better measuring of the impact of advertising and better costs for ads on „click ","display", „lead” or „sale”.

But there is a big difference between standard advertising in offline environment and the *„www”* propagation environment. It can be seen a lack of "marketing relationship" established by the "human” contact with the „seller” at purchasing in a online store and the lack of „trust” and „confidence” given by a "seller in a traditional store" for people who want to see faces and are obliged to buy in online environments.

So, from this point of view, regarding the advertising of services, especially once moving from the offline to online you have immediate access to another kind of public, for whom the traditional "customer-seller" relations is not so important. From personal experience I noticed the fact that the best services and promotional packages which lately attract the Romanian public are on *"promotional packages" with massive discounts of 80% or more on* special types of services such as: *access to spa, gym subscriptions and slimming packages, access to beauty and hairdressing salons, vacation packages, all with a very good discount.*

Basically moving from offline to online audience means the attraction of another type of public, especially *young people*, a public ”technological upgraded”, strongly attracted to everything new about advertising and promotional ideas and major discounts on services and goods.

Certainly, in the case of services, the advertising strategies both through traditional advertising environments like *printing, outdoor or television* will remain an important component for future implementation and budgeting, along with traditional promotion through recommendations. Also, the *customer typology* used to pay „a high price” for better services will certainly endure.

In this context, it is necessary to name another important component of the marketing mix strategy which a company uses in the service environment, namely the *Personnel Policy (Human Resources). Personnel policy* is extremely important because there are many activities involving marketing and promotional strategies which depend on the employees of a company.

If in „offline environment” the staff is present in a previously stage of acquiring information and buying from the traditional store *personnel* it disappears in the online environment, but is later present in the post-purchase interaction environments like Customer Service etc.

This is why the staff along with other traditional marketing mix elements are important factors for the companies adapted to the XXI century market needs.

4. Conclusions

Services are an important part in the international exchange commerce and represent a major characteristic of the Romanian production and National GDP. The marketing mix strategy uses the traditional mix elements like *promotion, product, distribution or price* but also has some key elements like „relationship marketing” or „communication” integrated in it.

Advertising of the service industry is more a *partnership* than a traditional sales relation based upon: *confidence, trust, respect and long term relationship.*

Despite the increased research in services advertising, knowledge about strategic issues is still underdeveloped and needs future research.

Advertising in Online Media has become the paradigm of the XXI century Online Marketing Research. The question is not „when”, just „how to do it” and “what to implement”.

Companies can choose from a large typology of advertising elements like traditional *banners, affiliate marketing, advertorials, or social media campaigns*.

In services, like in many other parts of the economy, the client is „in charge” but this partnership is more important than in any other industry because the „strong” long term alliance between the participants is all that counts.

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UNFAIR COMPETITION AND THE USE OF MARKETING MIX COMPONENTS

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Abstract: *Out of their desire to enter a market very quickly, to gain a significant position on the reference market and thus to achieve higher earnings businesses do not always use fair and legal practices. Frequently, they are tempted to resort to unfair behavior that affects the normal competitive environment (and may even cause the elimination of competitors) and consumer interests as well.*

Key words: unfair practices, marketing mix components, piracy, counterfeiting, *misleading advertising*

JEL classification: M31, M37, M38, K42

1. Introduction

According to the Paris Convention for the Protection of Industrial Property (1883) revised and amended, "Any act of competition contrary to honest practices in industrial or commercial matters constitutes an act of unfair competition". The Convention expressly refers to:

- all acts of such a nature as to create confusion by any means whatever with the establishment, the goods, or the industrial or commercial activities of a competitor;

- false allegations in the course of trade of such a nature as to discredit the establishment, the goods, or the commercial or industrial activities of a competitor;

- indications or allegations the use of which in the activity of trade is liable to mislead the public as to the nature, the manufacturing process, the characteristics, the suitability for their purposes or the quantity of goods.

In Romania, a favorable framework for developing a competitive market economy is maintained by a set of norms and rules of conduct and fair behavior of traders, namely:

- Law No. 11 of 29 January 1991 against unfair competition;
- Law No. 84 of 15 April 1998 on trademarks and geographical indications;
- Law No.8/1996 on Copyright and Related Rights
- Law no. 148/2000 on advertising
- Law No.158/2008 on misleading and comparative advertising, as amended and supplemented.

The Ministry of Finance with its *General Division for notifying and tracking down unfair practices and prices* is the competent responsible with protecting the morality of economic competition, investigating and punishing unfair conducts which constitute misdemeanors/infringements. The acts of committing the crime of unfair competition are notified to the competent criminal authorities.

One of the problems for the European market is the unfair practice associated with the marketing techniques of traders. Such techniques of influencing the purchase decision by dishonest means, represent indirect attacks against the competitors whose clientele is attracted through various marketing tricks on the edge of legality.

In this respect, the European Parliament issued the Directive no. 29/2005 concerning unfair business-to-consumers commercial practices. The objective of the Directive is to expressly protect the economic interests of consumers against unfair trade practices, but also the companies against competitors, who do not respect the rules of fair competition by preventing the freedom of choice of consumers. In the Annex to this Directive there are detailed the practices that violate the principles of fair competition in any circumstances (The Black List).

In the Romanian law, this Directive was implemented by Law no. 363/2007 and Law no. 158/2008 concerning misleading and comparative advertising.

According to Article 5 paragraph 2 of the Directive and Article 4 of Law no. 363/2007, a commercial practice is considered unfair in the following circumstances: when it is contrary to the requirements of professional diligence and it is liable to deform the key economic behavior of the average consumer which is addressed to, or of the average member of a group (in case a commercial practice is addressed to a group of consumers).

In general, unfair trade practices are misleading or aggressive.

The act of misleading or potential misleading consumers of the traders to determine consumers to buy a product that otherwise they would not have bought and thus affecting their commercial interests is punished according to the Directive and the national legislation. This influence may be made by coercion or by aggressive behavior using various methods: false or inaccurate information, omitting important information (such as main characteristics of the products, identification data of the trader and its headquarters, price and all taxes included or its calculation method, payment methods, delivery conditions, enforcement and investigation of complaints, for products and transactions involving a right of cancellation or termination, indicating that right).

Article 2 of Law no. 11 of 1991 against unfair competition, as supplemented and amended, defines unfair competition as "any act or fact contrary to honest practices in industry and product marketing, activity performance as well as services supply. This allows an extremely large range of facts of unfair competition. Articles 4 and 5 of the Law define the main acts of unfair competition which are considered misdemeanors and criminal offenses, but the list is not complete and it cannot be complete as there are no limits to the inventiveness of competition and new acts of unfair competition.

Although unfair practices may help traders with some advantages on short term, but on long term, they will fail to maintain this position on the market. This may happen because consumers, if not the law, will be those who will "punish" the respective traders, refusing to buy their products or ask for their services in future.

Unfair practices are based on all four components of the marketing mix: *product, promotion, price and distribution*, but the first two are more frequently used.

2. Unfair practices on the product

Two of the most used such unfair practices with devastating effects on consumers (through misleading the consumers about the quality of products/services) and on the proprietor of the brand are *counterfeit and/or piracy*. Selling such goods is a crime under Article 5 paragraph 1 letter b) of the Law no. 11/1991 against unfair practices, amended and supplemented.

The term of *piracy is used when dealing with copyright*, while the term of *counterfeit refers to trade mark infringements.*

Piracy is the act of fraudulent reproduction (copying) of products subject to protection of copyright and related rights for commercial gain. The following items or products may be illegally reproduced: published works, phonograms (musical works), films (audiovisual), software (business software, entertainment software). The most serious threat is Internet piracy (it gives access and promotes materials that are already copyright protected).

Law No. 8/1996 on Copyright and Related Rights recognizes and guarantees "the right of copyright of literary, artistic or scientific works and of any such works of intellectual creation." This law is harmonized with a series of specific legal rules on intellectual property rights protection within the European Union.

This phenomenon of intellectual property rights infringement seriously affects the competitive environment, even destroying confidence in the mechanisms of a competitive economy.

The highest level of piracy is via the Internet. Piracy on the Internet reached an alarming level (over 90% of the music that the Romanians listen to comes from Internet piracy, a phenomenon that goes far beyond physical piracy) and it is facilitated by information technology infrastructure which is more and more accessible to the average consumer due to the increasingly lower prices for higher speeds. The lack of clear knowledge regading the law (the proof is the great frequency of pirated materials on the Internet which has created the illusion that it was normal and allowed) and indiscipline allowed the formation of communities which offer music on sites where consumers feel very comfortable to download from. It is appreciated however, that tangible piracy decreased (Hard) to 50% in 2008 in comparison to 79% as it was in 2007.

The negative effects of software piracy would affect not only the income earned by the producer of pirated software; the reduction of piracy could lead to the creation of new jobs, to the economic growth and to the increase of revenues from taxes collected by the state.

The results of the last five years (software piracy rate decreased 8% in Romania, from 74% to 66%) reveal the impact of the common efforts to reduce software piracy. These efforts are made by both the business software industry, represented by BSA (Business Software Alliance) and the national authorities. Theier efforts consisted in campaigns aiming at raising awareness and respect for intellectual property and law enforcement.

Here are the proposals of BSA to reduce software piracy and obtaining economic benefits:

- Develop public education and awareness of the value of intellectual property and understanding the risks of using unlicensed software;
- The amendment of national laws on copyright in order to implement the rules adopted by the World Intellectual Property Organization (WIPO) to facilitate a better copyright protection and more efficient protection against digital and online piracy;
- To create stronger mechanisms of law enforcement, in accordance with the rules of the World Trade Organization (WTO) and the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), including severe anti-piracy laws;
- Delegation of significant government resources to this problem, including national units dedicated to intellectual property protection; cooperation with other countries and training for local officers and judiciary officials;
- To establish high standards by implementing software management policies and the use of only authorized software by the public sector.

Counterfeiting is the violation of exclusive rights of the holder of a trademark protected by a title of protection. The object of counterfeit may be the trademark, geographical indication, design, industrial design, or invention patent.

The brand is the sum of intangible attributes of a product as defined in the Law 84/1998 on trademarks and geographical indications as "a sign capable of graphic representation serving to distinguish the goods or services of a natural or legal person from those of others; trademarks can be distinct marks such as words, including personal names, designs, letters, numerals, figurative elements, three-dimensional shapes and especially forms of the product or its packaging, color combinations, and any combination of such signs". Moreover, a brand represents consumers’ perception and their experience with the brand; the maintenance of the product's inherent characteristics means actually quality maintenance. In this respect, the fight against counterfeiting becomes very important.

According to Law 84/1998 on trademarks and geographical indications (Article 83), the following acts are considered acts of infringement:

- identical or almost identical reproduction of a mark registered for identical or similar, even if the reproduction is not used;
- fraudulent imitation of a mark (name, designs, colors, product form, packaging, etc.) to mislead the consumer on the basis of overall similarities;
- production of documents, envelopes, labels, packages containing reproductions of any trade mark whatever the use;
- the use of counterfeit mark.

The law incriminates acts "…likely to create confusion" which means that it is not necessary that an act of unfair practices create some confusion, but only to create a risk in this respect. The assessment of confusion risk is based on the average consumer (average attention, education level and intelligence); this risk must be proved for a large number of consumers (not just in isolated cases) and it should be reported to the category of targeted consumers (the more the consumers are initiated into the use of the product the less the risk of confusion is).

The impact of counterfeit goods on brand owners, consumers and national economy is significant and it should not be minimized. The "ability" of counterfeiters to adapt to market trends generates significant profits out of the sale of these products. The phenomenon of counterfeiting causes damage to the business climate in the country and encourages unfair practices and it seriously affectes consumers as well. The consumers are the ones who lose the most; ultimately, because they buy a counterfeit product at a lower price, which determines the time much higher expenses (these counterfeit products are deteriorating much faster or threaten consumers’ health).

The phenomenon itself also inhibits companies to invest billions in market research, marketing planning strategies, new products development, if in the end they discover that their estimated profit is greatly diminished by counterfeit products. These counterfeiters rely on two categories of consumers: first less educated people and/or people with low incomes, who are motivated by temporary material needs, preferring the low price and ignoring details of the quality and the secondly more educated people with higher incomes who perceive the brand, are motivated, have needs and expectations from the product but are disappointed by the apparent quality of the product. Therefore, consumer education and fight against counterfeit are very important in the developed countries: the consumer is regularly advised on the dangers of buying such counterfeit products and the legislation is very harsh against counterfeiters.

The most counterfeit marks are those of luxury products: cosmetics, textiles, leather goods, watches, but also food products, phones, medicines and toys.

Parasitic competition, a concept broadly referred to, is used in the care when a trader lives as a parasite of the market on account of the work of others, taking advantages from the efforts and reputation of others.

Using methods of creating confusion in the market, such actions are intended to transfer a favorable image of known marks on their products or services with the purpose of taking advantage of the customers of that respective brand. Confusion in this case, may be caused by taking certain important elements of a mark likely to cause mental associations and confusion about the origin of products. This form of unfair practices is reflected on the market, in forms such as imitating the forms of advertising or any type of promotion, abusive unfair references to companies or well known brands (claims in advertising that a product has the same quality as the known product of a competitor). Thus, the element of familiarity of a brand which determines preference and brand loyalty is taken by another trader and transferred to their own campaign.

Other such unfair practices involving the marketing and advertising products use such expressions as "kind", "of type", "as the product X", "way", "style", "type" "as the recipe " or other similar words. Using such words, these unfair practices try to associate their products with the quality guarantees and advantages conferred by well-known brands. To punish such conduct in the case of food products, the Government Decision no. 106/07.02.2002 on food labeling - Art. 6, paragraph 4 of Annex 1 prohibits "using words such as: "way","type","kind" together with the name under which the food product is sold"

The practice of ambush marketing refers to marketing campaigns that take place around an event without involving sponsorship. It is an unconventional marketing strategy, designed to divert public attention from the official sponsor to other companies which are usually competitors.

Usually, during major events, a company may sponsor an event and may ask exclusive rights on its sponsorship depending on the amount it contributes with. Other brands that want to be associated with the event may have a campaign of ambush marketing without paying an amount for sponsorship. Ambush marketing campaigns are usually held around sporting events.

Many ambushers increasingly adopt strategies more and more inventive and creative to suggest involvement in the event: the use of photographs of places that can be easily recognized such as stadium, soccer ball, stages from same sport as background in commercials that are on TV channels during the period that coincides with the sports event.

These association techniques are commonly used in advertising campaigns in Romania on the eve of major sports events. Although, there have not been controversies on this subject so far, it is necessary that traders must pay a greater attention on how they relate to intellectual property rights in marketing.

3. Unfair practices on the price

Another important component of the marketing mix, price is often a tool used in anti-competitive practices whose goal is gaining or maintaining an important position in the market or eliminating direct competitors. It can be used as a tool in vertical agreements between operators on fixed prices, ruin prices, discrimination prices or dumping prices, etc.

On the other hand, the price is often subject to unfair practices; the most common are those related to stock sales and promotion sales. The Government Ordinance no. 99/2000 (GO 99/2000) on product and services marketing is the regulation of these two fair commercial practices.

According to Art. 22 of Government Ordinance 99/2000, the stock sale is any sale accompanied or preceded by any advertising and announced as "stock sale/solds" and a price reduction shall result in accelerating sales of seasonal goods in a retail stock structure.

The current legislation sets certain limits in order to implement these practices by traders and to protect the positive national laws on competition:

- Stock sales must be made only twice a year, during two periods with a maximum of 45 days each, provided that the products proposed for stock sale to be paid by the trader to the supplier at least 30 days before the beginning of the stock sale period and normally offered for sale before that date;
- Traders are required to take into account that the price reduction must be performed in relation to the reference price (as in G. O. 99/2000, the reference price is the lowest price in the same selling space during the last 30 days before the date of offering the reduced price), namely, the product label must have both the old price and new price reduction;
- The stock of products proposed for sale to be established in advance in stores, and warehouses or any sale area and establishment and, where appropriate, in one or more of the trader's warehouse, at least 15 days before the date of sale, and it will not be renewed after or during stock sales;
- Stock sale must take place in establishments where the respective products were normally sold;
- Stock sale periods must be established by the merchant within the following ranges: 15 January to 15 April, for autumn/winter products and 1 August to 31 October, for spring/summer products;

- Traders have the obligation to notify the period of performing the stock sales to the cityhall in whose territorial jurisdiction it operates, at least 15 days before starting the sale.

Unlike stock sales, promotion sales can be made any time of the year, without prior notification. According to G.O. 99/2000, promotional sales are retail sales / cash and carry sales or market services which may be offered any time of the year, without notification, provided that:

- the sales are not made at a loss;
- the sales refer to the available products and that can be re-supplied, and to services sold or, where appropriate, currently provided;
- the products and services advertised for sale must be available for sale throughout the whole period of sales promotion or the trader will inform consumers that "the offer is on limited stock available only".

However, many times we witness false commercial practices of discount sales, namely, in case of a product that can be purchased in such a period at a price equal to the previously charged by the trader.

4. Unfair practices in distribution

Unfair practices in the field of distribution are rather anti-competitive practices (agreements between market players, vertical or horizontal agreements).

Inter brand competition and competition between brands have an important role. The more intense inter brand competition is, the more obvious are pro-competitive effects, stimulating economic activity. An exclusive distribution agreement could significantly reduce competition between brands, but at the same time it allows to a brand to compete more strongly with others, thus increasing inter brand competition.

5. Unfair advertising practices

As a tool used in marketing communications, *advertising* plays a major role in the company's strategy, as it is a means for sending messages which may be able to provoke a response from the audience.

Alongside the fair forms of conduct, unfair practices have arisen. Among the forms of unfair and quite controversial conduct it is worth mentioning: misleading advertising and some forms of comparative advertising, as well as subliminal advertising (any advertising that employs stimuli too weak to be perceived consciously by people, but which could affect their economic); advertising that violates human dignity and public morality, advertising that includes discrimination based on race, sex, language, origin, social origin, ethnic identity or nationality, advertising which violates religious or political beliefs, etc.

Advertising as a means of obtaining a competitive advantage for those who use it, "should be decent, fair and created in the spirit of social responsibility" (Article 5 of Law 148/2000 concerning advertising).

Misleading advertising presents some advantages of the product has, which are not real, and this is a clear disadvantage to the consumer. Although it is difficult to prove it as "false" advertising for certain products may be considered rather "misleading" because some features or product performance are exaggerated.

In assessing whether advertising is misleading or not, all aspects should be taken into account, especially the information it provides regarding the characteristics of goods or services (availability, nature, execution, composition, method and date of goods manufacture or service supply) the degree in which they correspond to their purpose, the destination, quantity, technical and functional parameters, geographical or commercial origin, the results expected from their use or the results and essential features of tests or examinations carried out on goods or services, the price or price calculation method and the conditions under which goods are distributed or the services provided, the nature, duties and rights of the traders on whose behalf the was advertising produced (their identity and assets, their qualifications and ownership of industrial, commercial or intellectual property rights or their awards and distinctions).

Comparative advertising involves presenting the comparison of two products, one belonging to the company that uses this form of advertising and the other belonging to a competitor, emphasizing the favorable characteristics of the first product. In comparative advertising, the targeted competing product may be presented by suggestive images showing its brand marks or product itself.

According to Law 158/2008, comparative advertising is considered legal if it satisfies all the following conditions:

a) it is not misleading, according to Art. 3 letter b) and Art. 5 of this Law as well as Art. 5-7 of Law no. 363/2007 against unfair practices of traders with customers and adapting regulations to European legislation on consumer protection;

b) it compares goods or services meeting the same needs or intended for the same purposes;

c) it compares objectively one or more essential, relevant, verifiable and representative features of those goods or services which may include price;

d) it does not discredit or denigrate the trademarks, trade names, other distinguishing marks, goods, services, activities or circumstances of a competitor;

e) it relates in each case to products having the same name, for products with designation of origin;

f) it does not take unfair advantage of the reputation of a mark, trade name or other distinguishing marks of a competitor or of original name of competing products;

g) it does not provide goods or services as imitations or replicas of goods or services bearing a protected trade mark or name;

h) it does not create confusion among traders, or between the advertiser and a competitor or between the marks, trade names, other distinguishing marks, goods or services of the advertiser and those of a competitor's.

Unfair practices in advertising mislead and distort competitive markets. More specifically, these practices considered unfair in all circumstances (set out in the European Union's Blacklist and taken to the Law no. 363/2007 on combating unfair practices of traders towards customers) refer to:

- *Bait advertising* (the practice of luring the consumer to buy from a certain company by advertising a product at a very low price for which there is no proper available stock)
- *False use of "free limited" offers* (creating a false impression of free offers by describing a product as "free", "bonus", "without charges" or similar terms, when the consumer has to pay any other amount besides the costs implied by the positive response to the commercial practice and collecting or delivery payment of the item;
- *Direct exhortations to children* to buy advertised products ("Buy X product now!) or to persuade their parents or other adults to buy advertised products for them. Direct exhortations to children is extended to all media including to advertising Internet ;
- *False claims about curative properties of products* (from allergies to hair loss and weight loss);
- *Advertorials* (the practice of using editorial content from mass media to promote a product but where a trader has paid for the promotion and this is not made clear);
- *Pyramid schemes* ("snowball" sales), is a pyramid promotional scheme in which a trader offers products/services to consumers leading them to hope that they will get them either free or at a reduced price to their fair value and conditioning sales to the introduction of other consumers into the scheme with whom the trader is to conclude the same type of contracts;
- *False prize winning* (creating the false impression that consumers have won a prize, when in fact there is no prize or other equivalent benefit or when taking any action in relation to claiming the prize or other equivalent benefit is subject to the consumer paying money or incurring a cost);
- *Misleading impression of consumer rights* (presenting rights given to consumers in law as a distinctive feature of the trader's);
- *Limited offers* (falsely stating that a product will be available only for a limited time to deprive consumers of sufficient opportunity to make an informed choice);
- *The language in which after-sales services are offered* (commitment to provide after-sales service to consumers and then providing that service in another language without clearly specifying that to the consumer);
- *Unsolicited sale* (merchant seeking payment on the spot or at a later date for the products it provides, but which the consumer has not requested, or the return or safekeeping of those products)
- Europe-wide guarantees creating the false impression that after-sales service in relation to a product is available in a Member State other than the one in which the product is sold.

Here are some unfair practices of misleading advertising on the market in Romania:

➢Following the complaint made by Orange Romania, in late July, the Romanian Advertising Council (RAC), after analyzing an advertisement on the cards offered by Vodafone Romania, recommended the revision of the spot. The respective spot promoted the Vodafone card transmitting the following message: "The largest bonuses in minutes and money." In this case, RAC decided that the statements "bonuses in minutes and money" and respectively "bonuses in cash" may mislead consumers, by the ambiguous details regarding the nature and characteristics of the offer.

➢At the request of Nestlé, the National Audiovisual Council (CNA) stopped running the TV spots belonging to the coffee producer Elite Romania SRL in the campaign "The joy of living" on the grounds of misleading advertising. The reason of the complaint was the fact that the respective promotion misled the public with the idea that they can win a house worth $ 40,000, while the real promotion (whose regulation was published in the press) gave as a prize, in fact, that amount of money and not the house. The Romanian Advertising Council (RAC) was also against the campaign of Elite: "TV spots violate the Code of

Advertising Practice of RAC, by the allegations in the spots as well as by the promotion logos promissing the winners two houses worth 40.000 USD while, in fact, the winners receive 40.000 USD.

Such cases show how fierce is the competition in that market, as each player carefully monitors any weakness of the opponent.

➢ Another case of misleading advertising is the the complaint of CFR regarding the offer of the airline company Blue Air according to which passengers could fly on the route Bucharest-Cluj Napoca and return by paying a lower cost than a train ticket on the same route. Thus, according to the statement of the Ministry of Transport and Infrastructure (MTI), the offer to change the train tickets for the route Bucharest - Cluj Napoca and return with flight tickets misleads the passengers under the false impression that the two means of transport are similar, that there is the same price by plane and as well as by train and that there is a partnership between the two companies for this promotion.

➢ "Credit card – ID only" campaign launched by Altex, proved to be far from reality in those stores (getting a loan was subject to a number of conditions such as having a job, income level, income affidavit and the existence of certain levels for the credited amounts). The spot that was on several television channels managed to mislead potential customers. Thus, the National Audiovisual Council (CNA) banned from running the spot of Altex - "Credit card – ID only" on the grounds that it violated provisions of the Council and presented information to mislead the public by omission.

6. Conclusions

All these forms of unfair practices to obtain important advantages have a major impact on both normal competitive environment, but especially on consumers as the main beneficiaries of the fair practices on the market. Only in this way, consumers will have the opportunity of best choice from a wide range of products and services at lower prices, thus achieving the highest degree of satisfaction of their needs and desires.

Although there is a legal and institutional framework, yet, in our country, these laws on unfair practices fail to be enforced due to the ineffective mechanism of action of the competent legal institutions, consequently, on the Romanian market there is a great number of unfair practices related to product promotion and marketing.

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WORD OF MOUTH AND TRUST, DRIVERS TO ACHIEVE PATIENT SATISFACTION

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Abstract: *The objective of this study was to evaluate the drivers which lead to patient satisfaction. The analysis was based on a survey of 304 patients in a public hospital in Bucharest, Romania. Pearson coefficient was used to find out if there were any correlations between trust and word of mouth on patient satisfaction.*

Correlation analysis showed there was a linkage between trust and patient satisfaction but there was no linkage between word of mouth and patient satisfaction. Even if there is no correlation between word of mouth and patient satisfaction there is a correlation between word of mouth and trust, regarded as drivers to get high patient satisfaction.

Key words: WOM, health care, public hospital

JEL Classification: M31

1. Introduction

A healthy country is characterized by a low degree of disease occurrence. It can only be achieved when the quality of health care is not seen as a “business but as a welfare service” offered by the public sector to the large majority of population at affordable costs.

Public hospitals are a significant component of the health system in Romania because they consume a large amount of resources, but the Romanian Government only spends less than 6% of GDP on the health sector.

Even if the public sector is not seen as a future investment due to its high occupancy, improvements should be made to respect the customer’s needs. Governments not only have to find new resources to cover the high costs of public hospitals but also to utilize resources in an efficient manner.

The health care system is fundamentally a service based industry in which customer satisfaction is a vital ingredient.

The success of the health care organizations depends on the patients’ satisfaction. Health care organizations can achieve patients’ satisfaction by providing better health care services; taking into account the patients’ expectations and continuous improvement in the health care services (Zieldin, 2006).

Nowadays, the health care industry is growing faster than other service sectors because of its changes in the environment, such as competition, alternative delivery systems and access to increased information availability (Andaleeb, 1998).

Customer satisfaction represents a profitable competitive strategy because the public is likely to pay more to quality institutions which are willing to satisfy the customers’ needs in a better way (DesHarnais et al., 1990).

It is important for public hospitals to provide high quality health care services according to patient’s expectations and experiences (Eiriz et al., 2005).

In the health care sector, most providers offer similar services with multi-product or service offers ranging from laboratory tests, transplants to patient transportations but at different levels of quality as far as the service is concerned.

Customers will choose the service provider whom they perceive to provide the high quality service and adds value to it (Youssef et al., 1996).

Medical researchers have agreed that trust should be included in the patient- physician relationship but it is very difficult to be measured. Moreover, Seiders and Berry (1998) concluded that if a physician or a service provider is unfair he can destroy the customers’ trust. In health care, trust is considered the patient’s hope that a physician will have a certain attitude during and after the consultation. The patient’s trust can also be a feeling of confidence in the physician and his intentions. (Pearson et al., 2000).

In an environment in which there has been a reduction in customer trust of both organizations and advertising, as well as a decrease in television advertising, word of mouth (WOM) offers a way to obtain significant competitive advantage (International Word of Mouth Marketing Conference, 2005). WOM is a process of personal influence, in which interpersonal communication between a sender and a receiver can change the receiver's behavior or attitude (Merton, 1968).

The role of interpersonal communication is important in influencing the opinions by "opinion leaders" (Katz et al., 1955).

The ability of individuals to influence other people's opinions is of particular interest to organizations seeking to market products and services, especially those marketing offerings that cannot be easily trialed prior to purchase (Rogers, 1995).

The power of WOM is accepted to be a form of promotion (Arndt, 1967; Dye) but this is not enough. Positive WOM is not sufficient to be a source of communication, but the one who receives the message has to react positively to WOM as well.

WOM is not homogenous upon the impact it has on people and that is why the way people react to it is various. Understanding the factors that lead to positive WOM effectiveness would help marketers determine how to better harness WOM as a potential and relational tool (Wilson, 1991).

WOM receivers may be influenced emotionally and rationally in a pleasant way or negative way when complaining and denigrating takes over (Anderson, 1998).

WOM can play an important role in service organizations because the property of intangibility makes the pre-purchase process of services very hard (Berry, 1980; Zeithaml, 1981; Zeithaml et al., 1985). WOM is seen as a highly credible information source as the sender is usually independent of the organization providing the service and is not seen to gain directly from advocating the service (Silverman, 2001). Nevertheless, WOM plays a significant role in services that have a high degree of credence as in health care services.

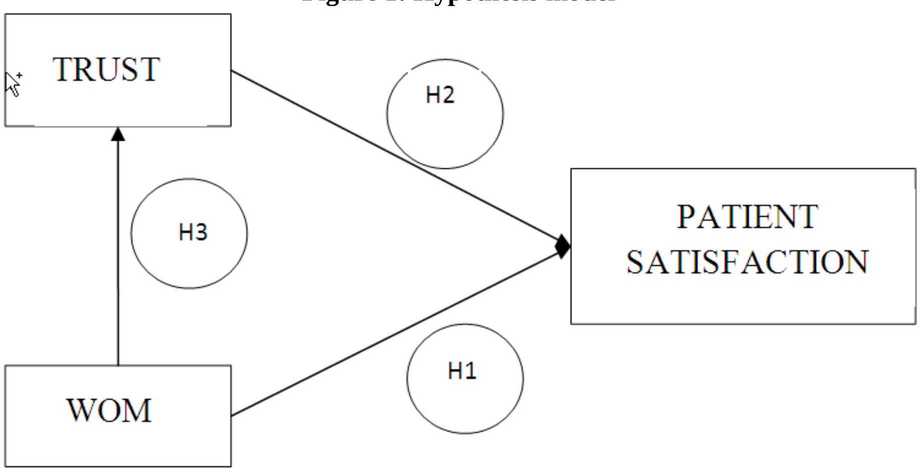
Hypothesis:

H1: Positive WOM influences patient satisfaction.

H2: A high degree of trust is correlated to a high degree of patient satisfaction.

H3: WOM influences trust.

Figure 1: Hypothesis model

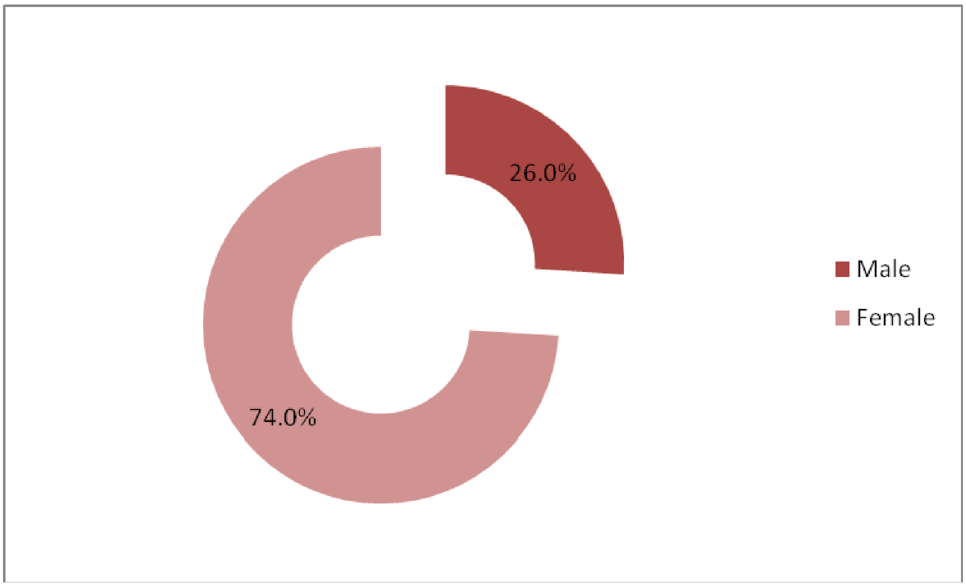


2. Methods

The study population was made up of patients from a public hospital with the average age of 28. Out of 310 administered questionnaires, 304 were validated. Questionnaires were self administered and were written in Romanian language.

Out of 304 respondents, there were 74% females and 26% males as shown in figure 2.

Figure 2: The sex rates



93.4% have a family physician and 30.9% had had a consultation in the last 3 months. (figure 3 and figure 4)

Figure 3: The family physician evidence rates

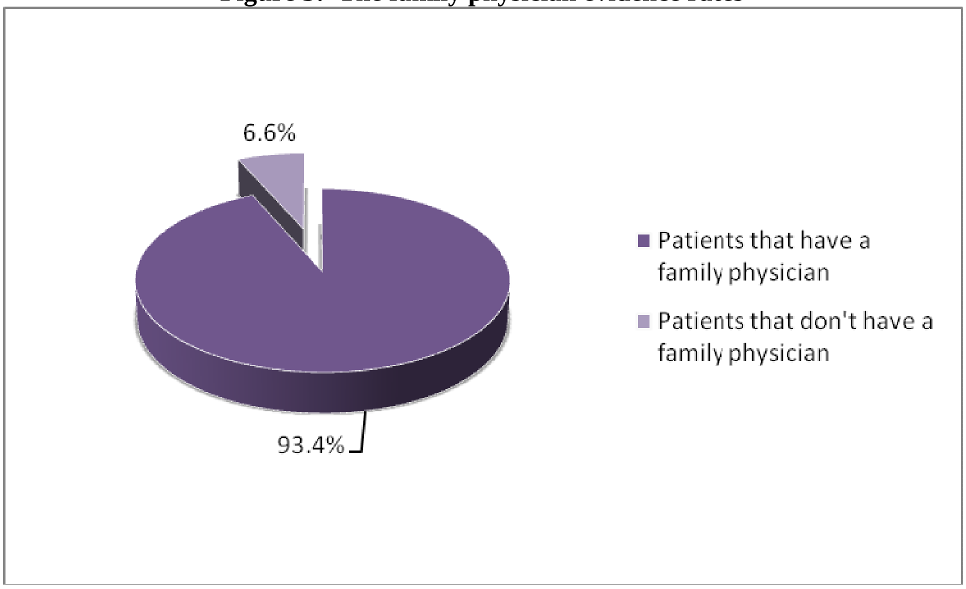
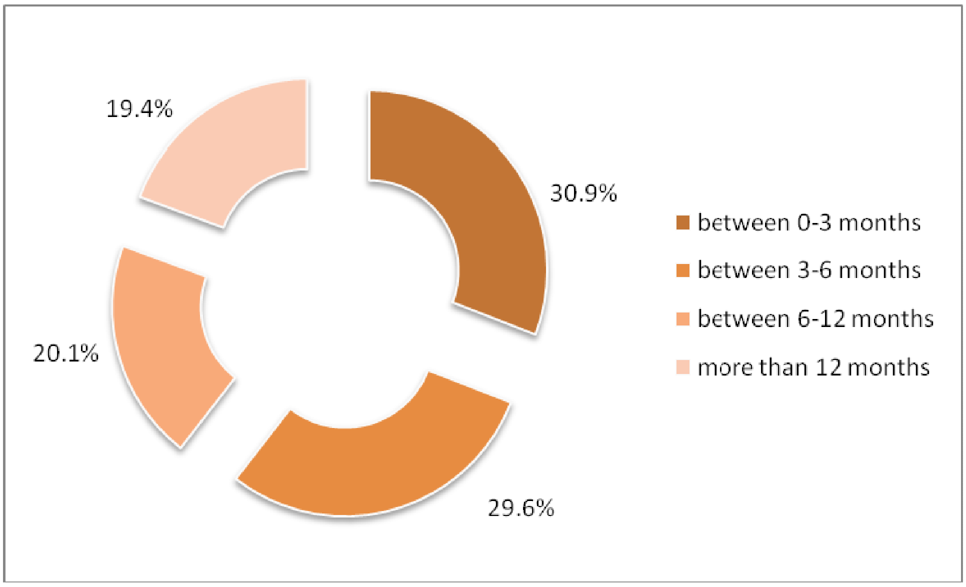


Figure 4: The consultation rates



The reliability analysis was assessed by using the coefficient alpha Cronbach which is 0.737. Accordingly, the alpha Cronbach coefficient always has to exceed the 0.70 value in order to be reliable.

To measure the variable "trust", the results of 2 items from the questionnaire were counted:

- the results to the question if respondents were to go to the same hospital in case of health problems, would they go to the same one.
- the results to the question if respondents would recommend the hospital to other friends or family members.

Figure 5: The rates of people who would go to the same hospital in case of other health problems

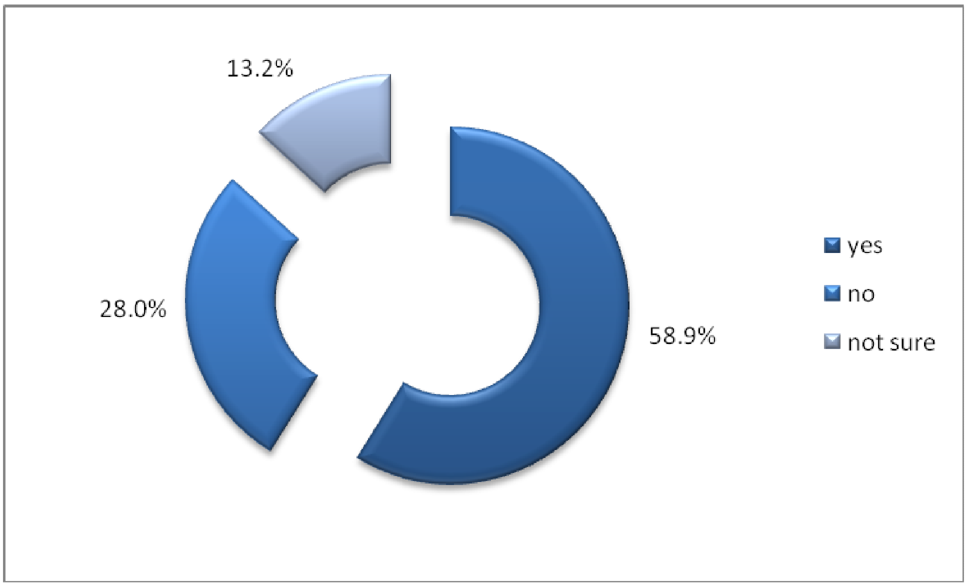
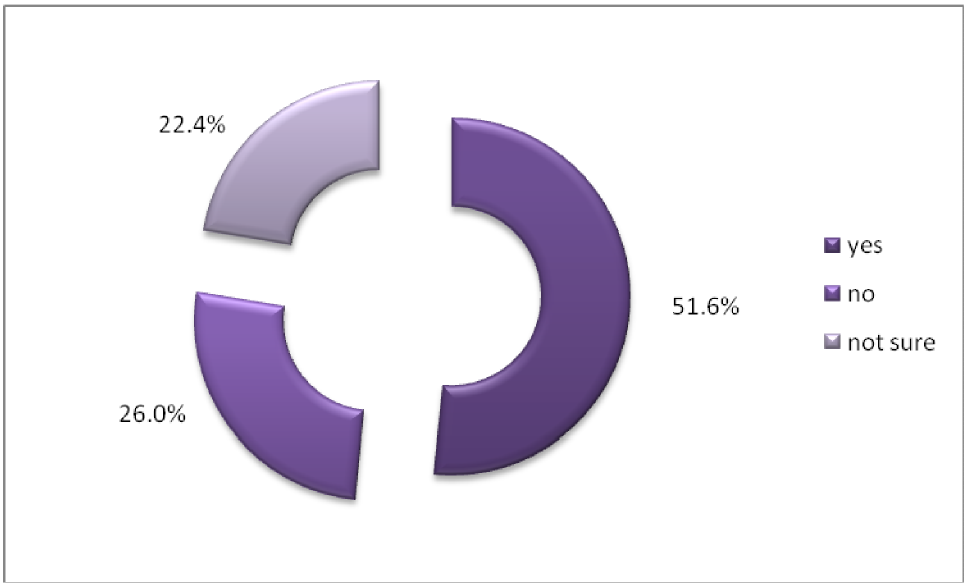


Figure 6: The rates of people who would recommend the hospital to friends or family members



In order to measure "WOM", the results of 2 items were counted as well:

- the results to the question what would the respondents do in case they had a health problem: look on the Internet, ask a friend or family member for a recommendation, call the family physician, call the ambulance, call a cab and go to a hospital, auto medication or homeopathy.
- the results to the question what would the respondents do if they needed a certain specialist; how they would find him: look on the Internet, ask a friend, ask the family physician, listen to the radio or watch TV or from books and health magazines.

Figure 7: The rates envisaging what people would do in case they had a health problem

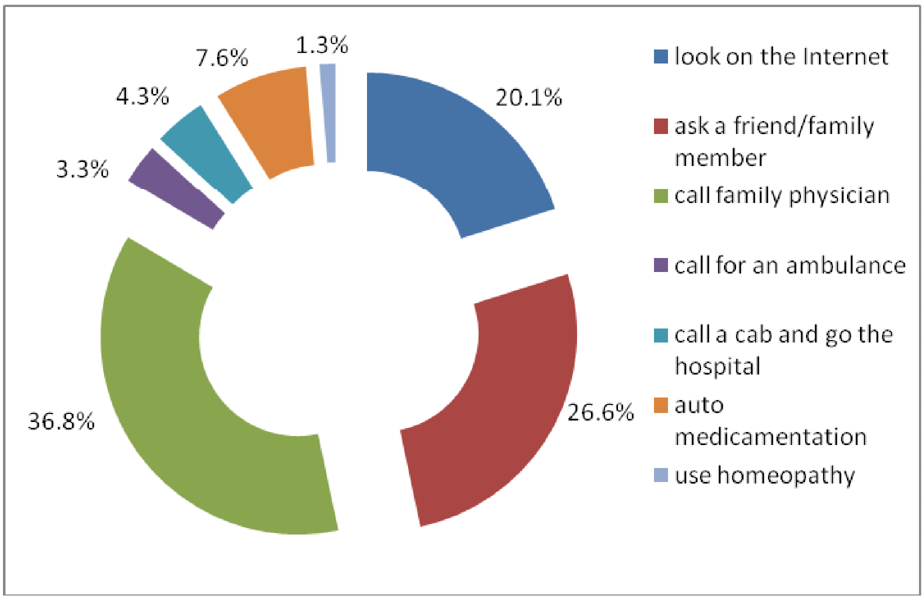
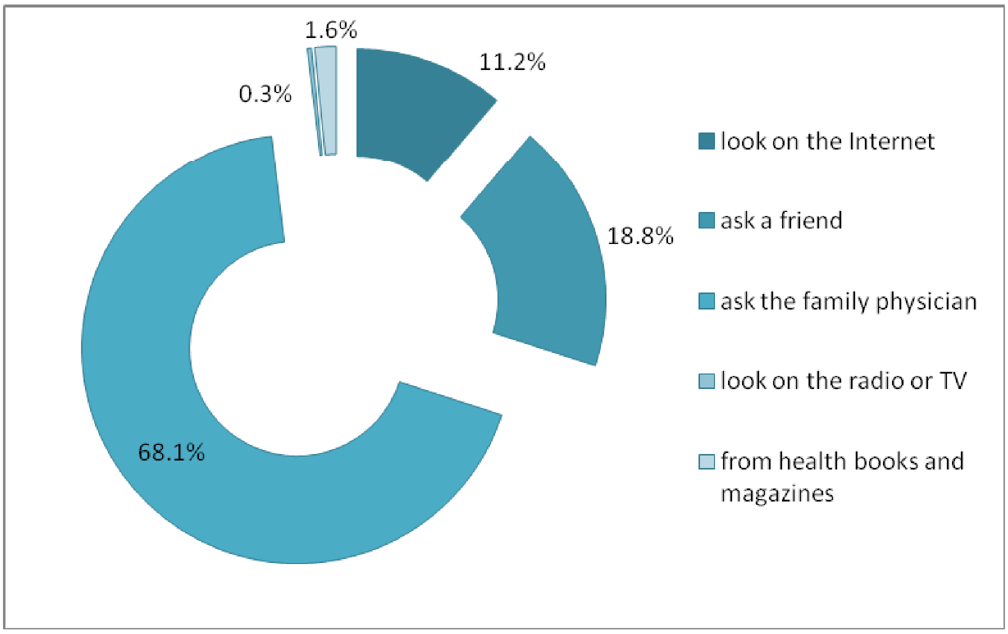


Figure 8: The rates showing the places people would look for a health specialist



3. Results

Pearson coefficient was applied to make the necessary correlation between patient satisfaction and trust; patient satisfaction and WOM; and WOM and trust.

The correlation matrix indicates that trust is positively and significantly correlated with patient satisfaction (r=0.461, p<0.01) and WOM is positively correlated with patient satisfaction but not in a significant way (r=0.044, p<0.01).

Table 1: Correlation matrix of trust, WOM and patient satisfaction

	Patient Satisfaction	
Trust	Pearson Coefficient	**0.461**(**)
	Sig (2-tailed)	0.000
	N	304
WOM	Pearson Coefficient	**0.044**
	Sig (2-tailed)	0.449
	N	304

) Correlation is significant at the 0.01 level (2-tailed)

Table 2: Correlation matrix of trust and WOM

	WOM	
Trust	Pearson Coefficient	0.286(**)
	Sig (2-tailed)	0.000
	N	304

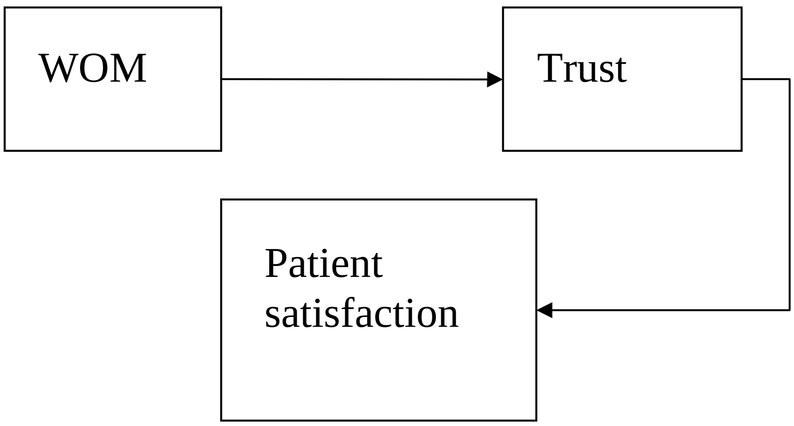
There is also a direct and significant correlation between trust and WOM (r=0.286, p<0.01). In other words, WOM is important for patients but trust is of greater importance.

4. Conclusions

Based on the results, a conclusion was reached: patients' satisfaction is influenced in a direct, significant and positive way by trust. Even if WOM does not influence the patient satisfaction in a significant way, it influences the evolution of trust in a positive, significant and direct manner.

The conceptual framework becomes the following:

Figure 9: The conclusion framework



Word of mouth must lead to trust and trust will lead to patient satisfaction.

The study has some limitations which provide some directions for future research. The study gathered data only from one public hospital, and this research can be extended to other public hospitals even to private ones. In addition, other patients' beliefs and perceptions should be captured from a qualitative point of view in order to get a better view on the patient's satisfaction.

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THE IDENTIFICATION OF THE MARKETING APPROACHES USED BY THE ROMANIAN INTERNET SERVICE PROVIDERS - A MARKETING RESEARCH -

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Abstract: *The Internet Service Provider is an important part of any organisation's activity. Because of the fast development of the data infrastructure and the advent of a big array of services and technologies, many organisations (traditional and online) have developed strategies to be used in this environment.*

The purpose of this research is to identify the marketing approaches of the Romanian Internet Service Providers in relation to all aspects of this business.

The marketing approaches of the Romanian Internet Service Providers are very diversified, covering a wide array of areas, objectives, strategies and tactics.

Key words: Marketing, Internet Service Providers, network of nodes

JEL classification: M31

1. Introduction

The Internet Service Provider or the ISP is the entity specialised in the delivery of the Internet services. Usually, such an entity provides the entire range of Internet services, which can be divided into two groups: data transmission and web services (Cătoiu, Edu, 2007).

The Internet Service Provider is (or should be) an important partner of any organisation. Because of the fast development of the data infrastructure and the advent of a big array of services and technologies, many organisations (traditional and online) have developed strategies to be used in this environment.

The implementation of these strategies is possible only through the services provided by the Internet Service Providers. Considering the impact of these companies on all organisations, a comprehensive understanding of how these companies work and plan their development is absolutely necessary.

The purpose of this research is to identify the marketing approaches of the Romanian Internet Service Providers 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.

2. Research methodology

2. Research purpose

The identification of the marketing approaches used by the Romanian Internet Service Providers (ISPs).

3. 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 and consumption behaviour on the Internet services market
2.3 The identification of the marketing approaches in relation to the branding policy
2.4 The identification of the marketing approaches in relation to the product policy
2.5 The identification of the marketing approaches in relation to the price policy
2.6 The identification of the marketing approaches in relation to the marketing communication
2.7 The identification of the marketing approaches in relation to the distribution policy
2.8 The identification of the marketing approaches in relation to the personnel policy
2.9 The identification of the marketing approaches in relation to the network of nodes

4. Research hypotheses

3.1 The Romanian Internet Service Providers gather information about the marketing environment related to:
  3.1.1 the features of the industry/market and tendencies on it
  3.1.2 acquisitions and diversification
  3.1.3 market share
  3.1.4 suppliers and partners

3.2 The Romanian Internet Service Providers collect information about the buying and consumption behaviour in relation to:
  3.2.1 product satisfaction
  3.2.2 buying behaviour
  3.2.3 buying intentions
  3.2.4 segmentation studies

3.3 The Romanian Internet Service Providers pursue marketing approaches in relation to the following aspects of the branding policy:
  3.3.1 brand awareness
  3.3.2 brand preferences
  3.3.3 attitudes toward a brand
  3.3.4 brand image

3.4 The Romanian Internet Service Providers' marketing approaches in relation to the product policy can be found in one or more of the following categories:
  3.4.1 concept development and testing
  3.4.2 brand name generation and testing
  3.4.3 test market
  3.4.4 product testing
  3.4.5 product assortment

3.5 The Romanian Internet Service Providers pursue marketing approaches for the price policy in the following areas:
  3.5.1 cost analysis
  3.5.2 profit analysis
  3.5.3 price flexibility
  3.5.4 demand analysis: market potential; sales potential; sales forecasting

3.6 The Romanian Internet Service Providers consider promotional approaches related to:
  3.6.1 motives which determine the choice for a means of communication
  3.6.2 mass communication means
  3.6.3 advertising message
  3.6.4 advertising efficiency: before/after broadcasting
  3.6.5 events, fairs, exhibitions
  3.6.6 sponsorships
  3.6.7 promotional instruments such as special offers, prizes, coupons etc

3.7 The Romanian Internet Service Providers use distribution approaches which cover the following areas:
  3.7.1 office/data centre location
  3.7.2 distribution channel's performance
  3.7.3 distribution channel's coverage
  3.7.4 data infrastructure
  3.7.5 international cooperation

3.8 The Romanian Internet Service Providers consider marketing approaches in relation to the personnel policy which could refer to:
  3.8.1 recruitment policy
  3.8.2 training
  3.8.3 staff compensation

3.8.4 interaction procedures with clients

3.9 The Romanian Internet Service Providers pursue marketing approaches regarding the network of nodes in the following areas:
 3.9.1 data connections
 3.9.2 Internet protocols
 3.9.3 metropolitan network
 3.9.4 agreements with providers

5. Research variables

Table 1- Research variables

Variable	**Definition**	**Directions for 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 or company - buying behaviour - brand - product - price - promotion - distribution - personnel - network of nodes
Marketing environment	The sum of forces which act in a direct or indirect manner upon the organisation	- Information about features of the industry/market and tendencies on it - Information about acquisitions and diversification - Information about market share - Information about suppliers and partners
Buying and consumption 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 product satisfaction - Information about buying behaviour - Information about buying intentions - Segmentation studies
Brand	The name and/or symbol used by an organisation to differentiate its offer from the competitors' ones.	- Information about brand awareness - Information about brand preferences - Information about attitudes toward a brand - Information about brand image
Product	The product, service, idea or combination of these with which the organisation is present on the market	- Information about concept development and testing - Information about brand name generation and testing - Information about a test market - Information about product testing - Information about product assortment
Price	The sum of money which must be	- Information about cost analysis

	paid by the buyer to the seller in order to acquire the offer	- Information about profit analysis - Information about price flexibility - Information about demand analysis: market potential; sales potential; sales forecasting
Promotion	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 - Information about mass communication means - Information about advertising message - Information about advertising efficiency: before/after broadcasting - Information about events: fairs, exhibitions etc - Information about sponsorships - Information about promotional instruments such as special offers, prizes, coupons etc
Distribution	The processes and routes through which an offer reaches a client	- Information about office/data centre location - Information about distribution channel's performance: partners, dealers - Information about distribution channel's coverage - Information about data infrastructure - Information about international cooperation
Personnel	The function and processes which handle recruitment, training and compensation of staff	- Information about recruitment policies - Information about trainings and courses for the company's staff - Information about the staff's compensation system - Information about the procedures/ methods/ techniques used to interact with the clients
Network of nodes	Resources absolutely necessary for the provision of the Internet services	- Information about data connections: number, type etc - Information about Internet protocols used by providers - Information about the Metropolitan network - Information about agreements with other providers

6. Population

The researched population is represented by the Romanian Internet service providers.

7. 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
- brand
- product
- price
- promotion
- distribution
- personnel
- network of nodes

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	Information about acquisitions and diversification	Information about market share	Information about suppliers and partners	Other	Description	Source

Table 3- Buying behaviour research

Buying behaviour						
Information about product satisfaction	Information about buying behaviour	Information about buying intentions	Segmentation studies	Other	Description	Source

Table 4- Brand research

Brand (Corporate and Product)						
Information about brand awareness	Information about brand preferences	Information about attitudes toward a brand	Information about brand image	Other	Description	Source

Table 5- Product research

Product							
Informati on about concept developm ent and testing	Information about brand name generation and testing	Information about a test market	Information about product testing	Information about product assortment	Other	Descriptio n	Source

Table 6- Price research

Price						
Information about cost analysis	Information about profit analysis	Information about price flexibility	Information about demand analysis: market potential; sales potential; sales forecasting	Other	Description	Source

Table 7- Distribution research

Distribution							
Information about office/data centre location	Information about distribution channel’s performance: partners, dealers	Information about distribution channel’s coverage	Information about data infrastructure	Information about international cooperation	Other	Description	Source

Table 8- Promotion research

Promotion									
Information about motives which determine the choice for a means of comm..	Information about mass comm. means	Information about advertising message	Information about advertising efficiency: before/after broadcasting	Information about events: fairs, exhibitions etc	Information about sponsorships	Information about promotional instruments such as special offers, prizes, coupons etc	Other	Descrip tion	Sou rce

Table 9- Personnel research

Personnel						
Information about recruitment policies	Information about trainings and courses for the company's staff	Information about the staff's compensation system	Information about the procedures/ methods/ techniques used to interact with the clients	Other	Description	Other

Table 10- Research of the network of nodes

Network of nodes						
Information about data connections: number, type etc	Information about Internet protocols used by providers	Information about the Metropolitan network	Information about agreements with other providers	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 Internet Service Providers
7.2 Reports and statistics issued by public and private institutions
7.3 News Web portals
7.4 Newspapers
7.5 Specialised publications in Information and Communication technologies
7.6 Specialised publications in marketing
7.7 Specialised publications in economics

8. Research conclusions

After analysing the secondary data sources structured in: web sites of Internet Service Providers, reports and statistics issued by public and private institutions, news web portals, newspapers, specialised publications in Information and Communication technologies, specialised publications in marketing, specialised publications in economics- 300 relevant references were identified. These references were analysed using the subcategories of the study guide with a special consideration for the "other" subcategory.

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 Internet Service Providers gather information about the marketing environment related to:

- the features of the industry/market and tendencies on it
- acquisitions and diversification
- market share
- suppliers and partners

The Romanian Internet Service Providers gather information, also, about other aspects related to the marketing environment, such as:

- scouting for funding
- corporate mission and values
- social responsibility
- competitive strategies

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

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

The analysis of the gathered data concluded the accomplishment of this objective. The Romanian Internet Service Providers collect data about the buying and consumption behaviour in relation to:

- product satisfaction
- buying behaviour
- buying intentions
- segmentation studies

Related to this section, the Romanian Internet Service Providers gather data about other aspects, such as:

- the profile of the Internet user
- benefits sought by the Internet user (individual and corporate)

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

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

Based on the analysis of the collected data, the third objective was accomplished. The marketing approaches of the Romanian Internet Service Providers about the branding policy are related to the following aspects:

- brand awareness
- brand preferences
- attitudes toward a brand
- brand image

The hypothesis formulated for this objective was entirely confirmed because all identified branding approaches pertained to one or more of the predesigned subcategories.

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

The analysis of the collected data concluded the accomplishment of the 4^{th} objective. The Romanian Internet Service Providers assume product decisions which extend to the following categories:

- concept development and testing
- brand name generation and testing
- test market
- product testing
- product assortment

Other price-related marketing approaches are displayed by the collected data which could be grouped as follows:

- product benefits
- product launching
- offer segmentation
- innovation

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

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

The analysis of the collected data concluded the accomplishment of the 5th objective. The Romanian Internet Service Providers pursue price-related marketing approaches which cover the following areas:

- cost analysis
- profit analysis
- price flexibility
- demand analysis: market potential; sales potential; sales forecasting

In accordance with the collected data in the "other" subcategory, the Romanian Internet Service Providers assume price-related marketing approaches pertaining to:

- price level determination
- price display on web sites

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

Objective no. 6- 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 Internet Service Providers' marketing approaches related to the marketing communications lie within the following categories:

- motives which determine the choice for a means of communication
- mass communication means
- advertising message
- advertising efficiency: before/after broadcasting
- events, fairs, exhibitions
- sponsorships
- promotional instruments such as special offers, prizes, coupons etc

Other marketing approaches were identified in relation to the marketing communication. These approaches refer to:

- online advertising strategies
- online advertising outsourcing

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

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

Based on the analysis of the collected data, the 7th objective was accomplished. The Romanian Internet Service Providers' marketing approaches pertaining to distribution refer to:

- office/data centre location
- distribution channel's performance
- distribution channel's coverage
- data infrastructure
- international cooperation

The hypothesis formulated for this objective was entirely confirmed because all the subcategories of the study guide were covered by the collected data.

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

The analysis of the collected data concluded the accomplishment of the 8th objective. The personnel-related marketing approaches of the Romanian Internet Service Providers lie, mainly, within the categories mentioned below:

- recruitment policy
- training
- staff compensation

- interaction procedures with clients

The hypothesis formulated for this objective was entirely confirmed because all collected data was included in the predefined subcategories.

Objective no. 9- The identification of the marketing approaches in relation to the network of nodes

Based on the analysis of the gathered data, the 9th objective was accomplished. The Romanian Internet Service Providers' marketing approaches in relation to the network of nodes cover the following areas:

- data connections
- internet protocols
- metropolitan network
- agreements with providers

Other marketing approaches pertaining to the network of nodes were identified. These approaches refer to:

- interconnection procedures
- international interconnection

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

3. Conclusions

It can be concluded that the marketing approaches of the Romanian Internet Service Providers are very diversified, covering a wide array of areas, objectives, strategies and tactics. This research represents a starting point in understanding the complexity of the internet services as an industry and provides comprehensive information about the endeavours of the companies providing these services.

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HEALTH CARE SERVICE QUALITY
A CONCEPTUAL FRAMEWORK FROM A MARKETING PERSPECTIVE

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Abstract: *A critical challenge for health care services is to find ways to make them client-oriented. Quality of health care from the patients' perspective is an important step in the development of health care services. Assessing patient requests gives the health care management a hint how to be more responsive to people's needs and expectations in order to make them more effective. The objective of this paper is to analyze some famous scales like SERVQUAL, SERVPERF and the Nordic model in order to emphasize conclusions upon where the quality of health care services can be improved using these instruments.*

Key words: service quality, health care service, patient satisfaction, SERVQUAL, SERVPERF

JEL classification: M30

1. Introduction

The world economy is becoming more and more service oriented. Perceived quality and value play important roles in services with a level of high customer involvement, such as the health care sector. Therefore, it is important to identify dimensions of how they are built and at the same time to find out how the constructs are perceived by customers (Glaveli et al , 2006).

Customer satisfaction and service quality remain critical issues in most service industries and are even more important in the health care sector (Ramsaran-Fowdar et al., 2005).

These days, patients' perspectives on health care services have changed because they became more informed and if they are not satisfied, they would change the health provider without a blink.

Providing customer satisfaction and quality service should be recognized as a key strategy for health care providers (Ramsaran-Fowdar et al., 2005).

Ensuring service quality is based on a "win-win" philosophy for both patient and health care provider. Customers that show a positive behavior towards a provider might express the following intentions (Zeithaml, Bitner, 2000):

- Praise the firm;
- Prefer the company over others (competition);
- Increase volume of purchases (in our case, health care consumption);
- Paying a price premium.

Customers that are not satisfied with a service might show negative behavior including switching to competition or sharing not favorable word of mouth experience.

In this case, health care providers seek to gain much more from a favorable behavior if they understand their patients' expectations and needs and would assist them in their process of recovery, making the best medication choice or just building long-term relationships.

2. Service Quality

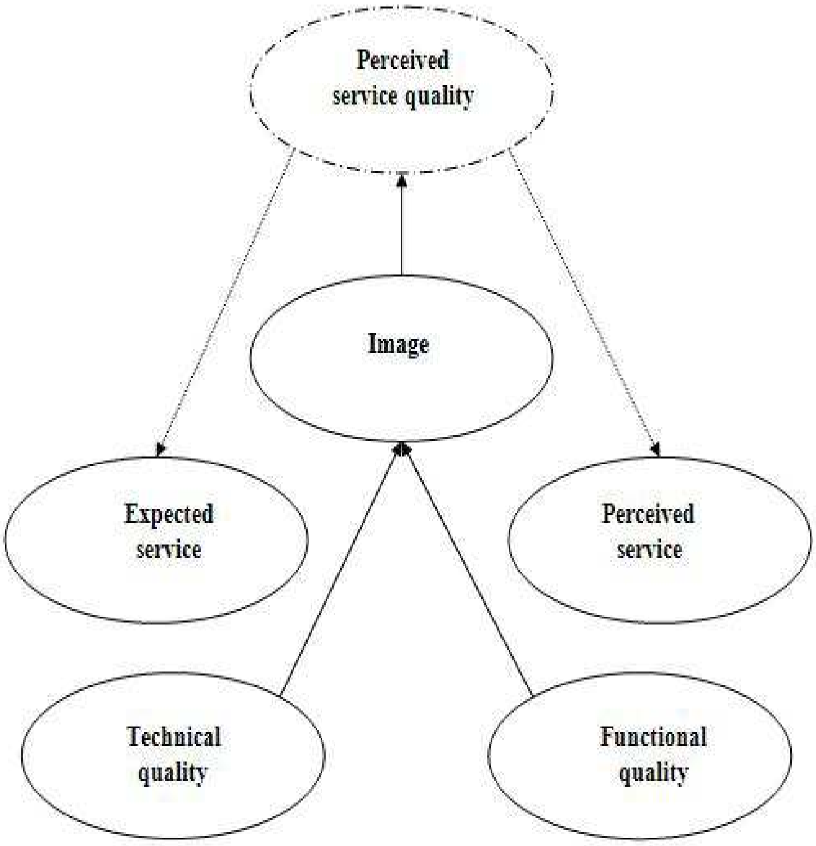
Services are not tangible objects but processes (Grönroos, 2001) and are perishable.

The basics of service quality dates back to the literature descriptions on product quality and customer satisfaction. According to the vast majority of experts, perceived service quality is the result of the subjective evaluation of a customer in which the service has been offered and delivered. Until now researchers have not found a general instrument to apply to all services.

In early conceptualization, perceived service quality meant to be the result of the comparison between expected service and perceived service. (Parasuraman et al, 1988)

Grönroos (2000) split service quality into two parts: functional quality and technical quality. His model became known as the Nordic model. The functional quality shows how the service is performed and the technical quality defines what the customer receives as a result of the service experience. Customers perceive what the service process is all about but most important is how the service is delivered. A disadvantage of the Nordic model is that the technical quality of some services is difficult to describe (Kang et al., 2003). Grönroos also emphasized the importance of the image dimension of a institution, which relates customers' previous experiences with current service perceptions.

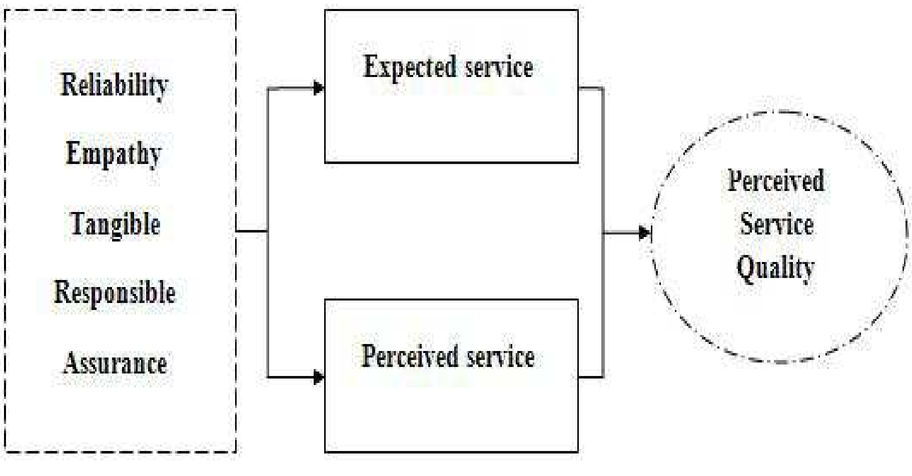
Figure 1. The Nordic model of perceived quality service



Source: after Grönroos (2000)

In the 1980s the evolution of service quality saw a different perspective from the U.S. school. Parasuraman et al. (1988) were the ones to propose the SERVQUAL model. In this instrument the service quality is measured by identifying the gaps between the customers' expectations and their perceptions of the service delivered.

Figure 2. SERVQUAL Model



Source: (after Parasuraman et al., 1988)

The SERVQUAL scale instrument is based on five quality service dimensions:

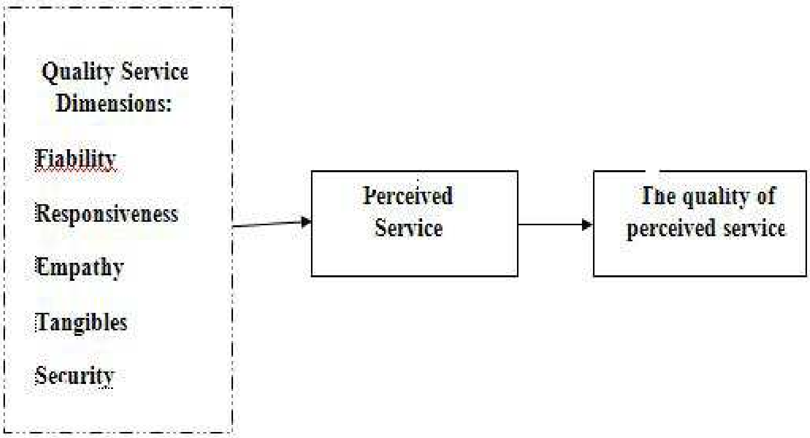
- Tangibles which encompass the physical appearance of surroundings, objects with their interior design and of people.
- Reliability- the ability of the service provider to deliver accurate and dependable services.
- Responsiveness- the ability of a service provider to be prompt and helpful.
- Assurance- the ability of a service provider to be credible, competent and understandable.
- Empathy- staff's ability to communicate easily.

The two models have in common the role of personnel. A disadvantage of both models is the fact that they did not pay much attention to the customers that are participants in producing the service (Edvardsson, 2005).

Another model of perceived service quality is SERVPERF (Cronin et al., 1992). This model is identical to the SERVQUAL scale regarding its structure and dimension. SERVPERF measures in a direct way the customers' perceptions of service performance and presumes that they automatically compare their perceptions of the service quality with their expectations of the delivered service.

Some authors propose using only the perceived quality assessment scale (SERVPERF), because it correlates better the independent variables used in their research papers than the ones using the SERVQUAL scale (Cronin et al., 1992).

Figure 3. SERVPERF model



Source: after Cronin et al, 1992

3. **Health Care Service Quality**

Health care services are delivered by physicians, nurses and the rest of the auxiliary personnel from hospitals, clinics, and other health institutions with the purpose of conservation and restoration of health.

In health care, one traditional method to describe the service quality is Donabedian's (1980) model. The model's structure consists of how care is technically delivered and what is the outcome of health. So the service quality is delivered into technical quality and functional quality as Grönroos (1984) described too in 1984 but with different meanings. Technical quality in health services is described on the basis of the accuracy of the diagnoses and procedures used or indicated by professionals. Functional quality is the method in which health is delivered to patients. Donabedian also says that quality consists of three parts: structure, process and outcome. Structure is described by the providers' knowledge, skill and ability to diagnose and treat a patient. Process consists of therapeutic interventions and medication prescribed in accordingly with the illness. Outcome describes whether the professional technical resource inputs have the presumed effect.

Although technical quality is important to patients, most of them do not have the proper knowledge to evaluate the efficiency of the quality of the diagnostic and therapeutic process. So technical quality is not truly a useful measure for patients to evaluate the quality of a health care service (Bowers et al, 1994). Another aspect is that patients always evaluate the quality of a service based on interpersonal and environmental factors. At the same time, patients cannot make the difference between the "caring" act which describes the functional quality and the "curing" act which describes the technical quality of health services (Ware et al., 1975). This means that the patients evaluate the quality of a health service from a functional point of view, “quality in perception” (Friedman, 1979). It is obvious that functional quality is much more difficult to evaluate (Zeithaml, 1988).

Patients use different evaluation methods to assess the quality of a health care treatment. They usually look for clues which might help them evaluate the quality of the service like: the physician’s office, time spent waiting before the consultation, the staff’s respect, care and patience, etc.

Even if SERVQUAL has been applied successfully in other industries, in health care things look different. In health care services, the actions tend to be more involving than in industries SERVQUAL was successfully applied.

Moreover, the application of SERVQUAL had different perspectives along time. So Babakus et al. (1992) found out that SERVQUAL was reliable and valid in hospitals. Bowers (1994), on the other hand, concluded that two other dimensions should be added to the existing SERVQUAL model:

- “caring dimension” which was “a personal, human involvement in the service situation, with emotions approaching love for the patients”.
- “outcome” which included “relief of pain, saving of life, or anger or disappointment with life after medical intervention”.

Furthermore, Haywood-Farmer et al. (1988) concluded that SERVQUAL was a inappropriate model to measure service quality because it did not comprise the: “core service”, “service customization” and the “knowledge of the professional” dimensions. Nevertheless, Brown et al (1989) resumed that from the SERVQUAL model, significant factors of the patient-physician relationship were missing like “professional credibility”, “professional competence”, “communication”.

4. Conclusions and further research

Given the fact that previous studies shown that SERQUAL did not cover all dimensions requested by the health care field, further research is needed to be conducted on the qualitative perspective of health care quality services such as: on what attribute base do patients evaluate the quality of a health service delivered by a physician and what instrument would truly help physicians measure service quality and improve their services and competitiveness.

It is difficult to generalize the service quality dimensions obtained from different theoretical and empirical research. Therefore it is necessary to propose methodologies that aim to identify and understand key determinants of service quality in health materialized in valid and reliable instruments from a qualitative perspective.

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RURAL ENVIRONMENT – A PROMOTER OF SUSTAINABLE TOURISM WITHIN LOCAL COMMUNITIES IN ROMANIA

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Abstract:*The purpose of this study is to analyse the face of Romanian rural areas at present, focusing on the main aspects of Romanian tourist villages but also taking into account travellers' expectations and demands towards agro-tourism. From a scientific perspective, this paper identifies the main characteristics of the Romanian village today and to sketch a few guidelines and main ideas related to the reviving of rural Romania. The objectives of this research are: to identify rural areas characteristics and also the tripartite relationship: sustaining tourism – ecotourism – agro tourism. The agro-tourism opportunities in Vâlcea County are described as a case study.*

Key words: ecotourism, tourism, rural environment, village.

JEL classification: L24, L83

1. Introduction

Romania owns a rich cultural heritage that Romanians still preserve and do their best not to alter in any way, despite the fact that European Union (EU) has begun to make its presence felt through specific rules and regulations. The Romanian village stands somewhere between a cultural attraction and a picturesque one. Romania is a country where one can still find plenty of lodging in the rural areas. The village is still a strong presence on Romania's overall picture by its archaic nature and its idyllic flavour; it is the keeper of authentic romantic treasures and resources, of traditions and customs that are completely oblivious to the modern Western Europe and also a nostalgic window to the past. Western travellers are enchanted by the natural beauty of the Romanian village, by its complexity and unusual diversity. As we all know, the modern western European village tends to have a more urban look and the western farmer has become a sort of "industrial worker" who uses mostly modern technology; he barely has the time to spend with his domestic lot, to caress them or even just to look at them from time to time. Sometimes, Romanian village life seems cut out of an old movie and this is what attracts foreign tourists. The village farmer has two cows and two horses and they help him carry on with his daily work. Romania has cattle markets that in Austria would look like setting a scene for a movie. Of course, it is possible that all this will disappear in time, due to EU expansion along with its rules and policies that might change the Romanian rural environment as it is today. However, for the moment it stands as it is - a constant source of fascination for the foreign traveller and especially the westerner. Most tourists come here to see this Romania, the one not yet transformed by EU's touch. Nevertheless, village life has to follow the normal trend towards development, comfort and higher living standards, but people should be aware of their heritage and try to preserve it the best they can and for as long as possible.

Due to its specifics, agro-tourism has become a more and more appealing means of coping with the actual problems of village life and many scientists believe that the future of rural communities lie in its economic, social and political opportunities which arise as a direct consequence of tourism growth and development. Tourism has become a profitable business with a rapid growth and an important part to play in the economic development of rural communities. Rural Romanian faces many problems related to: lack of a coherent promotion policy both at national and local level, low diversity of local tourism, lack of a strong national institutional structure to support agro-tourism and a rapid degradation of the rural architectural heritage due to villagers' exodus towards the city. Besides, there is not enough stress on the quality of personnel, which highly contributes to a tourist's first impression.

Tourism, briefly characterised appears as a specific socio-economic phenomenon of modern civilisation, firmly anchored in society and as such, more influenced by its growth. Addressing the a broad social segments and fully responding to their needs, tourism is detached by high dynamism at all levels. Also through its mass and its content complex, involves a vast tourism potential human and material, with important implications for economic and social development, national and international human relations. The global economic crisis is amplified each passing day, and Romania increasingly felt this recession, which economists great and fail to find an antidote. It speaks more about the crisis that manifests itself increasingly in different areas, and this paper aims to investigate the extent crisis affecting rural tourism in Romania.

2. Conceptual approach

Tourism is first of all perceived as “a cumulus of means of recreation and other activities destined for spending one’s free time in a pleasant way”. It involves travelling to a place different from the one of residence and it encompasses all the activities undertaken during that travel. Thus, tourism is defined as a complex activity, which can cover a wide range of fields, with a significant economic involvement and which finds itself at the crossroads of multiple industries and services.

Tourism is a complex business that continues to grow: economically it represents the synthesis of a wide range of services; psychologically and socially it constitutes as a better method to organise one’s free time.

Tourism is defined as “a complex and multifunctional branch of the national economy covering a rich offering of goods and services destined to those who travel away from their usual environment for a period of time under a year and whose main purpose does not imply a financial gain from the place of their visit.” (Stănciulescu, 2003, page 5).

According to the new definition given by the Global Tourism Organization (OMT), tourism encloses “all activities done during holidays and travels to a destination other than the place of residence and for a period of time of less than 12 months (one year) in the purpose of business, free time or other”. (Iordache, 2008, page 10).

Natural and anthropic tourism potential – the first represents the basic package that encloses all resources made available by the natural characteristics of a given space, while the second is the sum of all leisure activities created by man during the evolution of local community. (Dumitrescu, 2005, page 14).

Tourist attraction – a tourist attraction of a given destination, which usually constitutes the main reason why travellers come to see the place.

Holiday resort – an urban or rural area with developed touristic services based on local available resources.

Crisis – a time of hardships (economic, political or social in nature); a period of tensions, confusion and trials (mostly decisive ones), which come to life in society. Critical loss (of goods, time, jobs etc).

Economic crisis – a time defined by a crucial decay of global commercial activities.

As a commercial activity, tourism is very hard to pin into specific limits; like all human actions, it is subject to a complex analysis related to the numerous fields involved: economy, geography, psychology and sociology. The first human inclination towards travelling was mentioned in the writings of Strabon, a geographer from ancient times. As a concept, tourism reflects the human need to visit different places and attractions throughout the world, for personal reasons; travelling involves both the act of getting from one point to another as well as short-term dwelling in places chosen beforehand as a destination for passing free time. (Snack, 2003, p. 18)

Generally, what mainly influences the choice of a tourist destination is the natural factor: geographical position, scenery, flora, fauna and climate; also the general aspects of past and present human existence and activities: language, mentality, level of hospitability, customs, folklore, culture (religion, art science), politics, economy; the human factor as well: locals' attitude towards tourists, quality of service, local authorities' approach and police behaviour etc.; resources such as: transport, lodging, food, sports, entertainment, flow of information, etc.

3. Needs of sustainable tourism: agro tourism and eco-tourism

The issue of natural and socio-cultural heritage conservation has been raised following the growing number of tourists, both at the national and international level. Nevertheless, conservation can bring great benefits to local rural communities in the long term. Most tourism types that encourage sustainable development are: ecotourism, agro-tourism, ethnic and folklore based tourism (cultural) and so on. They might cast a positive light on the development of classic tourism, as we are all becoming aware of the negative “contribution” that a large scale influx of tourists brings by affecting the environment, local customs and traditions, scenery, etc.

Just as the natural environment is affected by the growing number of travellers, so can the intimate socio-cultural village heritage balance can be shaken because of the subsequent waves of tourists. This can happen when the economic equilibrium between the community members changes: some get bigger incomes from successful services offered to tourists, while others get only losses due to failed investments.

A generally accepted definition of agro-tourism is a package of services designed for rural areas that includes lodging in small rural centres especially designed for it and food prepared locally with natural ingredients. Accommodation has limited capacity and its main attraction is the architecture and the rustic design that somehow remembers the original traditional houses. The main attraction here is gastronomic in nature; most of these centres are family run.

However, a dominant theme to emerge was rural tourism as ‘counter-urbanisation’, or the temporary return of people into rural areas seeking respite from the challenges and stresses of high-density, modern urban life (Richard Sharpley, Deborah Jepson, 2011, p. 61).

OMT’s definition of agro-tourism is “a type of tourism that includes any kind of service that is actually organised and managed by the rural community, based on local resources (natural, cultural, historical and human) and with local amenities such as guest houses and agro-touristic farms” (Nistoreanu, 2010, p. 18).

The National Association of Agro-tourism, Ecotourism and Cultural Tourism (A.N.T.R.E.C.), the trademark of quality agro-tourism in Romania, states that the reason for choosing such a holiday would mainly be “to enjoy fresh homemade ecological food prepared according to local recipes; to enjoy a ride through unique local legends, customs and traditions”.

Rural tourism means spending free time in a rural environment in order to experiment in activities, events or attractions that are not available in urban areas. This may include natural reservations, open rural areas, villages and agricultural areas. It also includes ecotourism and agro-tourism. The more tourists are looking for a change from the city life and travelling becomes easier, the more agro-tourism becomes an attraction to them. The approach of these tourists towards country life is different: some of them prefer to simply come and watch and relax, while others are willing to get involved in field work or in environment protection and conservation projects. Thus, attracting the right type of tourists may require carefully organised development strategies and advertising campaigns.

In order to improve the range of services offered, it is necessary to develop various original tourism related products and programmes. There is a special opportunity for improving services in the natural protected areas, which might bring benefit to providers from local communities or the targeted protected areas. There is definitely a need to promote rural traditional festivals and events in order to encourage and better organise local tourism programmes and to support sustainable development plans for the natural protected areas. The main characteristic of rural tourism related projects relies in the offer of personalised packages for tourists, which have the advantage of taking an active part in the day-to-day life of the rural areas they visit.

An approach to rural tourism as a sustainable alternative belongs to M. Victoria Sanagustín Fons (2011, p 551), who believes that the following actions should be taken in its development:

- provide optimum use of environmental resources that are a basic element for developing tourism, preserving essential ecological processes as a contribution to care and preserve natural resources and biological diversity;
- be respectful with socio-cultural authenticity of host communities, preserving their cultural, architectural, life assets and traditional values, in order to get better understanding and inter-cultural tolerance;
- ensure long-term, viable economic activities, providing all agents with widely distributed socio-economic benefits, where new opportunities for stable employment should arise.

Ecotourism, based on rural and agro-tourism, may be a perfect stepping stone for the development of classic tourism also known as the “holiday resorts” type. Together with the preservation of natural resources and habitats, this type of tourism may engage far greater financial benefits and in the long term.

Goodwin (1996) stressed that ecotourism needs to be tightly defined if it is benefit conservation and the maintenance of biodiversivity. According to The International Ecotourism Society (TIES), eco-tourism is a *“responsible travel to natural areas that conserves the environment and improves the well-being of local people (1990).”* Diamantis and Ladkin (1999) reviewed the linkages between sustainable tourism and ecotourism.

Who are the eco tourists and what do they expect? (România pitorească, 2007):

- they are between 30 and 59 years old
- they are highly educated people with a good social position
- they have above average incomes

Eco tourists usually expect: high quality services; professional local guides; small group tours (15 people maximum); educational programmes; good and high quality food, prepared with local ingredients;

quiet areas, far away from traffic; quality lodging, not necessarily deluxe, but clean and proper; environment conservation (they like to know that a part of the money they spent goes back into environment protection).

The usual package offered by this type of tourism (ecotourism) might be found in the tourist offers from the rural areas of Vâlcea County:

- Ethnic and cultural tourism: Vaideeni, Costeşti, Slătioara, Pietrari, Roşiile, Nicolae Bălcescu;
- Religious and cultural tourism: Costeşti, Bărbăteşti, Slătiora, Stănişoara, Frânceşti, (the village of the Monastery from one tree), Cornetu, Boişoara, Iezer;
- Agro tourism: Măldăreşti, Tomşani, Pietrari;
- Weekend tourism: Malaia, Alunu;
- Transit tourism, mountain tourism and adventure tourism.

4. Agro-tourism opportunities. Case study: Main agro-touristic villages in Vâlcea County

Generally, agro-tourism means spending holidays in a rural area or a village, in order to experiment or take part in specific local activities. Agro-tourism in Vâlcea County becomes more and more attractive as tourists adventure father and farther from the city life. In Vâlcea County there are two key aspects that supported the recent development of this type of tourism: the village and the natural environment. Vâlcea County enjoys a wide range of historical and cultural values – local art, ethnography, folklore, traditions, historical buildings and a natural environment with a rich blend of beautiful scenery and picturesque views.

Vâlcea villages, both the common and the touristic ones, represent quite an original product on the Romanian touristic market. On the other hand, the touristic village may be the first step into the discovery of Vâlcea County as a possible touristic destination. Vâlcea County rural areas can cover a wide range offers:

- Relaxation and entertainment;
- Knowledge and culture;
- Outdoor sports;
- Trekking and spas;
- Hunting and fishing;
- An opportunity to discover local legends, customs and traditions – unique and eternal.

Agro-tourism in Vâlcea County represents a special package by comparison to other offers due to:

⇒ The attraction towards beautiful scenery and the charm of "country life";

⇒ Lodging and food, generously offered by locals; though not at the same level as hotels, they balance it by high quality services;

⇒ Relaxation and/or outdoor sports that are part of every holiday, trip or tour of the beautiful local scenery and which combine with the experience of local folklore, traditions and customs. Out of the various ethnic festivals that are organised in different villages throughout the year in Vâlcea County, the following can be mentioned:

- "The dance of traditional outfits" - Pietrari, on 10 April;
- "Golden hands - Vlădeşti, in May;
- "Golden honeycombs – beekeepers festival" - Tomşani, in May;
- "The Hurez rooster" - Romanian ceramic art fair - Horezu, 3 and 5 June;
- "The longing hora dance" pastoral folk festival – Vaideeni, in June;
- **"**Olt's songs", folk festival with several counties' participation and also international guests – Râmnicu Vâlcea, in August;
- **"**To the enchanted spring" - Băbeni, in September;
- **"**Govora's flowers" - Govora, on 2 and3 July.

Agro-tourism in Vâlcea country enjoys a continuous development, especially in the northern part of the county where most family-owned hotels are located.

The main categories of agro-touristic villages in Vâlcea County are:

- ***Ethnographical and folklore touristic villages***: where traditional outfits, architecture and houses interior design are the basic characteristic and also the main attraction: Vaideeni, Costeşti, Slătioara, Pietrari, Roşiile, Nicolae Bălcescu;

- ***Touristic and local arts and crafts villages***: Olari village in Horezu community, Măldăreşti, Tomşani, Pietrari. Their main attraction resides in tourists' interest towards local arts and crafts; local workshops are organised where tourists can learn the ancient art and techniques;

- ***Mountain villages***: Malaia, Vaideeni, Brădişor, Runcu. The main attractions for tourists are the summer and winter sports;

- ***Pastoral villages***: are usually the mountain villages (Vaideeni, Malaia, Alunu); their main attraction consists in local dairy products and involvement in daily sheepfold activities;

- ***Wine and fruit-growing villages***: villages in Drăgăşani country (Ştefăneşti, Orleşti, Ioneşti) where tourist attractions are present all year round due to the rich offer of local fruits and fruits-derived products;

- ***Religious-cultural villages:*** Costeşti, Bărbăteşti, Slătiora, Stănişoara, Frânceşti, (where we find the Monastery from one wood), Cornetu, Boişoara, Iezer; where the main attractions are the local monastery and hermitage tours.

We thereby draw the following conclusions on agro-tourism in Vâlcea County:

- It is not just another form of rural tourism but also promotes all local values and heritage and helps to the capitalisation of local resources;
- It contributes to the achievement of better living standards for the local people and to the economic and social development of the rural environment;
- It brings its contribution to the protection and preservation of natural and inhabited environment on the basis of a commercial activity that runs on and respects ecological principles.

5. Guidelines for sustaining development in agro-tourism

Sustainable development and its derivative sustainable tourism, although intuitively appealing, widely adopted by international organisations and many governments, and enshrined in legislation, are concepts that have been much criticised because of their lack of precision and because of the difficulties that have been experienced with their implementation (Teresa C.H. Tao, Geoffrey Wall, 2009, p. 90).

A large number of agro-tourism specialists have agreed that Romania is one of the biggest promises in the development of agro-tourism in Europe, which makes it an important commercial opportunity both for foreign investors and local communities. Even if more than 15 years have now passed now since the December Revolution, agro-tourism is still at the beginning, taking its first steps. The road ahead does not seem to be easy, especially when Romanian authorities in the field barely accept the importance and the potential for development of this type of tourism, while they continue to support the more classical forms of tourism, applied on a larger scale.

Among the guidelines for sustaining development in agro-tourism we find:

- sustainable use of touristic resources (conservation, best use);
- minimise excessive use and consumption of tourist resources;
- maintain the natural, cultural and social diversity of the rural environment;
- include agro-tourism in local, regional and national development strategies;
- support local commercial activities in view of community's social and economic development, but also of protecting the natural environment and cultural values;
- involve local communities in tourism related activities by supporting initiative groups to promote and develop local attractions, to protect the natural environment and the cultural heritage and to help local tour operators and agencies in their activities;
- agro-tourism sustainable development must be supported by appropriate professional training, specialisation, social and sociological education;
- supporting agro-tourism local marketing;
- perform research and monitoring activities related to local tourism development, environment protection and conservation as well as resources management.

The case for sustainable development requires new and effective policies in which economic instruments play an important role (Ivana Logar, 2010, p. 125).

Agro-tourism brings its contribution to villages' economic development by:

- long term development of village agriculture, infrastructure and environment protection;
- opportunities for business development and creation of new jobs that help to improve local living standards;
- encouraging local activities – arts and crafts – but also the ones that help to develop the arts and crafts local market;
- increasing local villagers' income by best capitalising local resources;
- increasing opportunities for social interaction of local people who often live an isolated life, especially in remote agricultural communities

The assimilation and management of some of the above mentioned values can lead to the birth of valuable and original Romanian products in agro-tourism.

6. Conclusions

Generally, tourism today goes through a growing sustainable development in which ecotourism plays an extremely dynamic part. Vâlcea county has definite advantages that can lead to it becoming one of the ecotourism destinations both at national an eastern European level. Ecotourism development in Romania has to be perceived in direct relationship to natural environment conservation (protected natural habitats), local culture preservation and local communities' involvement in all the stages of this process. Ecotourism development in Vâlcea rural areas is a long-term process (from 5 to 10 years) and requires continuous efforts from everyone involved, but it can bring major long term benefits and directly contribute to the establishment of a "sustainable way of life" in the respective areas. The decision making process regarding the initiation of such a project is the responsibility of local communities as it needs a careful and complex action plan for local ecotourism development, a plan that needs to encompass all social, economic and environment related issues.

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POLICIES OF ASSISTANCE AND SUPPORT SERVICES FOR CUSTOMERS IN HIGH TECH INDUSTRY

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Abstract: *This paper brings into question the marketing mix of high technology products, whose specific results from the necessity of creating a new variable, along with the traditional ones (product, price, promotion, distribution), namely: the assistance and support services for customers. Because of the complexity of high technology products, consumers need specialized support in making the best decisions about their purchase. The paper will highlight the need for a policy of assistance and support services for the company. It will be realized a typology of specific services in this area and it will be shown their effects on the relationship between company and consumer.*

Key words: high-technology products, relationship marketing, marketing mix, assistance services

JEL Classification: M31

1. Introduction

In deciding to adopt a high-tech product, the consumer needs a lot of support from the manufacturer and / or commerciant to understand why he needs the product, what benefits it brings, or how it works. To choose an optimal solution for each case, it is necessary that the company develops consulting and support services.

The company's principal goal becomes not just to sell products but to assist the customer in the initial phase of decision-making and buying, and then during the acquisition process and after it.

The objectives for the high-tech manufacturer are close to the specific objectives of relationship marketing approaches (Pop, pag.39 - online), namely:

- identification of customers and knowing them as well as possible
- monitoring the degree of customer satisfaction
- reducing the risk perceived by client and he's uncertainty
- undertaking the necessary actions for achieving customer loyalty
- ensuring the satisfaction of the complex demand in relation to the moment interests of the client and perspective interests.

Services provided before buying the product (pre-sales services), those provided during the sales and after-sales service are a decisive competitive argument for the strategy of ensuring business competitiveness, personalizing its relationships with clients, developing a factor of trust and security for the buyer.

The key issues in providing such services are listed below. Everything starts from the fact that each consumer's contact with an organization, product or brand should be recorded positively in the emotional memory of the consumer (in other words his experience), which implies that all aspects of the experience should be orchestrated for leading to this result.

Customer experience always starts from the experience of employees. They must be familiar with the products they are trying to sell, both in terms of technical specifications and the advantages for potential customers. It is necessary for the company to invest in rigorous training for its sales force, providing them with training courses relating to products, to sales techniques or promotion techniques.

A very important aspect is to attract the interest and loyalty of customers with respect to generation they belong. Consumer attitudes and behaviors are based on value systems and their expectations are directly proportional to the personal system of values, shaped by the age of 12, depending on the socio-cultural, political and economic environment of those times.

Internet and social networks must be seen as an extension of consumer experience in the online environment. The possibility of providing consulting services through a Web site facilitates the communication with the client in certain situations and speeds up the buying decision. All customer's contacts with a company or a brand are connected and interdependent. At each point of contact with them, consumers must perceive the values with which they interact. From the direct contact with an organization in the process of buying a high-tech product to a forum discussion about the brand, every detail matters and may attract or remove a loyal customer. The best strategy is to coordinate these interactions under the umbrella of a consistent positive experience.

By including this assistance policy in the marketing mix of high technology products, three objectives are reached:

- providing a consumer experience at the lowest level of total cost of ownership
- increasing the organization's revenue and profit by attracting more customers
- adding more value to high tech products, which was not originally included.

By providing these types of services, the organization seeks not only to make profit. They are used as a competitive tool to promote products and create a good image of the organization (Herve, Shapiro, 1999). A long period of time, the main concern for the producers was to provide repair and maintenance services. Now, the concept has changed because manufacturers focus on the customers' desires and expectations.

2. Characteristics of high-technology products

Currently, the technology is in constant motion. Accelerating change and the inevitability of future shock, information explosion and accelerated wear of scientific knowledge, the impact of proliferation, diversification and continuous improvement of technological products, require a new technology education and mentality, both in terms of consumers and producers (Rogers, 1993, p.17).

The concept of "high technology" refers to an industry that produce technology or technology-intensive industry. One of the definitions (given in 1982 in the United States Congress) characterizes high-tech industry as "the industry involved in creating, developing and introducing new products and/or innovative manufacturing processes through the systematic application of scientific and technical knowledge."

The "high-tech product" is defined rather by the perception that consumers have about it (Hyde, online), perception which is guided by several concepts:

- The product is not yet well understood or easily accepted as a solution to a particular problem
- There is no certainty about how this product will solve a problem.
- The resources required to develop this product is provided by highly qualified specialists
- The company producing these products has a technological orientation.

Similarly, the high-tech product is an innovation in the field, referring to a new product that aims to provide value both for the producer and consumer and to solve a series of problems.

High tech industry includes industries like (Mohr, Sengupta, Slater, 2010, p.9): information technology, hardware components (physical), software, telecommunications and Internet infrastructure and consumer electronic products such as audio or video products, entertainment products or games, etc.

The defining characteristics (Sahadev, Jayachandran, 2004, p.121-149) of high-tech products are:

Shortened product life cycle - such products passes through life cycle phases much faster than conventional products, fact determined mainly by the rapid pace of technology development.

High risk in respect of changes in user behavior - the use of high technology products can generate changes in the consumption behavior of users, such changes can sometimes be destructive in the sense of failure of product adoption by consumers.

Indispensability of infrastructure - a high technology product can not exist in isolation; the organization must create a real network of services to support the product and become an important component of its marketing mix. The infrastructure includes complementary products needed for the function of the high-tech product, the installation services, repair and maintenance.

Lack of clearly defined industry standards - a key feature of high tech products is that they constantly evolve. As a result of constant evolution, those products meeting the same needs are in line with specific but different standards.

Uncertainty regarding the functionality of the product - consumers think sometimes difficult to align their needs to the benefits it can offer high-tech products.

3. The typology of assistance and support services for customers in high technology industries

With the increasing importance of services in the economy, companies have been forced to take them into account in creating all the strategies (Vargo, Lusch, 2004). Marketing specialists claim that consumers are now buying less motivated by actual possession of an object, rather than the value that the product can offer. Thus, services are no longer considered only sources of revenue for the organization, but sources that create value.

In creating and providing these related services to customers, the companies must take into account several key issues, such as:

▪ The organization must analyze the situation of the employees: it is necessary to ensure a sufficient number of employees who are involved in service delivery and be trained to effectively manage relationships with customers throughout the sales process and thereafter.

▪ The organization must develop these services without neglecting its main concerns related to product development and product innovation.

Companies that sell high-tech products can increase sales, including a range of services to attract consumers. This is one reason why high-tech companies have developed consulting or financing services inside of them or they bought companies which provide such services (Mohr, Sengupta, Slater, 2010, pag.291).

A first type of assistance and support services for customers is *the assistance and consultancy before purchasing* a product of high technology by providing solutions based on customer needs. This kind of service leads to significant time saving for the client (time for information regarding all essential aspects about the product) and avoid further inconvenience the customer can feel.

A second type of assistance and support services for customers are *services strictly related to specific and technical features of the product*. They can be made available to the client during the sales. A very important service for most customers is the service configuration, dedicated to the users of high technology that requires this process (Smartphones, laptops, personal computers, PC tablets etc.). Also, through an application, the experts can connect from distance to the client's product for configuration, if the client has requested assistance from a distance. One such example is the service Smartphone Expert (Munteanu, 2010) of mobile operator Orange, which is available to all customers using My Smartphone option.

The third type of assistance and support services for customers is *after-sale services*. These are the services provided by the seller to the buyer, for a limited or unlimited period of time after purchase. They encompass everything that could help satisfy and retain the customer, such as:
Installation

For IT products this is first necessary service. In most cases, installing programs and applications are made from the production unit by trained personnel, because the products goes to people who fail to perform these operations. On the other hand, scientists have been motivated to create more easy ways to install programs and applications for those who want to do these operations themselves.

User Training

This service includes both training sessions to customers by a dedicated staff and programs and materials that help them learn effectively how to use the purchased product. For less complex products is sufficient the documentation provided by the manufacturer.

Documentation

More complete documentation can reduce support costs and customer training. But in some cases, it is insufficient or incorrect or difficult to understand for a person who doesn't know the area. Documentation usually contains information about installation, maintenance and repairs.

Maintenance and repairs

This service requires the commitment of significant resources. If the products have problems, it must be made an effective redress. It is very important to guarantee short-term repairs that may arise during the warranty period, or replace the product with one having the same characteristics, until completion of repair. For IT products, maintenance refers to the update operation for installed applications and software.

Online Support

It's a quick and economic method of communication with the customer and solving the problems.

Warranty

Significantly reduces the financial risk of holding a high-tech product and the manufacturers try to achieve competitive advantage by providing a growing period of the warranty (extended warranty or even "lifetime warranty"). In high technology, specialists often speak about the total cost of ownership of the product. Most times, the price paid by the customer at the shop is just the tip of the iceberg, because during product use, other costs are involved.

Other services

This category includes:

- the possibility for the customer to return the product in case of dissatisfaction and receive the money back or to receive another product.

- mobile service available to customers in specific cases.

- insurance services for the purchased products

- collecting services for used or defective products for recycling: for example, Samsung Recycling Direct program was launched in October 2008 in the U.S. for free collection of Samsung electronics used or damaged, and the collection of other similar products by paying a fee.

After-sales services are one part of a process of solving the product's problems which if are neglected, bring customer complaints.

Assistance and support services determine the customers to have more confidence in the company and provide a positive experience of the customer regarding the company. In the area of high technology products, these services are more necessary as their nature is more complex, as the operation and their use requires more knowledge.

The customer wants to get maximum satisfaction from using the high tech product because he is looking primarily to the benefits provided by the product. He can use the professional assistance provided by the organization as a tool to achieve this goal. An example of a complete service of assistance and support both pre-sale and after sale service is the One to One Apple service.

The complete service One to One (Apple)

Apple developed in 2009 a full service support and assistance to customers, which is based on the principle: "Come to shop. Return to Learn". This service involves three phases: purchase of an Apple product, namely a Mac laptop, transferring all information from the old computer or laptop in the new one, and finally, the client training.

In the first phase the client can choose the product and he can get information from various sources. One possibility is the company's presentation stores where Apple products can be tested and where experts answer all questions and helps customers decide. Also, the customer has the possibility to buy the product from the Apple Store Online.

After the customer decided what product he buys, he must specify that he wants One to One service. Then, he comes back into the store with the old computer or laptop, where all the stored information is transferred to the new Mac. Also, there are installed the programs and applications that the customer bought for the new laptop. So, the owner finds everything configured and installed on the laptop and receives further explanation if necessary.

This service offers to customers three ways to learn how to use the newly purchased product. For those who prefer to learn face to face, there are personal training sessions where in one hour an expert explains only to one person. It can be organized a series of short meetings, called Workshop, for small groups of customers, where are discussed various topics related to new product. For people who want to work at their own pace, there is the online version of this training program, called One to One Web page, where they can access hundreds of demonstrations and projects created by other customers, etc. People who feel they need more time to accommodate with the product, may participate in a session lasting two hours. During sessions, clients can use their laptops, newly purchased, or similar models available in classrooms. Sessions are established by prior appointment and reservations within 14 days.

4. Current concerns of high-tech companies regarding the assistance and support services for customers

In 2007, Harris Interactive Company conducted in U.S.A. a study on consumer experiences in relation to various companies. To this study participated 2049 adults. The research clearly showed that the level of service provided by an organization is a factor of success or failure. Study results showed that eight of ten people would not resort to an organization that gave an unsatisfying experience, and seven of ten would tell other people the unpleasant experience. In contrast, only six of ten people would share a pleasant experience related to the services provided by the organization.

In 2009 Accenture has conducted two online surveys: one among high-tech producers and one among high-tech consumers from 14 countries: USA, Canada, United Kingdom, France, Italy, Germany, Sweden, Finland, China, India, Japan, Argentina, Brazil and Mexico. The theme of this research was linked to state of the assistance and support services for the consumers in the high tech industry.

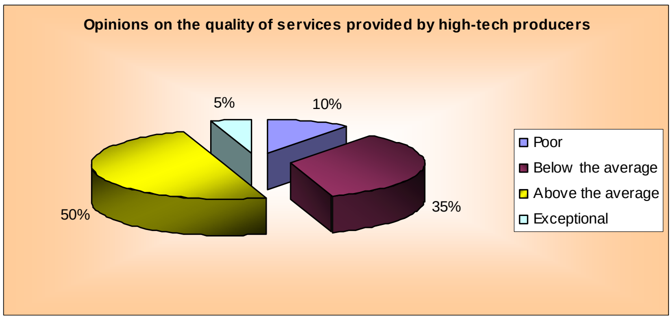
Regarding the research on high-tech consumers, two issues have attracted attention widely. Participants were asked whether the provision of assistance and support services leads to greater customer loyalty and 67% of them argue that such services makes them more loyal to the company. Also, more than half of respondents (57%) are willing to spend more money if the company provides assistance and support services.

Regarding the research on high-tech manufacturers and retailers, it have been identified the main problems faced by respondents: lack of competence of personnel responsible for providing services, lack of meeting points for solving problems, poor knowledge of the history of the consumer relationship with the company, lack of provision of personalized services.

The two studies showed a discrepancy between the opinions of producers and consumers in the high technology industry regarding the quality of assistance and support services provided. Approximately 70% of the producers consider that they offer high quality services but less than 50% of consumers say they are satisfied with these services.

In 2010 in the U.S. was conducted a study on customer satisfaction in relation to assistance and support services in the area of consumer electronics. Half of respondents believe that the quality of services is above average, 35% say that the level is below average and 5% believe that services provided are exceptional. The results can be seen in figure no.1.

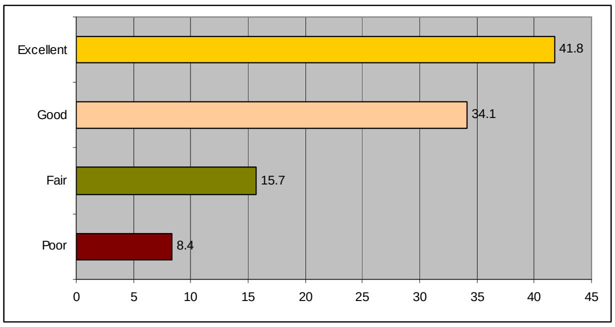
Figure 1: The structure of answers regarding the quality of services provided by high-tech producers



Source: „What is Good Customer Service”, Andy Wibbels, sept.2010, http://blog.getsatisfaction.com/2010/09/27/what-is-good-customer-service/?view=socialstudies

Participants were asked to express their opinion about the assistance and support services provided by companies in various fields, and for Apple's results are included in the figure no.2. Four of ten respondents believe that the services provided by Apple are excellent and three of ten considers it as good. A small percentage of all respondents - 8.4%, believes that the services provided by Apple are weak.

Figure 2. Opinions about the assistance and support services provided by Apple



Sursa: „What is Good Customer Service”, Andy Wibbels, sept.2010, http://blog.getsatisfaction.com/2010/09/27/what-is-good-customer-service/?view=socialstudies

When consumers look for high-tech products, they look for the benefits these products can offer. These benefits are visible and clear for some products. In some cases, organizations need to provide a specialized support so the benefits could be presented to the consumer. Above studies have shown that consumers are often intransigent and they abandon the companies which have a wrong behavior. But assistance and support services improve the consumer experience about high-tech products and about the provider.

5. Conclusions

In high tech industry, services are a specific element of differentiation between organizations. Currently, competition is seen both in terms of technologies and new products. The products' quality and their prices are not sufficient for a clear distinction between companies. Providing various assistance and support services for customers leads to a strengthening relationships between the organization and consumers, and to an increasing consumer confidence in the organization.

Therefore, assistance and support services for customers in high tech industry may be treated as a new variable of the marketing mix, as a separate policy.

To develop an effectively service policy, organizations must take into account some issues such as:

A good knowledge of high technology products – first, the staff responsible for providing assistance and support services need to know the tiniest details of the products.

A good knowledge of customers – it can be built databases of common problems faced by customers and preparing solutions to these situations, thereby saving both time and gaining customer credibility.

Providing quality service - the organization should keep its promise of value to consumers, providing both products and high quality services. It may make an effort to simplify communication with customers, to facilitate the purchase, to solve problems in fewer steps. The organization may also provide incentives when unpleasant situations occurred - they constantly adjust the unpleasant situations and prevent the client to abandon the relationship with the organization.

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THE ONLINE SOCIAL NETWORK – A NEW TOOL FOR THE 21ST CENTURY MARKETERS

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Abstract: *The development of the internet and of the information technologies has created for the managers and for the marketing specialists a new field in which to create value for the consumers. This paper presents one of the newest tools that the companies can use in their marketing activity: the online social networks. We aim to present the importance of using the online social networks for targeting and satisfying the consumers, we are presenting the concept of social network and the development of this new marketing tool. The paper also presents the usage of the online social networks in the field of marketing in order to inform the consumer in a faster and a more professional manner.*

Key words: Online Social Network, Marketing, Information Technology, Consumer

JEL Classification: M30, M31, M39

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 organisations should use to inform potential clients or consumers in a faster and more efficient way. Internet has become one of the most important means of communication that both the organisation and the consumer may use. The digital environment has become, during the last decades, a new environment for the organisations to show and promote their products, services and the organisation at a global level. The internet has given consumers the possibility to get informed faster, at any time and almost from all around the world. One of the instruments that are increasingly used lately is the online social networks.

2. THE CONCEPT AND DEVELOPMENT OF THE ONLINE SOCIAL NETWORKS

Before presenting the concept of online social network, we must clarify the current marketing situation. Marketing has had an important evolution in the last century. The first stage of marketing was the selling of products or services to all people that were willing to buy them. One of the most important factors that favoured the emergence and promotion of this first type of marketing was the industrial revolution, which led to the development of mass production and the offering of products at prices much more affordable (Balaure, 2003). Philip Kotler calls this type of marketing, 1.0 marketing which had as main purpose only the selling of products. A good example in this type of strategy was implemented by Henry Ford who stated that “any customer may get a painted car in any desired colour, as long as it is black” (Kotler et al. 2010). Basically, this example demonstrates that at that time, customers did not have where to choose from, they could only buy what the market offered them.

The development of information and communication technology is the key element in the next step of the evolution of marketing: 2.0 Marketing. Marketing has undergone a series of major changes; if, in the beginning, as we have mentioned, the consumer did not really have a choice, nowadays the situation is not that simple anymore, and the marketing’s task has taken a new direction. The diversified offer on the market changed the consumers’ desires and preferences, which are increasingly different and vary within very large limits. Marketers have to find the best means to provide high quality products to consumers for well-established target markets. The golden rule used by most modern organisations in this type of marketing is the *customer is a king* (Kotler et al., 2010).

In an increasingly dynamic and globalised world, consumers try to find the best organisations that would provide them not only the functional and emotional satisfaction, but also the fulfilment of human spirit. 3.0 marketing improves the modern concept of marketing by attracting it to the area of aspirations, values and human spirit.

In this type of new marketing we are 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):

- computers – are becoming increasingly accessible to the widest percentage of population;
- mobile telephony – which in time has become extremely cheap;
- low-cost Internet connection – the access to internet is becoming easier, it is currently estimated that in Romania almost 30% of the population has internet access (Meerman, 2010).

Based on these three major elements and the new evolutions of information and communication technologies, 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):

- social media systems designed for *expressions*, which include the blogs (Twitter or Youtube) and social networking, sharing sites etc. (Facebook, MySpace, Flickr etc.);
- social dialogue means based on *collaboration*, a good example being the site Wikipedia.

Online social networks are sites 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.

We can define the online social networks as Internet-based services that enable individuals to: create a public or semi-public profile within a pre-established system; to create a list of other users with whom they relate; to view and go through the list of connections together with all the people in the system (Boyd and Ellison, 2007). Online social networks are not only information platforms through which individuals and organisations may create connections with other individuals and organisations, they are more than that, they are instruments that marketers may use in their activity to create a lasting relation with the consumers.

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 idea of social network has developed quite rapidly. Basically, the forerunner of social networks can be traced back to the ‘80s to the bulletin board system – BBS.

Some authors argue that the first social network was launched in 1997. SixDegrees.com site enabled users to create profiles and to list your friends/acquaintances and after 1998 this list could be accessed by other persons. SixDegrees.com site was promoted as an instrument that would help individuals connect with and send messages to other people. Unfortunately, in 2000 this service was closed due to the inability to be economically sustained, although it had millions of users (Boyd and Ellison, 2007).

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.

The following online social networks that have appeared in the virtual environment in the coming years, and the most important of them are worth mentioning:

- *MySpace* – which has rapidly become, with a more dynamic and accessible image, a leader among the social networks and which focuses mainly on music. In 2005, according to Business Week, MySpace had more views than Google.com (Rosenbush, 2005);
- *LinkedIn* – is another site that promotes online social networking and which focuses mostly on developing professional relationships, it is a site that enables the search of information about jobs, business partners, experts in various fields etc. A clear example of the LinkedIn objective is given by a statement of the organization’s mission from the site (Zarella, 2010): *Our mission is to connect worldwide professionals, to make them more productive and successful. We believe that in the global economy, you can be more successful if you are a professional or more competitive as an organization if you have access to information and resources you can rely on;*
- *Facemash / Facebook* – the year 2003 was the year when Facemash appeared which would become in 2004 the greatest online social network: Facebook. The creator of these two networks has accessed without permission the computer network at Harvard University from where he “stole” a series of information on his colleagues that were later loaded on the Internet. This first type of online social network had a huge success; according to Time Magazine, during the first four hours from the Internet posting it had over 20 thousand views. A few months later, in February 2004, the online social network Facebook was created that served Harvard University students and in 2005 it was

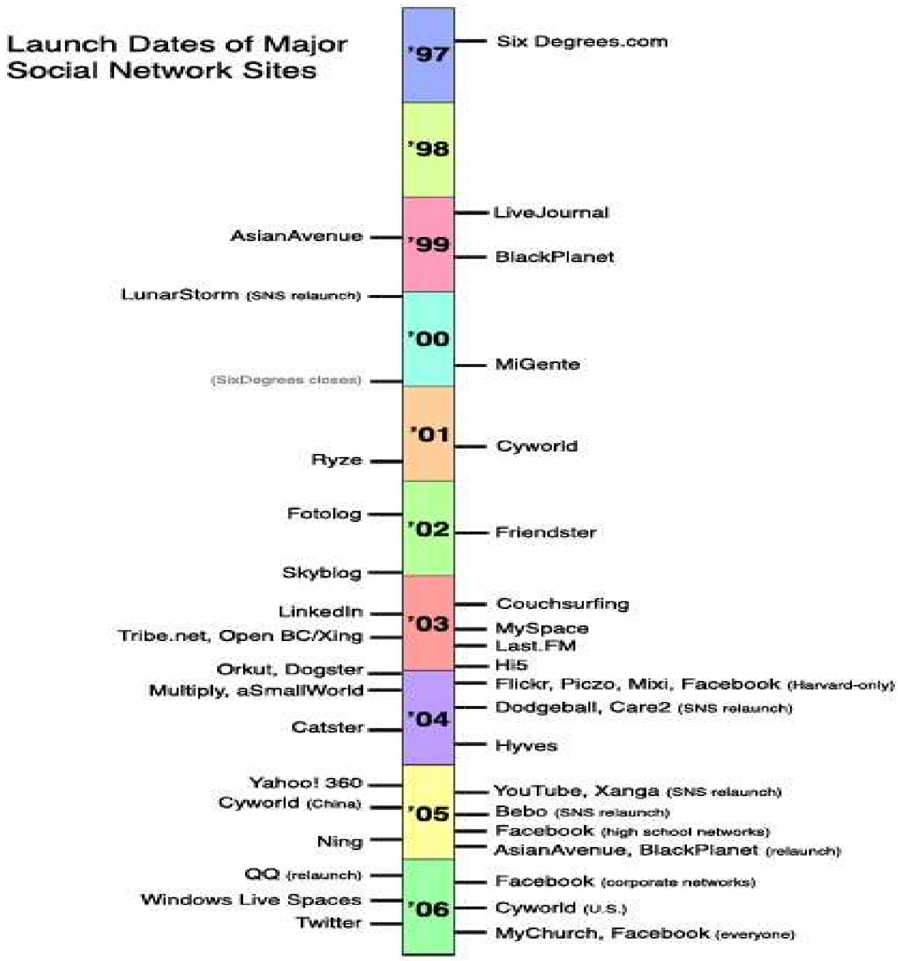
available to high schools, and in 2006 this network became available to corporations and later on to the worldwide population. According to Facebook.com, in July 2010 there were 500 million users worldwide (Zukerberg, 2010).

As it can be noticed, more online social networks have appeared in recent years, with different profiles and usage. In the figure below it can be noticed that during 1997-2006 over 35 social networks have appeared, out of which more than 29 online social networks have appeared after 2003 – Figure 1. The evolution of online social networks continues to grow even more in the next years.

3. USING THE ONLINE SOCIAL NETWORKS IN MARKETING

The last century's emergence and development of online social networks has opened the gateway to organisations, consumers and marketers for a new environment for marketing. If the second half of the '90s and the first half of the year 2000 was the Internet era as a whole, in marketing, we are currently in the social networking era. Currently, consumers are the ones who decide what to read, to listen and watch. And they not only want to talk/interact with other people, but they want marketers to listen to them (Weber, 2009).

MySpace, Facebook or Twitter social networks are becoming increasingly used by individuals. A very good example in this respect is Facebook which in one year had a 300% growth in Europe alone, reaching 100 million users. In Romania, Facebook registered in August 2010 over 1,5 million users¨ Wall-Street.ro presented the case of two large shopping centres in Bucharest, Plaza Romania and Bucharest Mall, which have over 1.500 fans on the Facebook page; currently Plaza Romania has over 3.200 fans of the Facebook page. Another example is Iulius Mall Cluj-Napoca, which has so far over 6.400 fans.



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

Although these numbers are very interesting, there are a series of interesting questions organisations try to find out the answers to: Do you know what they say about your organisation on the Internet? If yes, do you like what you discovered? The 21st century managers and organisations should be aware of the fact that they need a series of information and abilities in making a positive communication and getting over the negative side without being affected, the impossibility to adequately answer and capitalise these new means of communication is translated into a big competitive disadvantage for the organisation.

In this global and competitive economy, organisations should use all the instruments available in the virtual space, namely: (1) blogs; (2) photo and video sharing; (3) social networking; (4) events/videoconferences; (5) e-mail; (6) electronic encyclopaedias; (7) podcasting; (8) micro blog sites; (9) text messages – SMS; (10) collaboration instruments (Evans, 2008).

An important element that should be considered, when thinking about a marketing campaign through online social networks, is that it should not target an aggressive advertising. Among the best ways of promotions through social networks we outline three useful means to send information and ideas to a network interested in the products or services provided by the organisation (Meerman, 2010):

- *Communication between friends* – this means of transmitting information is often the easiest to be accomplished and it involves a short description of the organisation, product, service on the profile page of the network. For example, X company launches the Y product. In order to promote it, it is enough to upload on the internet page the information regarding the launching of the product and then all my friends / acquaintances from the network will see this information. Moreover, through the feeds, such as RSS, the people connected to my page/profile will receive the information I add on the Internet;
- *The groups* – are another way to transmit information through social networking. The groups are very easily used instruments within social networking, being able to be created in a short period of time and without additional costs. There can be two types of groups: (1) with restricted access – based on an invitation, that may help the organisation select and better target consumers, visitors etc., and (2) open access – anyone may join this group. The main reason behind joining a group is the fact that people want to be kept up to date to the latest information in a field, an organisation that is of interest to them.
- *Applications* – are the third means of transmitting the information through social networking. Social networks are open systems that allow users to change information or applications easily, rapidly and at any time. For example, Facebook has a great number of applications that can be easily and cheaply turned into marketing instruments. An important instrument is the "Cities I've Visited" application offered by TipAdvisor.com. This application allows visitors to count the visits to other towns with a virtual map, at the same time giving you the possibility to plan future visits/trips.

Social marketing began to use social networking in promoting social-humanitarian actions. The organisations that want to make their social campaigns known by creating social network pages/profiles. For example, Humanity Association in Bucharest has over 1.300 fans in the social network Facebook. Social networks are also used to promote ecologic projects and innovations; another example is the Guardians of Earth Association, with a profile of over 3.800 fans.

Social networks are increasingly more used by educational marketers in Romania, more higher education institutions turn to online social networks, such as Babes-Bolyai University of Cluj-Napoca, Lucian Blaga University of Sibiu, Bucharest Academy of Economic Studies and many others. In order to successfully use social networks in the marketing activity of an organisation you should (Meerman, 2010):

- *Target a specific audience* – organisations must create a page that reaches the important audience for it. It is best to consider targeting a small niche market, for example those who like to recondition cars by themselves;
- *Be a leader of opinion* – quality information should be provided, to which people would give the utmost importance. It is best to present your organisation and outline what differentiates you from the other competitors on the market;
- *Be strong and transparent* – do not lie, it is a huge loss on the image chapter if you get caught with providing inaccurate or false information;
- *Create as many links as possible* – first of all it is important that you create on your profile links that lead you to the organisation's web/blog page but also to other organisations from your field. The more links you have, the better you prove you are connected, open, transparent;
- *Encourage consumers to contact you* – create facilities that would enable consumers to contact you more easily and faster and at the same time try to respond as quickly as possible to requests form consumers;
- *Experiment* – try not to block if something goes wrong, always bring something new, innovating, everything is learned under way.

One of the most important aspects of online marketing and marketing through specialised networks in particular is the fact that it is continuously evolving. Organisations and consumers should always be aware of what is happening around them. The digital world is moving extremely fast, organisations must have well-trained and well-informed employees.

Marketers who use social networks should understand where they stand and where they should be going to get the power to influence consumer groups. In order to reach the highest influence level, there are certain steps that may lead to this goal:

- *Determining the location of the group* – the marketer should understand where the products, services or organisations are within social networks, media channels and communication systems;
- *Determining the most appropriate groups* – this implies a detailed analysis of the different channels and communities to determine which of them include the groups that have the greatest long term potential for marketing. A marketer most often wants to use those groups that are leaders in that field;
- *Become a new member* – after identifying the interest groups, organisations must become members. With social networking, it is much easier to become member of that group, but access is only the easy part, the difficult part being to gain trust from the members of the group, which takes a lot of time ;
- *Become a leader of opinion/expert* – the organisation's main purpose is that a great number of consumers appreciate the organisation, products or services as the best. The more positive assessments, the more important and more powerful the value of the products, services or organisation is.

4. CONCLUSIONS

Online social networks take the Internet's availability to a higher level. The development speed of information and communication technologies is so great that we do not know where marketing and marketing strategies will lead towards. With the social networks, which are ever growing, we cannot know the rules from the beginning (Merman, 2010). If organisations want to be successful on the virtual market, they must use all necessary instruments that would get them a competitive advantage. Social networks are and will continue to be in the future a marketing instrument that will help managers and marketers understand the consumers' needs and desires, know the influences and how they choose the products and services and none the least, social networks may help organisations reach their objectives more effectively.

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RESEARCHING CERTAIN DIMENSIONS OF CONSUMER BEHAVIOR IN TOURISM, ACROSS EUROPE AND NORTH AMERICA

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Abstract: *Tourism marketing and marketing, in general, both emphasize consumer orientation and satisfaction. However, in order to accomplish these targets, marketers need to understand the consumers they are addressing the tourist product to, namely their customs of purchase, intentions of purchase, attitudes, preferences, and images. Hence, the importance of studying consumer behavior in tourism, especially giving the new trends tourism is experiencing worldwide.*

Marketing has acquired a central role in tourism due to the fact that over time, an ever increasing number of new destinations have come to surface, turning modern tourism into an important force for socio-economic progress by creating jobs and enterprises, by enhancing infrastructure and by driving export revenues.

Key words: consumer behavior, tourism, marketing research, travel.

JEL classification: M31, L83

1. Introduction

Consumer behavior is a fascinating but difficult subject to research. This statement is particularly relevant in the tourism field, where the decision to purchase by a consumer is of emotional significance. Buying a holiday involves a significant expense that will be the most important time of the year for the consumer. Therefore, consumers are influenced by a larger number of internal and external factors and the decision is made after a longer period of time, a more rigorous selection as the cost of error is far greater if a wrong choice is made.

The consumption of tourism products is dependent on discretionary time and income. Thus, much attention has been devoted to determining motives for travel behavior, both in terms of choosing one tourism product over another and regarding the decision to commit time and money to tourism, as opposed to alternative uses of those same resources (Todd, 2001).

2. Evolution and development in tourism

Tourism market research allows companies to know and to differentiate consumers' purchasing and consumption habits, attitudes and perceptions regarding distinct market offers. All these dimensions of consumer behavior enable tourism companies to understand both their short-term needs, which determine the best tactics to attract consumers, and their long-term goals, which involves the stability of the tactics concerned with consumer retention and loyalty (Page, Connel, 2006, p. 300).

Researching consumer behavior regarding tourism services enables the analysis of the relationship between the tourist and the travel-related service, namely the benefits sought by a person from buying a particular service (Swarbrooke, Horner, 2007, pp. 51-52). Furthermore, according to Williams (2006), tourism and hospitality have become valuable global economic activities as expectations with regard to our use of leisure time have evolved, attributing greater meaning to our free time.

In order to have a more comprehensive image in researching tourism and its evolution, World Tourism Organization provides such a long term forecast program, Tourism 2020 Vision (Table 1), in order to evaluate the further development of tourism (UNWTO, 2010).

UNWTO's Tourism 2020 Vision forecasts that international arrivals are foreseen to reach nearly 1.6 billion by the year 2020. Of these worldwide arrivals in 2020, 1.2 billion will be intraregional and 378 million will be long-haul travelers. The total tourist arrivals by region shows that by 2020 the top three receiving regions will be Europe (717 million tourists), East Asia and the Pacific (397 million) and the Americas (282 million), followed by Africa, the Middle East and South Asia.

Growth rates of over 5% per year are expected in East Asia and the Pacific, Asia, the Middle East, compared to the world average of only 4.1%. The more mature and saturated regions, namely Europe and Americas, are anticipated to record lower than average growth rates. Europe will assert the highest share of world arrivals, despite the fact that there will be a decrease of 14%, from 60 per cent in 1995 to 46 per cent in 2020.

After the shock suffered in 2008 and 2009, as a result of the global financial crisis and economic recession, in 2010, world tourism recovered more powerfully than anticipated. Asia and the Pacific grew by 13% from 2009, Middle East registered a rapid growth of 14%, Africa increased by a rate of 6%, the Americas 7% growth rate was due to the Latin American countries, while Europe recorded the lowest growth rate of only 3%.

Table 1: Tourism 2020 Vision

	Million of tourists			***Average annual growth rate*** **(%)**
	1995	**2010**	**2020 (Forecast)**	**1995-2020**
Worldwide	*565*	*880*	*1561*	*4.1*
Africa	20	49	77	5.5
Americas	110	150	282	3.8
Asia and the Pacific	85	204	416	6.5
Europe	336	473	717	3.1
Middle East	14	60	69	6.7

Source: World Tourism Organization

3. Researching certain travel consumer behavior dimensions, across Europe and North America

The preliminary phase of the research starts with the problem definition, and in this case, it refers to a full grasp of the developments in the purchasing and consumption behavior of tourism products and services, due to certain changes in the social and economic environment, at a global level. Furthermore, also in this phase, the main purpose was established and it involves ascertaining the consumer behavior dimensions in relation to tourism products and services, across Europe and North America.

The objectives set are derived for research’s main purpose. Their formulation implies specifying, at an operational level, the necessary information for choosing the optimal decision for each dimension of the problem investigated. For the analysis of consumer travel behavior, the following objectives and hypotheses were determined:

Objective 1: Determining the respondents’ intention to purchase a holiday package within the year.

Hypothesis 1: More than 60% of the observations expressed their intention to travel within the next year.

Objective 2: Establishing the respondents’ custom of travelling.

Hypothesis 2: The majority of the respondents have a habit of travelling with their friends.

Objective 3: Detecting the habit of purchasing a travel package, as a temporal pattern of the respondents.

Hypothesis 3: More than 50% of the respondents go on vacation at least 2 times a year.

Objective 4: Determining the budget limit of the respondents regarding travel-related services, and their willingness to spend money on a trip.

Hypothesis 4: Most of the respondents (40%) have a holiday budget between $1000 and $5000.

The design phase involves activities aimed to identify the sources of information needed, procedures used in collecting and organizing information, but also the budget and timing of the research. Also, in the design phase of the research, the sources of information, the research unit and the survey unit were chosen (Table 2), and afterwards, the variables were defined (Table 3).

The data was collected using a primary research, which involved getting original data by conducting a field research. Thus, the information was collected directly from 150 respondents, from networking sites (Facebook and MySpace), during the time period between 22 February to 18 April 2010, using a hosting site for the questionnaire. The present research uses as a method the pilot survey, for which the sample is small (150 respondents), not statistically representative and not determined based on an established formula (Catoiu, 2009, p. 216).

In the data analysis phase of the research, the data was collected via the Internet (FreeOnlineSurveys, Facebook, MySpace), and then the information was prepared and processed using the statistical analysis program PASW 18, in order to analyze and interpret the input data.

Table 2: The typology of the information sources, used in this research

No.	Criterion	Types of	Explanations

		sources	
1.	Original source of information in relation to the organization requesting it	External sources	In this research, we seek to understand certain distinct characteristics of the survey's respondents, regarding tourist behavior.
2.	Type of information provided by the source	Sources of primary information	This type of information relates to those specially acquired in order to achieve the main purpose of the research; and this data is obtained from individuals, via the internet. It seeks information from geographically dispersed potential tourist customers, from North America and Europe.
3.	The identity of the source	The individual	The individual is the basis of research in order to obtain data about his/her purchasing and consumption behavior of tourism-related products/services, and to track consumer behavior dimensions underlying the purchase decision.
4.	The cost of the information provided	Sources that offer information, on a commercial basis	In this case, the online research was accomplished through FreeOnlineSurveys(.com), in exchange for a sum of money, and through networking sites, like Facebook and MySpace.

Table 3: The conceptual and operational defining of the variables

The value's denomination	Conceptual defining	Operational defining
Q1. Purchase intention	Planned action of an individual to buy a holiday package in the next year.	€ Yes € No € I do not know
Q2. Temporal pattern	Manifestation of repeated purchasing behavior of a travel package.	€ Less than once € 1 time € 2 times € More than 2 times
Q3. Custom of purchase	Travel arrangements that have become established practices in the acquisition of travel-related services.	Travelling with family Travelling with friends Travelling with a partner Travelling alone
Q4. Custom of purchase	Constance gained in terms of an acquisition budget.	Less than $1000 $1000 - $5000 $5000-$10 000 More than $10 000

In a previous article (Dumitrescu, Vinerean, 2010), the authors accomplished a segmentation of the database into three clusters (using procedures such as Factor Analysis and Two-Step Cluster), further mentioned in the table 4 below.

For a more insightful analysis of consumer behavior, the authors examined the responses differentiated, after the database was split in relation to the formed clusters, in order to study various nominal questions, by using the Crosstabs procedure in PASW 18. Crosstabs is a procedure that cross-tabulates two variables, thus displaying their relationship in tabular form, by generating information about bivariate relationships.

Table 4: Presentation of main features of the segments obtained

Cluster 1 22% - 33 respondents	Cluster 2 29.3% - 44 respondents	Cluster 3 48.7% - 73 respondents
• Young tourists, looking to	• Demanding tourists who expect	• Adventurous tourists who

have fun and adventurous experiences; • The price is not a significant aspect for them even though 55% of this cluster's members have annual income of less than $ 60 000 per year; • They form their attitudes based on information from marketing communications (specifically, the Internet and mass media).	for the purchased services to be directly proportional with the price paid; • 54.5% of the respondents from this cluster have annual gross income exceeding $ 60 000; • The formation of their attitudes regarding tourism behavior is subject to the endogenous influences.	have a high consideration for price; • Tourists with family, oriented towards exploring the visited place; • 63% have an annual household income lower than $ 60 000; • Their attitudes are formed as a result of both endogenous and exogenous influences.

One of the most important tests associated with Crosstabs is Pearson Chi-Square test. Pearson chi-square tests the hypothesis that the row and column variables are independent. It assists in determining whether a systematic association exists between two variables.

$\chi^2=\sum\frac{(O_{ij}-E_{ij})^2}{E_{ij}}$, (1) where O is the observed frequency and E is the expected frequency

$E_{ij} = \frac{RowTotal_i * ColumnTotal_j}{n}$ (2)

The degrees of freedom are calculated as follows: df=(r –1)*(c –1), in which r is the number of rows and c is the number of columns.

While the Chi-Square test is useful for determining whether there is a relationship, it does not state the strength of the relationship. Symmetric measures attempt to quantify this. Phi is the ratio of the chi-square statistic to the weighted total number of observations.

$\phi = \sqrt{\frac{\chi^2}{n}}$, (3) where n is the total sample size and χ^2 is the value of chi-square.

Cramer's V is a modified version of the phi correlation.

$V = \sqrt{\frac{\chi^2}{n(k-1)}}$, (4) where *N* is the total number of cases, χ^2 is the value of chi-square and k is the number of rows or columns, whichever is smaller.

The contingency coefficient can be used to asses the strength of association in a table of any size.

$CC = \sqrt{\frac{\chi^2}{\chi^2+n}}$, (5) where n is the total sample size and χ^2 is the value of chi-square.

Firstly, the Crosstabs procedure was applied in order to observe the association between the custom of purchasing a travel package and the respondents' holiday budget.

Table 5: Crosstabulation for custom of purchase and the respondents' holiday budget

TwoStep Cluster Number				How much do you usually spend on a holiday?				Total
				Less than $1000	$1000 - $5000	$5000- $10 000	More than $10 000	
Cluster 1	In a typical year, how often do you go on vacation?	Less than once	Count	1	1	0	0	2
			%	5.5%	7.2%	.0%	.0%	6%
		1 time	Count	9	7	0	0	16
			%	50.0%	50.0%	.0%	.0%	48.5%
		2 times	Count	5	4	0	0	9
			%	27.8%	28.6%	.0%	.0%	27.3%
		More than 2 times	Count	3	2	1	0	6
			%	16.7%	14.2%	100.0%	.0%	18.2%
	Total		Count	18	14	1	0	33
Cluster 2	In a typical year, how often do you go on vacation?	Less than once	Count	1	0	0	0	1
			%	12.5%	.0%	.0%	.0%	2.2%
		1 time	Count	1	3	2	1	7
			%	12.5%	18.8%	16.7%	12.5%	15.9%
		2 times	Count	3	4	6	2	15
			%	37.5%	25.0%	50.0%	25.0%	34.2%
		More than 2 times	Count	3	9	4	5	21
			%	37.5%	56.2%	33.3%	62.5%	47.7%

	Total		Count	8	16	12	8	44
Cluster 3	In a typical year, how often do you go on vacation?	Less than once	Count	2	0	0	1	3
			%	6.4%	.0%	.0%	50.0%	4.1%
		1 time	Count	15	6	1	0	22
			%	48.4%	18.7%	12.5%	.0%	30.1%
		2 times	Count	8	16	5	0	29
			%	25,8%	50.0%	62.5%	.0%	39.7%
		More than 2 times	Count	6	10	2	1	19
			%	19,4%	31.3%	25.0%	50.0%	26.1%
	Total		Count	31	32	8	2	73

Cluster 1 is formed of young people who do not necessarily care about the price, but they do have a restricted budget for their holiday. 54.5% of the respondents are not willing to spend more than $1000 on their vacation. However, they do tend to go on holidays one or two times a year.

Table 6: Chi-Square Tests and Symmetric Measures for custom of purchase and the respondents' holiday budget

TwoStep Cluster Number	**Chi-Square Tests**	Value	df	Asymp. Sig. (2-sided)
Cluster 1	Pearson Chi-Square	5.870	9	0.753
	Likelihood Ratio	6.259	9	0.714
	Linear-by-Linear Association	2.936	1	0.087
	N of Valid Cases	33		
Cluster 2	Pearson Chi-Square	14.125	9	0.118
	Likelihood Ratio	16.817	9	0.052
	Linear-by-Linear Association	7.372	1	0.007
	N of Valid Cases	44		
Cluster 3	Pearson Chi-Square	21.705	9	0.010
	Likelihood Ratio	22.667	9	0.007
	Linear-by-Linear Association	6.303	1	0.012
	N of Valid Cases	73		

TwoStep Cluster Number	**Symmetric Measures**		Value	Approx. Sig.
Cluster 1	Nominal by Nominal	Phi	0.422	0.753
		Cramer's V	0.244	0.753
		Contingency Coefficient	0.389	0.753
	N of Valid Cases		33	
Cluster 2	Nominal by Nominal	Phi	0.567	0.118
		Cramer's V	0.327	0.118
		Contingency Coefficient	0.493	0.118
	N of Valid Cases		44	
Cluster 3	Nominal by Nominal	Phi	0.545	0.010
		Cramer's V	0.315	0.010
		Contingency Coefficient	0.479	0.010
	N of Valid Cases		73	

The 44 respondents who form Cluster 2 tend to be demanding, as they expect for the purchased services to be directly proportional with the price paid. The members from this cluster have the financial means and are willing to pay high amounts of money to fulfill their holiday desires, and that would be the reason for which 81.9% of the respondents choose to go on vacations at least two times a year.

The 73 respondents of Cluster 3 appear to be, for the most part, adventurous tourists, seeking new experiences, however the price represents an important issue for them, and consequently it is taken into account. As 63% of the respondents from this segment have an annual household income lower than $60000, 86.3% of them seek to fit in a travel budget under $5000. Even though, the members of this segment have a limited budget, they do tend to go on various holidays, as only 34.2% of them stated they pursue a vacation once or less than once a year.

Regarding the Pearson Chi-Square test, only Cluster 3 presents a relationship between how many times the respondents travel and their holiday budget. The significance value of the test for Cluster 3 is 0.010. Since this value is less than 0.05, it can be stated that the relationship observed in the cross-tabulation is real and not due to chance. Namely, for the 73 respondents in this segment there is a real association between how many times they go on a vacation a year and how much money they are willing to spend on a particular holiday. For this cluster, in correlation to the symmetric measures, Cramer's V of 0.315, Phi of 0.545 and a Contingency Coefficient of 0.479, they indicate that the relationship is a rather strong one. Also, the significance values of all three measures are 0.010, indicating a statistically significant relationship.

However, Cluster 1 and Cluster 2 denote high levels of the asymptotic significance, therefore there is no relationship between the two variables: temporal pattern of travelling and their budget assigned for a particular holiday.

Secondly, the authors studied the intention to buy a travel package within the following year and the respondents' custom of travelling.

Table 7: Crosstabulation for purchase intention and the respondents' custom of travelling

TwoStep Cluster Number				Which of the following would best describe your custom of travelling?				Total
				Travelling with family	Travelling with friends	Travelling with a partner	Travelling alone	
Cluster 1	Do you intend to purchase a holiday package within the next year?	Yes	Count	4	7	9	1	21
			%	66.7%	70.0%	69.2%	25.0%	63.6%
		No	Count	0	2	0	2	4
			%	.0%	20.0%	.0%	50.0%	12.1%
		I do not know	Count	2	1	4	1	8
			%	33.3%	10.0%	30.8%	25.0%	24.3%
	Total		Count	6	10	13	4	33
Cluster 2	Do you intend to purchase a holiday package within the next year?	Yes	Count	5	11	16	2	34
			%	71.4%	73.3%	84.2%	66.7%	77.2%
		No	Count	1	1	3	0	5
			%	14.3%	6.7%	15.8%	.0%	11.4%
		I do not know	Count	1	3	0	1	5
				14.3%	20.0%	.0%	33.3%	11.4%
	Total		Count	7	15	19	3	44
Cluster 3	Do you intend to purchase a holiday package within the next year?	Yes	Count	13	21	15	3	52
			%	81.3%	75.0%	78.9%	30.0%	71.3%
		No	Count	1	3	1	4	9
			%	6.2%	10.7%	5.3%	40.0%	12.3%
		I do not know	Count	2	4	3	3	12
			%	12.5%	14.3%	15.8%	30.0%	16.4%
	Total		Count	16	28	19	10	73

63.6% of the Cluster 1's 33 respondents expressed their intention to purchase a holiday package within the following year, and they tend to travel with their friends or with a partner in a proportion of 76.2%. 12 respondents from this segment will not opt for a holiday or are still unaware if they will go on vacation or not. However, their custom of travelling involves, for the most part, travelling with friends or a partner.

The demanding tourists from Cluster 2 intend to go on a holiday in a proportion of 77.2%. This large proportion is also due to the fact that most of this segment's members have the financial means and are willing to spend money on holidays in order to indulge themselves. Overall, 34 of a total of 44 respondents stated travelling with a partner and with friends as their custom of travelling.

From a total of 73 respondents characterizing Cluster 3, 52 people revealed that they will be going on vacation within the year. Again, like in the other two clusters presented, as a custom of travelling, the respondents prefer going on holidays with their friends or just with a partner. Also, in this segment are included tourists with families, that is why a significant proportion (21.9%) of the respondents are travelling with their families.

Table 8: Chi-Square Tests and Symmetric Measures for purchase intention and the respondents' custom of travelling

TwoStep Cluster Number	**Chi-Square Tests**	Value	df	Asymp. Sig. (2-sided)
Cluster 1	Pearson Chi-Square	9.895	6	0.129
	Likelihood Ratio	10.498	6	0.105
	Linear-by-Linear Association	0.402	1	0.526
	N of Valid Cases	33		
Cluster 2	Pearson Chi-Square	9.104	6	0.168
	Likelihood Ratio	8.767	6	0.187
	Linear-by-Linear Association	1.250	1	0.264
	N of Valid Cases	44		
Cluster 3	Pearson Chi-Square	11.699	6	0.069
	Likelihood Ratio	10.143	6	0.119
	Linear-by-Linear Association	3.400	1	0.065
	N of Valid Cases	73		

TwoStep Cluster Number	**Symmetric Measures**		Value	Approx. Sig.
Cluster 1	Nominal by Nominal	Phi	0.548	0.129
		Cramer's V	0.387	0.129
		Contingency Coefficient	0.480	0.129
	N of Valid Cases		33	
Cluster 2	Nominal by Nominal	Phi	0.455	0.168
		Cramer's V	0.322	0.168
		Contingency Coefficient	0.414	0.168
	N of Valid Cases		44	
Cluster 3	Nominal by Nominal	Phi	0.400	0.069
		Cramer's V	0.283	0.069
		Contingency Coefficient	0.372	0.069
	N of Valid Cases		73	

The chi-square is not significant for all of the segments (Cluster 1, Cluster 2 and Cluster3), so the two variables are independent. The intention to purchase a holiday package is independent of the custom of travelling. In other words, purchasing a holiday package does not depend on whether or not the person in question has someone to travel with for a vacation.

According to the symmetric measures, the significance values of all three measures (Phi, Cramer's V and Contingency Coefficient) are 0.129 (Cluster 1), 0.168 (Cluster 2) and 0.069 (Cluster 3), indicating a statistically significant relationship of independence between the two variables studied. Also, almost all the values of all three measures are above 0.3, so the relationship is rather strong.

The information obtained through the data analysis confirms all the hypotheses developed for general tourism behavior, leading to the achievement of all of the proposed objectives.

4. Conclusions

Tourism, in its different guises, has become one of the fastest growing social and economic phenomena, due to its continued expansion and diversification over the past six decades. A new range of destinations have emerged alongside the traditional ones of Europe and North America. These continents have reached a maturity level in terms of international arrivals, and lower growth rates are expected as the tourism trend switched towards Middle East, Africa, Asia.

Societies and their structure are ever changing. The world's total projected population by 2030 is of 8.3 billion people, also by 2020 international arrivals are expected to reach 1.6 billion. Due to these new trends, this research aimed for a better understanding of what potential tourists want, how they travel, who they travel with, how much are they willing to spend on a holiday, how many times they go on a holiday within a typical year. All of these aspects, observed in correlation with a segmentation can provide answers regarding the tourists' expectations for the new destinations they are travelling to, as the potential tourists are attributing greater meaning to their free time.

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CAPITALIZATION OF THE HISTORICAL HERITAGE AND THE SUSTAINABLE DEVELOPMENT OF THE LOCAL COMMUNITIES – TWO MODELS: THE WHOLE VILLAGE CONCEPT AND THE CARPATHIAN CONVENTION

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Abstract: The presence of the historical heritage and its capitalization represent a significant driver of the tourism activities and, also, for other economic activities. Paper analyzes the potential contribution of the historical heritage to the sustainable development of the local communities, under the framework created by the relationships between the historical heritage, tourism industry performances and contribution to the economic development, and from the perspective of the two specific models imposed by the practice: the Whole Village Concept and the Carpathian Convention.

Key Words: historical heritage, tourism, sustainable development, local communities

JEL classification: L83

1. Introduction

According to Article 1 of the World Heritage Convention (WHC, UNESCO 1972), the following shall be considered as cultural heritage: (a) monuments – architectural works, works of monumental sculpture and painting, elements or structures of an archaeological nature, inscriptions, cave dwellings and combinations of features, which are of outstanding universal value from the point of view of history, art or science; (b) 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 (c) 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. The historical heritage, as an important part of the cultural heritage, is a major component of the cultural attractiveness of a tourist destination.

As cultural attractiveness is one of the main factors taken into consideration by the tourists deciding on their holiday destinations, the presence of the historical heritage and its capitalization represent one of the significant drivers for the tourism activities developed in a specific area. Cultural resources and heritage have been identified as one of the main factors, together with the natural beauty and climate, sport, recreation and education facilities, shopping and commercial facilities, infrastructure, and the cost of living (Tang and Rochananond, 1990) in determining the attractiveness of a country as a tourist destination and, consequently, the competitiveness of the local travel and tourism industry.

The content of the cultural resources is defined in a different manner. Ritchi and Zins (in Tang and Rochananond, 1990) have included (1978) among the cultural and social characteristics language, traditions, gastronomic practices, art, sculpture, music, architectural works, religion, education, dress, leisure behavior, history, museums, and festivals. Cultural resources can be tangible and intangible (McKercher et al., 2005): the tangibles comprise from single buildings to entire cities (existing structures, modified facilities and purpose-build attractions), while intangible ones represent traditions and culture of communities – arts, performance, religion, traditional rites and rituals and the day-to-day activities.

Historical heritage is often a valuable resource and the investment in the cultural heritage has often claimed to be beneficial for the local economies. A study conducted in the United States (Strauss & Lord, 2001), established the regional economic impact of a heritage system represented by 13 operational historical sites from South-Western Pennsylvania, from 1986 to 1998: the capital expenditures used to restore and expand the system proved to be a sound investment. Another study, conducted at a level of a Norwegian community included in the UNESCO World Heritage List, revealed that tourism related to the cultural heritage in the region contributed up to 7 per cent to the overall employment and income (Bowitz & Ibenholt, 2008).

Possible strategies to promote cultural and historical tourism development have been discussed in terms of sustainability, heritage establishment tending to place more emphasis on conservation and education, and less on contemporary use and local community (Garrod & Fyall, 2000). Where local communities view historical heritage as a potential resource of increasing the competitiveness of an area as a tourist destination, in terms of increasing tourist expenditures, attracting more visitors, and providing satisfying and memorable experiences (Brent Richie & Crouch, 2003; Crouch, 2006), it is important the local conversion of the heritage tourism to be done aligned to the principles of sustainable development.

The growing interest in applying the principles of sustainable development, along with increasing concerns for economic growth and competitiveness, accompanied by a local interest in capitalizing the available resources, create a favorable context for the tourism to be seen as an appropriate solution for the sustainable development of the local communities.

Yet, aiming excessively to get immediate profits could be harmful on a long-term perspective, showcasing culture and history, especially when marketers fully decide what these represent, may generate conflicts (Teo & Yeoh, 1997). The negative effects that accompany the enlargement of a tourist region could lead to the emergence of a class of “false excursionists” (Russo, 2002), challenging the creation of value and its selling to make sustainable tourism a good business for all the stakeholders of the heritage sites.

2. Cultural Heritage, Tourism Industry’s Performances And Sustainable Development

Relationships between the cultural heritage, tourism industry’s performances, and the sustainable development has been assessed (Bălan, Popescu, Vegheş, and Fernolend, 2010) considering the number of the World heritage sites and the number of the World heritage cultural sites (as indicators expressing the heritage and cultural resources), the international tourism receipts and the international tourist arrivals (as indicators expressing the performances of the tourism industry), and the contribution of the travel and tourism economy and industry in the formation of the Gross Domestic Product, respectively the contribution of the tourism industry at the current level of employment (as indicators expressing the overall level of development of the local economies) in the selected countries. Measurements have been done at the level of the first 30 countries in terms of the international tourism receipts generated in 2009. Data are presented in the Table 1.

Measurement of the associations between the cultural resources and heritage and the tourism industry’s performances in the selected countries have shown average intensity relationships between the number of the world heritage sites, respectively cultural sites, and the international tourism receipts, respectively the international tourist arrivals, leading to the conclusion that existence of the World Heritage sites, respectively of the World Heritage cultural sites, increases the attractiveness of the tourist destinations and facilitates generation of higher tourism receipts. Hence, countries that have a significant cultural heritage and, generally, cultural resources should invest in their restoration and preservation, as well as in the specific promotion activities conducted in the domestic and international markets.

Measurement of the associations between the cultural resources and heritage and the contribution of the travel and tourism economy and industry in terms of the Gross Domestic Product formation have shown rather low intensity relationships between the number of the World Heritage sites, respectively World Heritage cultural sites, and the contributions of the travel and tourism economy, respectively industry, leading to the conclusion that the contribution of the currently existing World Heritage sites, respectively World Heritage cultural sites, to the formation of the Gross Domestic Product, is not as significant as it could ans should be. An increase in the number of the cultural sites, registered within the World Heritage list, as well as a more effective promotion and capitalization of the existing cultural resources heritage should facilitate a corresponding increase of the contribution brought by the tourism economy and industry to the formation of the Gross Domestic Product.

Measurement of the associations between the cultural resources and heritage and the contribution of the tourism economy and industry in terms of the workplaces created have shown low-to-moderate intensity relationships between the number of the World Heritage sites, respectively World Heritage cultural sites, and the contributions of the tourism economy and industry, leading to the conclusion that the contribution of the currently existing World Heritage sites, respectively World Heritage cultural sites, to the creation and maintaining of the workplaces is not as significant as it could be. Again, it can be expected that an increase in the number of the cultural sites registered within the World Heritage, as well as a more effective promotion and capitalization of the existing cultural resources and heritage should lead to a corresponding increase of the contribution brought by the tourism economy and industry to the workforce employment.

Table 1. World heritage sites and cultural sites, performances of the travel and tourism industry, and sustainable development in different countries of the world.

Countries	WHs[1]	WHc[2]	ITR[3]	ITA[4]	TTEg[5]	TTIg[6]	TTEe[7]	TTIe[8]
United States	20	8	110.090	58030	1457.43	513.12	15316.4	5437.7
Spain	41	36	61.628	57316	262.13	99.03	3637.5	1445.6
France	33	30	55.595	78449	288.11	107.94	3007.0	1137.6
Italy	44	42	45.727	42734	223.74	91.12	2582.4	1046.3
China	37	26	40.843	53049	424.56	96.83	59103.6	16688.8
Germany	33	31	40.018	24886	294.76	79.57	3359.1	936.3
United Kingdom	28	23	36.028	30142	259.17	96.98	3146.7	1353.1
Australia	17	2	24.682	5586	116.36	45.78	1365.0	545.0
Turkey	9	7	21.951	24994	72.66	29.07	1361.3	436.5
Austria	8	8	21.783	21935	51.99	17.94	560.3	196.4
Thailand	5	3	18.173	14584	42.59	18.54	4408.6	2005.0
Greece	17	15	17.114	17518	51.31	23.32	833.2	440.4
Malaysia	3	1	15.277	22052	29.76	10.16	1249.8	510.0
Canada	15	6	15.106	17129	125.81	37.43	1761.8	591.2
Switzerland	10	7	14.408	8608	65.85	28.27	762.0	340.8
Macao (China)	1	1	13.382	10605	16.26	7.68	233.0	133.7
Netherlands	8	7	13.342	10104	66.86	24.72	577.6	221.6
Mexico	29	25	13.289	22637	138.81	47.83	6000.3	1889.9
Sweden	14	12	12.490	5224	32.28	10.70	298.1	102.2
Belgium	10	10	12.355	7165	38.30	11.87	372.3	115.4
Russia	23	15	11.944	20605	104.20	16.03	3726.1	588.5
India	27	22	11.832	5367	107.33	35.24	48811.5	17205.8
Poland	13	12	11.771	12960	41.12	8.67	1141.7	261.3
Egypt	7	6	10.985	12296	24.72	13.15	2850.1	1523.8
Croatia	7	6	10.971	9415	15.23	7.22	339.0	160.7
Portugal	13	12	10.943	12321	38.15	14.88	1029.3	397.3
Japan	14	11	10.821	8351	456.91	167.12	6308.0	2367.2
Saudi Arabia	1	1	9.720	14757	47.28	10.31	806.0	236.1
Total	487	385	718.143	653917	4940.41	1682.94	175656.4	58575.2

1 – WHs: World heritage sites in the selected countries; 2 – WHc: World heritage cultural sites in the selected countries; 3 – ITR: international tourism receipts (in US$ billion, 2009); 4 – ITA: international tourist arrivals (in thousands, 2009); 5 – TTEg: Travel and tourism economy and Gross Domestic Product (in US$ million, 2009); 6 – TTIg: Travel and tourism industry and Gross Domestic Product (in US$ million, 2009); 7 – TTEe: Travel and tourism economy and employment (in millions, 2009); 8 – TTIe: Travel and tourism industry and employment (in millions, 2009). Source: Bălan, Popescu, Vegheş, and Fernolend (2010).

3. MODELS OF CAPITALIZATION OF THE HISTORICAL HERITAGE

The theory and practice of the sustainable development have already developed several models the local communities and authorities may take into consideration in order to prepare, organize, manage and implement initiatives of sustainable development. The paper proposes two of the most accessible ones, both in terms of their conceptual background and operational experiences: The Whole Village Concept, an intiative of the The Mihai Eminescu Trust, respectively The Carpathian Convention.

The Mihai Eminescu Trust (MET) has been established ten years ago and it is based in Romania and the United Kingdom. MET works to preserve and revitalize the cultural and natural heritage of the Transylvanian rural areas, with a focus on the perimeter described by the medieval citadels of Sibiu, Braşov, Sighişoara and Mediaş. In the last decade, more than 600 projects have been implemented in the villages and towns of Transylvania, with a fundamental impact over the local communities development, with the involvement of the members of the local communities and the local authorities.

The MET started its activities in 1999 in five villages located fifty miles north of Braşov. The initial priority of the work has been the rescue of the ancient facades and roofs, which give harmony to the medieval streets and alleys and are a source of pride to the residents. Employing local labor and other resources, the MET has brought back to life forgotten building methods, including the use of lime mortar, which gives the houses in the area their distinctive character.

The Whole Village Concept represents one of the MET's core lines of work. The aim of this project is to revitalize local communities and help them to become self-sufficient preserving the villages' fabric, remedy their loss of income and revive their sense of community. Achieving this aim is done through the following key objectives: (1) restoration of the cultural heritage: buildings, landscape, crafts, and traditional farming practices; (2) development of the local skills and traditional crafts, by providing specialized training for the villagers; and (3) development of the local entrepreneurial capability, by supporting small rural businesses, creating jobs and career opportunities.

The Whole Village Concept is implemented in an integrated approach, with the inclusion and involvement of the entire village, the entire community and their entire local heritage. The *key principles of implementation* are:

(1) projects are selected, developed, implemented and managed by local people, in conjunction with the community; meetings are held in the villages to see if the local inhabitants want the MET's help and embrace the idea of getting involved in the village restoration;
(2) construction materials are sourced locally; the only one proviso of the MET is the acceptance of the philosophy of using traditional materials. Accessible local sources of building materials are identified and lime pits are prepared;
(3) local labor force is always used;
(4) the necessary skills are obtained by training local craftsmen. Necessary arrangements for outside experts, to share their skills and working practices with, and to train the local craftsmen are made;
(5) projects support rural entrepreneurs in setting up small businesses. Ways for helping the initializing and growth of the promising local entrepreneurship initiatives are looked and provided. Local development is supported through the establishment of a nucleus village as marketing and skills centre for the commune;
(6) projects encourage cultural and eco-tourism, managed by local families. Financing and other support is granted for opening guesthouses, creating heritage and nature trails, and promoting the walking and equestrian routes;
(7) projects support traditional and organic farming. Organic farming is encouraged and supported by MET together with the local communities.

The specific working procedure of the Whole Village project includes the following: meeting local mayor and gain support; visits with conservation experts; gaining local council backing; organizing community meetings and gain people's buy-in; conduct in-depth heritage assessment; obtain statutory protection; identify local project leader; recruit local team and collaborators; train local craftsmen; conduct restoration works; and help set up and develop small rural businesses – kilns, workshops, guesthouses, farms etc.

The implementation of the Whole Village Concept is expected to generate a significant impact on the local communities' development in several areas, such as the training and creation of jobs, encouraging entrepreneurship and the establishment of small rural businesses, encouraging organic farming, and encouraging the rural tourism.

Designed to be an innovative instrument to ensure protection and foster sustainable development and living environment of the Carpathians, **The Carpathian Convention** is a framework convention resulted from a comprehensive policy of cooperating in the protection and sustainable development of this region. The purpose of the Convention is to improve the quality of life, to strengthen local economies and communities, aiming, as well, to provide conservation and restoration of the unique, rare and typical natural complexes and objects of recreational and other importance situated in the heart of Europe, preventing them from negative anthropogenic influences through the promotion of joint policies for sustainable development among the seven countries of the region – Czech Republic, Hungary, Poland, Romania, Serbia and Montenegro, Slovak Republic and Ukraine.

The beginning of the Carpathian Convention is related to the request made by the Government of Ukraine in 2001 for the United Nations Environment Programme/Regional Office for Europe (UNEP/ROE) to service a regional cooperation process aiming at the protection and sustainable development of the Carpathians, a major transboundary mountain range shared by the seven different countries. In response, UNEP/ROE promoted the Alpine-Carpathian Partnership. One year later, during the United Nations International Year of the Mountains, the Alpine-Carpathian partnership has been initiated and launched by the Ministry of the Environment and Territory of Italy, holding at that time the presidency of the Alpine Convention.

Since then, UNEP/ROE serviced five negotiation meetings of the Carpathian countries. At the Fifth Ministerial Conference on „Environment for Europe" (Kyiv, Ukraine, May 2003), the Carpathian countries adopted the Framework Convention on the Protection and Sustainable Development of the Carpathians consequently signed by all seven countries.

Article 11 of this Convention, with reference to the cultural heritage and traditional knowledge states that *"The Parties shall pursue policies aiming at preservation and promotion of the cultural heritage and of traditional knowledge of the local people, crafting and marketing of local goods, arts and handicrafts. The Parties shall aim at preserving the traditional architecture, land-use patterns, local breeds of domestic animals and cultivated plant varieties, and sustainable use of wild plants in the Carpathians"* (The Carpathian Convention, 2003).

Provisions of the 11th Article are to be enforced by the local authorities, with the support of the local communities, and based on the existing agreements dealing with cultural heritage. The main steps to be taken for the preservation and protection of cultural heritage by the countries are the following (The Carpathian Convention, 2003):

(1) Preparation of an inventory of tangible and intangible cultural heritage, with the participation of local communities, groups and non-governmental organisations. Lists should be drawn up at the national level based on the proposals coming from the local and regional levels, with the larger involvement of local and regional authorities and the participation of local people in the nomination process to make them feeling a shared responsibility with the local authorities;

(2) Taking the appropriate legal, scientific, technical, administrative and financial measures necessary for the protection, conservation, presentation and rehabilitation of cultural heritage, such as: setting up an appropriate legislative and institutional framework, providing for clear protection status, imposing necessary restrictions, designating competent authorities, setting up management plans for conservation of tangible cultural heritage, etc.;

(3) Adoption of a general policy aimed at promoting the function of cultural heritage in society and at integrating the safeguarding of such heritage into planning programmes;

(4) Designation or establishing one or more competent bodies with the appropriate staff and the means to discharge their functions for the safeguarding of the cultural heritage;

(5) Fostering scientific, technical and artistic studies and research with a view to effective safeguarding of intangible cultural heritage, or in the case of natural and tangible cultural heritage, with a view to counteracting the dangers that threaten this heritage;

(6) Fostering the creation or strengthening of institutions for training in the management of cultural heritage and transmission of intangible heritage through forms and spaces intended for the performance or expression thereof;

(7) Ensuring access to cultural heritage respecting customary practices; and,

(8) Establishing documentation institutions for the cultural heritage and facilitating access to them.

According to the Convention, these safeguarding measures need to be accompanied by measures to promote cultural heritage through various awareness-raising, educational and capacity-building activities, ensuring wide public participation and strictly monitoring any dangers and threats to cultural heritage – such as open doors of cultural monuments, festivals dedicated to a specific heritage site undertaken at the local level.

4. CONCLUSIONS

Focus on particular capitalization of the existing cultural heritage appears to be critical as the relationships between the competitiveness of the cultural resources and the overall performances of the tourism industry reveals a significant association. A more effective promotion and employment of the cultural resources would determine a growth in terms of the Gross Domestic Product generated and of the number of workplaces created by the tourism industry of these countries. Taking advantage of the available cultural resources should be reflected in the specific industry's performances as an increased competitiveness of these resources could determine significant increases in the number of the international tourist arrivals and of the international tourism receipts.

Designed to be employed as instruments to foster the sustainable development and living environment of the local communities, both the Whole Village Concept and the Carpathian Convention pursue the purpose of strengthening local economies and communities, improving the quality of life, and providing conservation and restoration of the cultural and natural heritage, having as an essential common point the participation of the members of the local communities.

As the literature suggests, as well as the measurements of the relationships between the cultural heritage, tourism industry's performances, and the sustainable development, at the level of the first 30 countries in terms of the international tourist receipts, there are significant associations between the number of the World heritage sites, respectively the number of the World heritage cultural sites (as indicators expressing the heritage and cultural resources), the international tourism receipts and the international tourist arrivals (as indicators expressing the performances of the tourism industry), and the contribution of the travel and tourism economy and industry in the formation of the Gross Domestic Product, respectively the contribution of the tourism industry at the current level of employment (as indicators expressing the overall level of development of the local economies).

Overall, a better capitalization of the cultural and historical heritage should lead to improved performances of the tourism industry, respectively to a more important contribution of the tourism economy and industry to the development of the local economies and communities.

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ECO-INVESTING IMPORTANT FACTOR IN SUSTAINABLE DEVELOPMENT. APPLICATIONS IN ROMANIA.

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Abstract: *This article discusses the importance of the eco-investments in sustainable development of world economy, and particularly in the Romanian economy, and attempts to define these types of investments in the general context of investments, and makes them fit into the broader field of Socially Responsible Investments that include them and also, customizes the eco-investments.*

It also presents a series of examples of environmental investments made in Romania and their positive effects on environmental protection, pollution reduction, demonstrating the importance of eco-investment in the economy. Eco-investments are factors that lead to a sustainable development and a long term sustainable economy.

Key words: Eco-Investment, sustainable development, renewable energy, eco-investing, Socially Responsible Investing

JEL classification: Q56

1. Introduction

The global population growth and the continued global growth of economy is putting pressure on natural resources and environment.

Also, the shortages of food, material and energy increased and are causing global development issues. To solve these problems, people look for new solutions, for sustainable protection of natural resources and find new sources of energy.

Thus, in order to develop exciting new market called "green" there were new business opportunities for investors. This sector, "green" is growing rapidly and offers investors the opportunity to participate in maintaining and improving the environment for future generations. They have developed various markets for organic products, while eco-investments have occurred.

2. Eco-investing

More companies are involved in protecting the environment and natural resources. More and more companies are using sustainable methods and renewable energy, energy efficient. Environmental companies generally focus on areas such as: use of alternative energies (solar, biofuels), adopting a healthy lifestyle, etc.

Environmental companies have created an investment strategy that seeks to maximize financial profits, but being at the same time, the company responsible for promoting the welfare of humans, animals and the environment.

Socially responsible investors through their corporate practices, promote environmental management, consumer protection, human rights and diversity.

Generally, these companies are focused on renewable energy (solar, wind, geothermal, etc.) on climate change and reduce environmental emissions, including carbon emission reduction, clean technology, green building and performance problems and Water.

Many investors have become interested in investing in eco products assuming a real growth potential of this market despite the current economic climate.

Also, many countries are interested in protecting environment and achieving sustainable development which has resulted in environmental policies and incentives for eco investing companies.

It is important to understand that all the companies in each sector of the economy will begin, finally, to use renewable energy and sustainable methods, energy-efficient. On the long term, these companies will evolve, eventually becoming more environmentally conscious.

Eco investors prefer to invest in different companies or wish professionally select the destination of their investments. There are a variety of financial products, such as indexes, mutual funds, exchange traded funds (ETFs), hedge funds, closed-end funds investment and other exchange-traded notes.

Currently, the most popular fields for investment are the eco sectors:

- ✓ Alternative Energy
- ✓ Solar
- ✓ Biofuel
- ✓ Sustainable Business
- ✓ Carbon Emissions Practices
- ✓ Climate Change
- ✓ Transportation
- ✓ Eco Sector
- ✓ Water
- ✓ Healthy Living
- ✓ Wind
- ✓ Smart Materials

Companies are selected based on their products and services, rather than percentages of their business from the Eco investing.

Socially Responsible Investment and Eco-Investment

Socially Responsible Investment (SRI), also known as sustainable or ethical investment, is an investment strategy that seeks to maximize both the return of the funds invested, and social welfare by promoting the welfare of the human race, animals and the environment. Generally, socially responsible investors favor corporate practices that promote environmental management, consumer protection, human rights and diversity. Some SRI investors avoid investing in companies that are involved in the production of alcohol, tobacco, gambling and weapons.

Eco Investment and SRI differs one each other by focusing on companies located in sustainable development. These companies often focus on renewable energy (solar, wind, geothermal, etc.), climate change and reduce environmental pollution, including carbon emissions reduction, clean technology, green building, efficiency, transport and water.

Eco investments are considered as a sub-sector of SRI and focuses primarily on environmental and clean technologies, rather than social or human rights.

It is important to note that neither SRI nor eco-investors do not take investment decisions based solely on the fact that a company operating in these areas or not. Managers of these funds and indexes provides a comprehensive financial and economic analysis of a company’s performance prior to include it on their list of investment as the individual investors do with their own portfolios.

Usually investors are becoming interested in Eco-investment for two reasons: they want to align and to assert their values in terms of protecting the environment using their investment portfolio, or they believe that the sector presents opportunities for profit and growth potential in the future. Many believe that both are solid reasons to invest Eco and to include eco-investment in their financial plan.

Many investors are interested in Eco investing, because they believe that Eco market growth potential, even in the current economic climate, looks more promising than ever, while the International Energy Agency is investing 16 billion dollars in energy sector over the next two decades, and solar and wind energy are recorded growth rates of 20% to 40% percent.

3. Eco-investments in Romania

Romania is seen as representing a great potential for green energy, so that there are a significant number of investors and developers that are looking for alternative markets to those in Western countries, and want to come investing into our country.

Very large investments in Romania provided in the environmental field is mainly due to geographical factors that cause a huge potential of renewable resources.

Country's legislation does not yet offer all the facilities needed to carry out eco investments, but it is continually enhanced.

Although, theoretically, our country has the potential, between it and the real economic possibilities of the moment there are large differences, which creates large gaps between theoretical hierarchy of the various renewable energy sources and practical orientation of the current projects.

An analysis of the theoretical potential without major hydro plant, puts the biomass and biogas on the first place with a rate of 65%, with electricity and heat together, and the second and third ranks the wind energy with 17% and solar power with 12%. Small hydro plants and geothermal energy have weights less significant.

In 2007, the European Union sets specific targets to be achieved by each Member State for renewable energy.

They are calculated as a share of renewable in gross electricity consumption and final gross electricity consumption. Romania needs to achieve a level of energy from renewable sources 24% of gross electricity consumption by 2020 and 38% of electricity consumption in the same year.

Romania is far from achieving the objectives set by the European Union.

Most renewable energy is generated by hydro plants and biomass of large-scale household, leaving large unused potential of “new” renewable energy resources.

To achieve the objectives required by the EU and to establish their own renewable energy standards, Romania has developed a series of environmental policies.

In this respect, it was introduced a quota system with tradable green certificates issued for electricity generating wind, solar, biomass energy and, in 2007, the Electricity Energy

Law was adopted and it was created the renewable energy law.

Also, incentives were introduced for “new” renewable sources such as small hydro plants, solar, wind, geothermal, biomass and biogas.

The Chamber of Commerce and Industry of Bucharest has been heavily involved in the process of attracting foreign investors.

Identifying huge market opportunities from Romania, six large Austrian companies from the production of energy field from renewable resources have participated in a profile forum organized by the Chamber of Commerce and Industry of Bucharest (CCIB).

The Forum was very well received by around 100 representatives of Romanian companies participating in discussions with the Austrian delegation. CCIB informed the business community on green energy issues through a series of seminars, conferences and, in addition, it organized meetings between two delegations to facilitate partnerships dedicated to the huge opportunities created by this market, and to finance green energy projects.

Using our country’s energy potential, wind, solar, geothermal, biomass, will lead to fulfilling the commitments assumed by Romania on the European level, in terms of reducing emissions of greenhouse gases, increasing the share of renewable in final consumption energy and energy efficiency.

Austria ranks first in terms of direct investment in our country, with nearly 10 billion euros (about 20% of total foreign investments in Romania).

From The Austrian delegation took part companies active in sectors such as biogas, biomass, water treatment plants, waste treatment facilities and obtaining electricity, water flow control stations, design and implementation of micro hydropower plants, materials EPS insulation for high efficiency, construction engineering water and sewerage sectors, implementation of cadastre and pipes for sewage water.

For example, the Hereschwerke Company has already completed two water plants in Craiova and Suceava, while builds two other water treatment plants in Braila and Resita, and a pumping station in Bacau.

Also, the Biogest firm has in progress a biogas plant in western Romania, with a capacity of 3.5 MW.

Austrian companies are represented in Romania by the Ecoplus International Economic Agency based in Timisoara. “Ecoplus International” particularly supports SMEs.

Solar energy is a green energy source and has great potential in Romania.

Thus, in this area they have begun to make large investments. In several Romanian cities have begun to invest in introduction of heating with solar panels.

Also, an important step in using solar energy is the conclusion of the Payment Agency for Rural Development and Fishing (APDRP) of a contract of investment funding for producing solar panels by the National Rural Development Programme (PNDR).

According to a release of APDRP, an investor from Piatra Neamt has made an investment project to create a production facility for solar panels. The project is important because it will use to create clean renewable sources of electricity, thus diversifying sources of energy.

Another important example is the environmental investments Rovinari Energy Complex. This is one of the few energy companies in Romania which has a storage facility and transport the slag in the dense sludge system, a system that complies with European environmental standards. Without this investment, the complex would have been likely closed.

Slag and ash creates environmental and economic problems, being generated by infiltration into the soil, subsoil, groundwater or surface water, the fly ash deposits, which require large and volumes storage spaces, large amounts of water for hydro transport and high costs of maintenance and operation.

In Romania, the waste slag and ash produced by coal power plants are stored in 95%.

In order to reduce pollution, since 1990, ISPE specialists who are part of the ROMELECTRO, have adopted new solutions of disposal of slag and ash from power plants, by carrying out laboratory experiments and measurements, feasibility studies, designing and commissioning of the first experimental plant in the dump slag and ash dense of CET Timisoara Sud.

There have been other feasibility studies, technical projects for the disposal of slag and ash in dense sludge from other power plants in the country: CET Craiova Işlanita CET, CET Drobeta Turnu Severin, ETC Rovinari Turceni TPP, TPP Deva Paroşeni CET.

Another very important fact to note is that Romania, one of the most attractive countries for investors in green energy world, entered in 2010, for the first time, in top 30 of the most attractive countries for investors regarding the renewable resource-based energy sources, prepared by consulting firm Ernst&Young.

Romania entered the rankings at number 22, with 43 points, indicating all sources of green energy potential (wind, solar, geothermal, biomass and their entire associated infrastructure). The most attractive areas in terms of investors are terrestrial wind, solar, biomass and green energy infrastructure, generally.

The study of the consulting firm mentions the 1.1 billion euro project of CEZ from Fântânele – Cogealac, the largest wind project in Europe, as well as those announced by Iberdrola, Enel Energias de Portugal, RWE and Verbund.

The authors of the study said that the advantage is that Romania has the best conditions for developing wind projects in Europe, with an annual potential of 23 TWh, and its disadvantage is the delay in passing legislation that would give "extremely attractive incentives" for investors in renewable energy.

Also, SC Romplumb SA is a public company and is another example of company which invested in technology to protect the environment. This was made because of the required investments to Romania’s accession to the European Union.

Romplumb SA, the only lead production plants in Romania could be closed because the lead was a very strong source of pollution. But the demise of industrial facilities is not a solution to stop pollution. Following the investments made, Romplumb do not pollute the city of Baia Mare anymore.

Currently, in Baia Mare all data on emissions of dust and gas are verifiable online, and because Romplumb is no longer a polluter, the city was certified by the European Commission, which released, in June 2010, Baia Mare from the black list of polluted industrial cities of Romania.

Instead, other cities remained on the list, such as, Pitesti, Braila, Tulcea, Timisoara.

Investments made in Romplumb have made, in early 2010, not to register even a single hourly or daily average excess of dust and gas above the permissible limits of the order MMGA no. 592/2002 on any one indicator.

Romplumb SA has started to invest in clean technologies since 1993. A major objective was achieved in 2004 when the company put into operation a new stack of gas dispersion routes restored fully and it upgraded filtration systems at several sections.

In 2005 the company has completed another major investment in the modernization and industrialization of metering system from volume system to gravimetric one and also, mechanized oven, in order to control the technological process through coordinated local industrial PLC from a central system.

Before the introduction of this system was predominantly manual work. About 60-70% of what it means management and technological process were generated by tracking employees’ experience, and charge transport materials for the production process was done manually.

Currently, the entire production process is mechanized according to best available techniques. By the end of 2010, SC Romplumb SA has developed the second stage of the investment program established relating to compliance with the emission limit values for sulfur dioxide indicator.

Investing involves construction installation works and commissioning of the plant with related settings.

Industrial waste is another big problem facing the environment.

In 2009 the industrial waste market was a surprising development.

Ecomaster Ecological Services Company is one of the companies that have managed to implement an ambitious investment program. Ecomaster provides a wide range of services such as PLAN, COLLECT, TREAT, DEPOSIT, CLEAR.

In this respect the company has invested significant sums in developing its own new technology for treatment and disposal of hazardous waste, and construction of facilities for the collection, treatment and disposal of industrial waste line.

These investments will be made in the new Ecological Industrial Park (Ecopark) of Aricestii Rahtivani, Prahova County, which will provide management services for businesses waste generators from the south and the center of the country.

Ecopark's concept brings a significant evolution in the development of integrated waste management in the Romanian market. The Ecological Industrial Park operation will be the highest quality standards and ensure that they all focus on reducing environmental risks.

It will use modern methods and facilities such as separate microcellular system, sensors for electronic control system for sealing, permanent monitoring program of environmental factors in the adjacent area of the deposit of waste weighing, monitoring and treatment technology approved by the neutralization environment.

This Ecopark bring economic advantage to store waste from production activities in full compliance with national and EU regulations.

Ecomaster 2008 developed its own capability to treat and neutralize the acid tars and highly contaminated water from the lagoons related. New technologies have been made, tested and implemented on an industrial scale to more than 100,000 tonnes of hazardous industrial waste.

Based on know-how acquired, the TREAT service can provide solutions tailored to the specifics of waste generated by each economic agent, providing for them in an integrated manner, both the collection, processing and storing them properly at Ecopark.

The Treatment and storage facilities of Ecopark can store a wide range of industrial wastes, particularly of chemical and petrochemical industries, the physical or thermal treatment or coating of metal surfaces and plastics, in metallurgy, ferrous or non-ferrous industry, vehicle or ship building, construction and demolition waste containing hazardous materials, etc.

In the first quarter of 2010, the first micro-cell of storage of Ecopark with a capacity of 35,000 meters cubic became operational. The projected capacity of the first storage cell of Ecopark is 240,000 meters cubic.

4. Conclusions

It is known that more companies are involved in protecting the environment and managing effectively the naturale resources. All states of the world are interested in achieving sustainable development, which led to the development of environmental policies and incentives to encourage companies to invest in environmentally responsible or sector.

A particularly important element in achieving a sustainable economy and renewable energy is, finding alternative sources of renewable energy and reducing consumption of non-renewable natural resources.

A condition for Romania's accession to the EU was reducing energy consumption and pollution.

Romania has a huge potential for development and exploitation of new and renewable sources of energy due to the natural potential.

Thus, EU companies have come into our country and have invested heavily in this sector. Besides of sustainable development, reducing pollution, alternative sources of renewable energy there is an economic reason for them. Companies have realized the increasing trend of environmental markets and their potential in the future so as they take into account, more and more, eco - investing.

Also, the Romanian firms invest increasingly in clean facilities, that guarantees their presence on the market, but success.

According to the "Global Trends in Sustainable Energy Investment 2008" report, developed by UK-based New Energy Finance, the Eco field (companies, funds and indexes) is clearly growing, with 148 billion renewable energy investments, in 2007 alone. Large amounts of capital, both public and private, are invested in this sector.

Political pressure is growing regarding the combating global climate change by reducing carbon emissions, eco-technologies that represent the starting point to a cleaner, greener and sustainable economy.

Consumers, through purchasing choices they make, support the sustainable economy idea and it reflects an increased of their environmental awareness.

Companies realize that the transition to sustainable products and services makes sense, not only to protect the environment, but also economically.

For investors wishing to invest responsibly, but also those who want to make a profit over the medium to become an eco-investor is the best choice.

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STATISTICAL METHODS – COMPONENTS OF DIFFERENTIATION STRATEGIES OF DURABLE GOODS MARKET IN ROMANIA

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Abstract: *The degree of household endowment with commodities has increased in Romania in the past years, according to statistical data. On the one hand, this issue was caused by market opening and, on the other hand increasing of income and standard of living in Romania (1995 is taken into consideration, since this type of statistical data is reported until the year 2009) but also to tax related benefits provided by some banks to purchase such commodities.*

This study was the basis of a sampling based marketing research concerning the durable commodities market in Romania, in Tîrgu Mureş municipality respectively, on a sample of 300 households relevant at national-urban level.

The paper presents a comparative analysis of the population endowment degree at national, regional level – the Centre development region – and county level– the Mureş county – and contains the difference significance testing between the average values concerning endowment with durable commodities comparatively between the Mureş county and the national level, on the one hand, and between the Mureş county and the Centre development region on the other hand.

Key words: t test (student), durable goods, marketing strategies, household

JEL classification: C12, M31, R20

1. Introduction

The household endowment with durable commodities in Romania is an indicator of the standard of living in our country. In Romania there are major gaps as regards population endowment with durable commodities in the urban environment compared to the rural environment. These gaps can be also noticed across the development regions in Romania and, more detailed, across the counties.

Starting from the trend statistical analysis applied to cronological series, applying the linear function analytical method, and based on statistical data provided by the National Institute of Statistics and the County Directorate of Statistics of the Mureş county, results concerning characterization of these trends at national, regional and county level are shown, in the following paragraph, both separately and comparatively.

Please note that, in terms of methodology, data at the county level are from year 2007, last year when data on household equipment with durable goods are reported including at the county level.

The t test (Student) is one of the most common statistical tests to compare averages for paired samples as is the case of these comparative analyses and constitutes an important tool for statistical inference whose results can be the information basis in developing the marketing strategies to differentiate any of the four components of the marketing mix of companies operating on the durable goods market.

2. Trends of population endowment with durable commodities in 1995 – 2009, at national level

In Figures no. 1-11 there are presented the evolutions of the average number of durables per 100 households, nationally, from 1995 to 2009 and the trend of endowment with durable goods per 100 households at the national level for that period, on each type of product. It may be noted that, for most durable goods, nationally, from 1995 to 2009, the endowment of the population per 100 households, recorded an increasing trend, except the equipment with sewing machines

Fig. 1 – Population endowment with radios

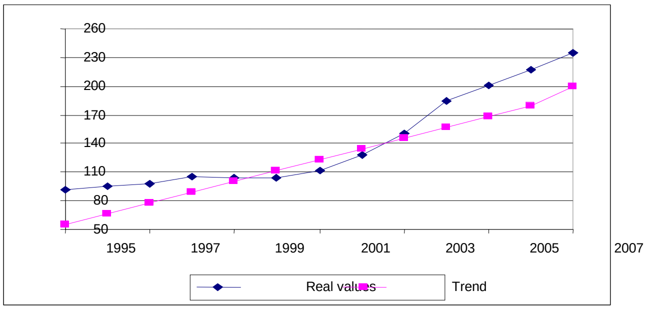


Fig. 2 – Population endowment with TV sets

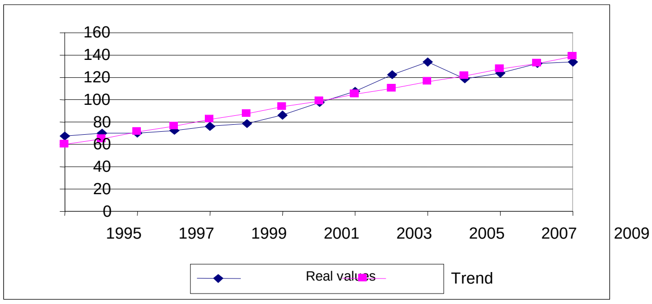


Fig. 3 – Population endowment with fridges

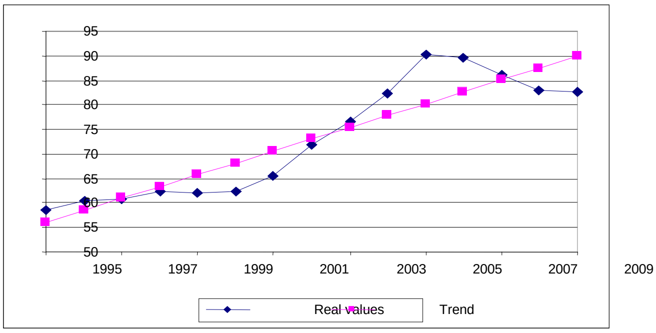


Fig. 4 – Population endowment with gas cookers

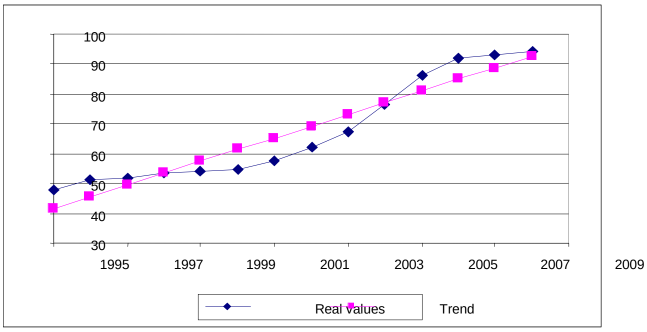


Fig. 5 – Population endowment with electric washing machines

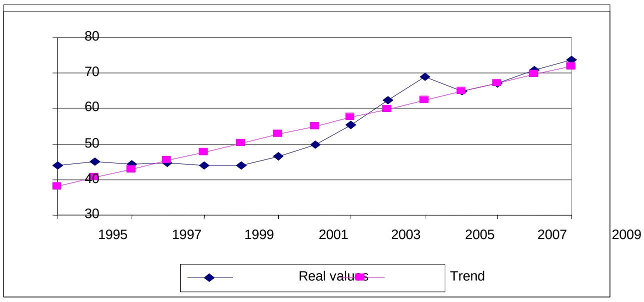


Fig. 6 – Population endowment with vacuum cleaners

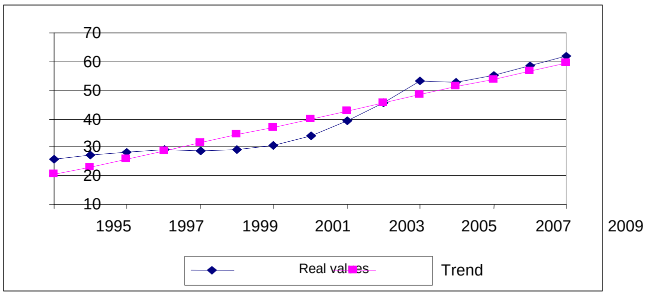


Fig. 7 – Population endowment with sewing machines

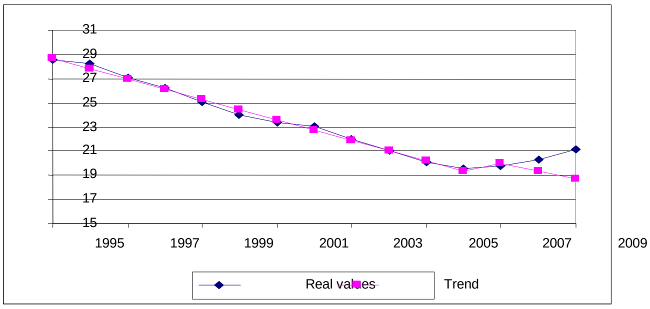


Fig. 8 – Population endowment with cars

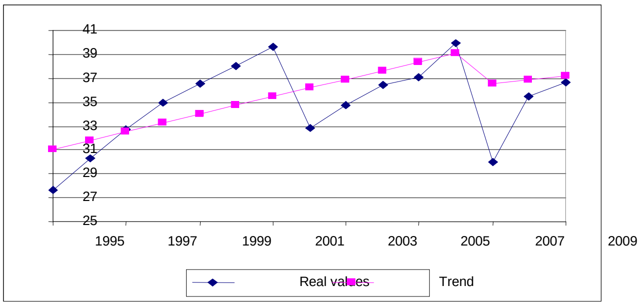


Fig. 9 – Population endowment with landline subscriptions

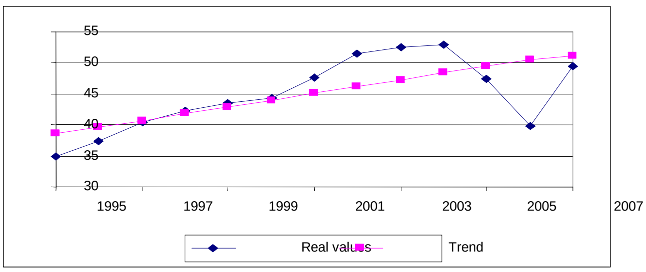


Fig. 10 – Population endowment with TV subscriptions

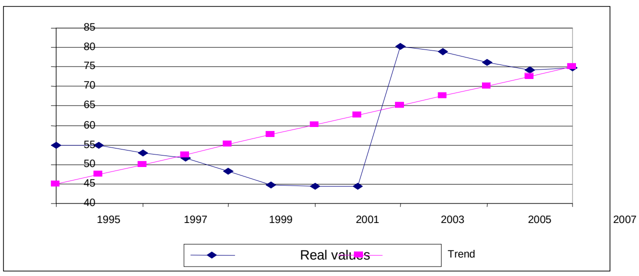
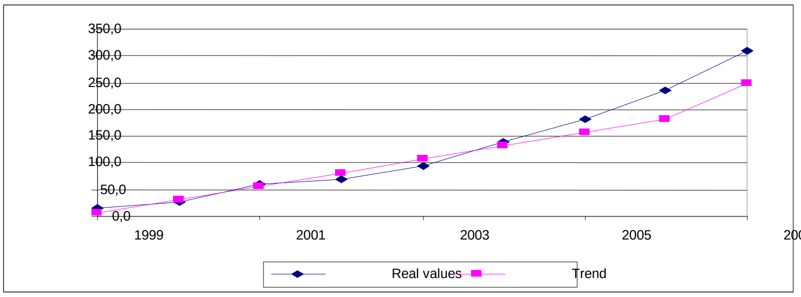


Fig. 11 – Population endowment with mobile phone subscriptions



In **figures 1 – 11** one can notice that, for most durable commodities, at national level, in **1995 - 2009**, the **endowment of population, per 100 households**, has experienced an ***upward trend,*** apart endowment with sewing machines and endowment with mopeds and motorbikes.

The most „*spectacular*” developments were registered by endowment with ***mobile phone subscriptions***, having an exponential development, statistical data emphasizing that, each household has at least two subscriptions at the end of 2009, this development confirming that the mobile telephony market in Romania has matured.

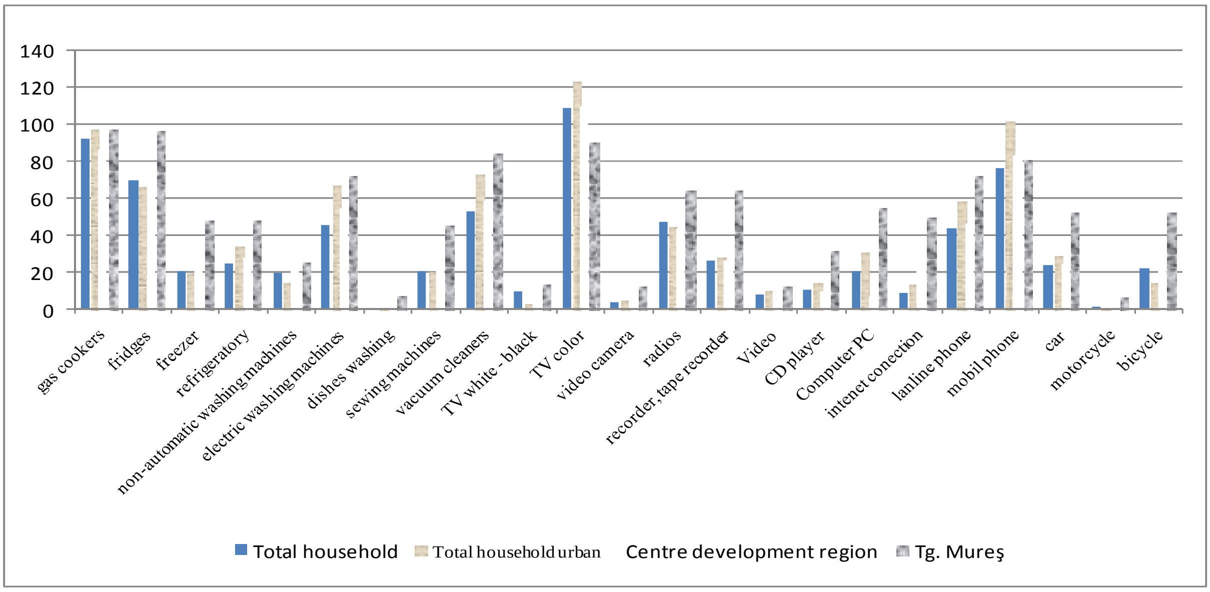
As regards **endowment with cars**, at household level, an upward development took place until 2001, followed by a slump in 2001 – 2002 (according to the National Institute of Statistics – due to radiation of a high number of vehicles from circulation as a result of changing legislation concerning radiation of vehicles and verification of large fleet owners registered before 1989 and that in fact were not existing), and has registered an upward trend since 2002 again until 2006, followed by a „syncope” in the period 2006-2007 and then again an increase.

Although **endowment with** landline subscriptions has registered an upward trend on the entire surveyed period, since 2004 their development has been decreasing. An interesting development is shown by **endowment with TV subscriptions** that, despite an upward trend in 1995 - 2009, in the first part, 1995 – 2002 respectively, it had a downward development, followed by a sudden increase in 2002, then in 2003 it followed the same negative slope registered in the first period.

3. Comparative characterization of endowment with durable goods at national level, the Centre Development Region and Tîrgu Mureş

Based on statistics published by the National Institute of Statistics on durable goods endowment in 2009 for Romania, the Centre Development Region and European Union, we comparatively plotted in Figure no. 12 the endowment with durable goods (average number per 100 households).

Figure no. 12 – Endowment with durables per 100 households in Romania in the urban area, the Centre Development Region and Tîrgu Mureş, in year 2009



It is therefore apparent that just for color TV, household facilities exceeds the European level, at both national and urban level as well as for the Centre Development Region, for other goods there are major differences. Also, except for some goods (TV, gas cookers, cameras and mobile phones), the Centre Development Region exceeds the national level center of the average number of goods per 100 households, but it is below average, compared with the national urban level, with few exceptions (refrigerator / freezers and sewing machines).

Since the data available for Mureş County on the endowment of the population with durables, refer only to cars and TV licenses equipment until 2007, we make comparisons only for these indicators with national and regional levels of these indicators. Thus, in 2007, the number of cars per 100 households in Mureş County (35, 5) was below the national level (37.8) and regional level (39.5). In Figures no. 13 and no. 14 are presented graphically the developments and trends of the following goods: TV subscription from 1997 to 2007 and telephone subscriptions from 1996 to 2007.

Figure no. 13 - Trend of phone subscriptions per 1000 inhabitants in the Mureş county, in 1997 – 2007

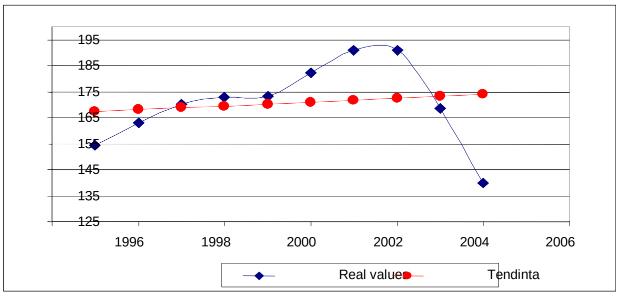
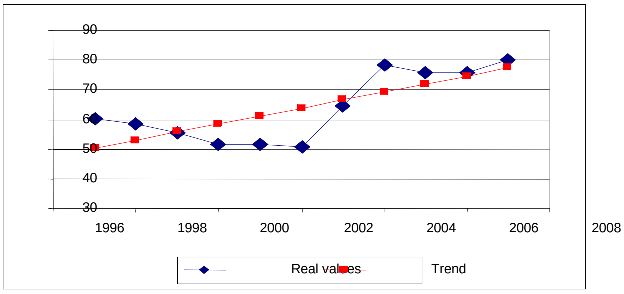


Figure no. 14 - Trend of TV subscriptions per 1000 inhabitants in the Mureş county, in 1997 – 2007



The plot shows that in Mureş County both indicators recorded increasing trends, except that the telephone subscriptions trend slope is "slower" - due to the steep decline recorded since 2004 - unlike the TV subscriptions which although experiencing sharp declines over the period 1997 -2002, they experienced during 2002 - 2004 a sudden increase.

4. Application of t test(Student) for means and results presentation. Case of pairedsamples

In comparing the means of the following goods (for the following goods were obtained very high levels of significance, we do not take into consideration these results: the refrigerator / freezer, television, video cameras, internet, mobile): *stove, fridge, washing machine, sewing machine, vacuum cleaner, computer, telephone, car and bike* per 100 households for the Centre Development Region and at national level (the statistical data we used were from 2004 - 2009), we used the Student test for paired samples to calculate the t statistics using SPSS the results of the tests being presented in Table no. 1.

Table no. 1 - t test statistics for paired samples

Paired differences					t	Freedom degree	Significant level (2-tailed)
Mean	Standard deviation	Standard Error mean	95% confidence interval of difference				
			Lower	Upper			
The Centre Region and Romania, gas cooker							
5,6167	,4215	,1721	5,1743	6,0590	32,640	5	,000
The Centre Region and Romania, fridge							
-3,7498	1,1131	,4544	-4,9179	-2,5816	-8,252	5	,000
The Centre Region and Romania, washing machine							
-15,4167	1,3963	,5700	-16,8820	-13,9513	-27,045	5	,000
The Centre Region and Romania, sewing machine							
-4,2500	1,1675	,4766	-5,4752	-3,0248	-8,917	5	,000
The Centre Region and Romania, vacuum cleaner							
-7,0167	,7167	,2926	-7,7688	-6,2645	-23,981	5	,000
The Centre Region and Romania, computer							
-2,3500	,6473	,2643	-3,0293	-1,6707	-8,893	5	,000
The Centre Region and Romania, fixed telephone							
-3,5667	,9626	,3930	-4,5769	-2,5564	-9,076	5	,000
The Centre Region and Romania, car							
-1,7500	,7969	,3253	-2,5863	-,9137	-5,379	5	,003
The Centre Region and Romania, bike							

-9,6333	4,1229	1,6832	-13,9601	-5,3066	-5,723	5	,002

The hypotheses tested and final conclusions according to the results are presented in Table no. 2.

Table no. 2 – Results for Student test

Null hypothesis tested H_0	$t_{calculated}$	$t_{theoretical}$	Conclusions
There are significant diferences between the Centre Development Region and the national level regarding means of gas cookers.	32,640	11,178	H_0 is accepted
There are significant diferences between the Centre Development Region and the national level regarding means of fridges	-8,252	11,178	H_0 is rejected
There are significant diferences between the Centre Development Region and the national level regarding means of washing machines	-27,045	11,178	H_0 is accepted
There are significant diferences between the Centre Development Region and the national level regarding means of sewing machines	-8,917	11,178	H_0 is rejected
There are significant diferences between the Centre Development Region and the national level regarding means of vaccum cleaners	-23,981	11,178	H_0 is accepted
There are significant diferences between the Centre Development Region and the national level regarding means of computers	-8,893	11,178	H_0 is rejected
There are significant diferences between the Centre Development Region and the national level regarding means of fixed telephones	-9,076	11,178	H_0 is rejected
There are significant diferences between the Centre Development Region and the national level regarding means of cars	-5,379	5,893	H_0 is rejected
There are significant diferences between the Centre Development Region and the national level regarding means of bikes	-5,723	5,893	H_0 is rejected

It shows from Table no. 2 that between the degree of endowment with durable goods in the Centre Development Region and national level there are statistically significant differences for the following durable goods: *gas cooker, washing machines and vacuum cleaners*, and there are no differences between average levels of households equipment for the following goods: *fridge, sewing machine, computer, telephone, car and bike.*

5. Conclusions

Results achieved following the application of the t test (Student) were at the basis of creating the working hypotheses for a sampling based marketing research as regards endowment with durable commodities in Tîrgu Mureş city, and as a result, by comparison, between **Tg. Mureş and national level – urban environment there are positive differencies for Tg. Mureş**, according to sampling data, for the following commodities: *bikes* (+37.7 %), *Internet connection* (36.6 %), *magnetic tape recorder, recording-receiver* (35.6 %), *fridge* (+30.9%), *freezer* (+29.2 %), *sewing machines* (+24.5 %), *personal computers* (+24.0 %), *cars* (+23.1 %), *radios* (+20,1 %), *CD / DVD players* (+17.8 %), *cooling tower* (+14.1 %), *landline* (+14.0 %), *non-automatic washing machines* (+11.7 %) and the plus difference is justified by a high share of households owned by pensioners in sampling), *vacuum cleaner* (+11.2 %), *musical tower* (+10.3 %), *kitchen utensil washing machine* (+7.6 %), *video camera* (+ 6.8%).

We therefore conclude that for the 'actors' from the durable goods market, the market research results using statistical methods - the inference statistics - whether they are importers, manufacturers (e.g. Romanian trademark "Arctic") and distributors, are important because, taking into account the social - demographics changes that characterize households in Romania currently, developing strategies to "help" to maintain or gain competitive advantage on the market are imperative. These aspects are justified if we consider that to the current trend of globalization, marketing and implicitly marketing research should meet the needs, requirements, and motivations of individual consumers, in our case households with all its peculiarities.

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RURAL DEVELOPMENT EUROPEAN POLICIES

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Abstract: *The European Union's strategy for sustainable development was adopted in 2001, at the Meeting in Gothenburg, as a long-term strategy which focuses on the economic, social and environmental protection fields. The mission of sustainable development is to find ways of economic increase and development while rationally using of common natural resources so that the renewable resources could be maintained and those which are not renewable could be used in a system which should take into account the needs of the future generations*

Adjusting the Romanian agriculture with everything related to resources, technologies, finished products as well as adjusting the countryside generally to the European Community laws has been a commitment for Romania starting with the accession process. Within the frame of the Rural Development National Program by which there are investments financed in this area, there are special measures aimed at maintaining and improving the environmental quality in the rural areas by promoting a sustainable management of both agricultural and forestry areas.

Key words: strategy, environment policy, sustainable development, ecosystem, law instruments

1. Introduction

The main purpose of the environmental management is using the natural, economic and human resources responsibly, so that the environment could be protected and improved. The environment, as it is defined, simultaneously represents the living environment for human beings, animals, plants and microorganisms and it is the past, the present and the future in the same time. The entire world and especially the European Community, is showing a great concern regarding the actual condition of the environment, the developments expressed in terms of "global warming" and also the obvious consequences upon human and animal health.

The result is an unprecedented mobilization of all those factors responsible for creating an institutional structure, for the analysis and statement of some decisions aimed at the environment management.

This paper deals with the law approach and the EC strategy on environmental protection, concluding with Romania's efforts to adjust, starting with the accession to the European Community in 2007.

The choice of this topic was based on people's motivation and concern of saving the present and of offering a viable prospect for future generations. All these efforts are multiplied through the lack of administrative, economic, social and political boundaries of the information, as the pollution phenomena tend to become global, for instance the climate conditions, the ozone layer damage, unprecedented deforestation phenomena, desertification, serious erosion and landslides, the natural resource decrease, increasing pollution and ecosystems anthropisation.

2. The European Community Environment Management

The best known definition of "sustainable development" was proposed by the World Commission on Environment and Development (WCED): Sustainable development is the development aiming at satisfying the present's needs without compromising the ability of future generations to meet their own needs.

The concept arose as a consequence of environmental issues and natural resource crisis, in particular of those related to energy, 30 years ago. Sustainability is based on the idea that human activities depend on environment and resources. The Stockholm Environmental Conference in 1972 asked, for the first time, serious questions regarding the consequences of the environmental damage caused by human activities.

In 1983, The World Commission on Environment and Development begins its work by a resolution adopted by the United Nations General Assembly.

In 1985 there was discovered the ozone hole over Antarctica, leading the Vienna Convention to look for solutions to reduce the consumption of substances harmful to the ozone protective layer.

The WCED Brundtland Report (World Commission on Environment and Development) entitled "Our Common Future" appears after the Chernobyl Catastrophe and it gives the most popular definition of "sustainable development": "Sustainable development is the one aimed at satisfying the present's needs without compromising the ability of future generations to meet their own needs. "

In 1992 there took place "The Earth Summit" in Rio de Janeiro attended by representatives from 170 countries. As a consequence of this meeting, there were adopted several conventions on climate changes (reducing the emissions of methane and carbon dioxide).

In 2001 there was adopted the European Union Sustainable Development Strategy at the Meeting in Gothenburg, and it was a long-term strategy focused on the economic, social and environmental protection policies and which has seen a significant appreciation in the coming years.

Currently there are two lines of development of this strategy:

- the first matches the Cardiff Process and it is based on the integration of environmental policy into other Community policies;
- the second, called "A Sustainable Europe for a Better World: A European Union Strategy for Sustainable Development ", has in view the role of Community’s organizations and institutions in managing environmental resources (Dick, 2002).

Four priorities were developed through the development plan started in 2001:

- the climate change and usage of “clean energy “(energy that does not harm the environment);
- public health;
- responsible management of natural resources;
- transportation systems and land use.

Three lines of action which complement each other were also established:

a) - proposals that affect multiple sectors

b) - long-term measures;

c) - progressive review on implementing the strategy.

For the first course of action (a) there were established the following measures:

- all important legal documents should include an assessment of potential costs and economic, social and environmental benefits;
- the Community research and development programs should concern more the sustainable development.

On the other hand, there appears the opinion that the EU policies should include support for the other countries’ efforts because sustainable development cannot be fulfilled only by the European Union’s countries.

This strategy was reflected in two major events:

1. the United Nations’ Conference on Sustainable Development - Monterez in March 2002, which established the EU's official aid for development;
2. the Energy Conference in Johannesburg where the EU set up a "coalition of those willing" to promote renewable energy sources and there were concluded several agreements for sustainable development worldwide.

The second course of action (b) - is closely linked to the priorities identified: for each priority there is established a set of measures (Table 1).

The third line of action (c) includes steps such as:

- the annual review of the strategy which takes place during the each Spring European Council Meeting;
- a revision of the strategy when the mandate of the Commission changes;
- a forum organized by the Commission with the parties interested in the issue.

Table 1. Measures to achieve long-term objectives of sustainable development

Priorities	Action Steps
Climate changes and use of "clean energy"	- fulfilling the commitments under the Kyoto Protocol - reducing the gas emissions that generate greenhouse effects
Public Health	-assuring the food quality and safety - approaching issues related to epidemics
Responsible management of natural resources	- elimination of causal relationship between the resource use and the economic growth
Transportation systems and land use	- elimination of causal relationship between transport development and economic growth - development of transport systems that do not harm the environment

The most important component of the European strategy for environmental protection is the " integrated product policy” (PIP). The integrated product policy (PIP) is based on the Green Paper of a Product Integrated Policy in February 2001 and it became operational in 2003. This policy aims at reducing at the maximum possible the damaging effects upon environment, effects related to some products' life cycle and proposes a voluntary approach of "green products".

The basic principles of the IPP are defined below:

- considering the products' life cycles;
- the market involvement by creating incentives to encourage the supply and demand of "green products";
- involvement of the parties interested ;
- updating and further development;
- creating various instruments;

Implementation can be done in two main directions:

- establishment of framework conditions, types of measures and instruments to be implemented for several different products;
- creating a "product-specific approach" - the identification of the most damaging environment products and the development of pilot projects based on the practical demonstration of PIP benefits.

The PIP implementation effect will be enhanced by the synergy assurance among different instruments as well as its integration into other sectoral policies. The European Community encourages the individual sectors to show how they integrate the PIP in their activity. In addition, the Commission will carry out some processes in order to facilitate monitoring and coordination by:

- creating indicators in collaboration with the member states and the European Environment Agency;
- issuing periodic reports;
- regular meetings with the interested parties.

Another communication strategy stated by the European Commission in 2004 is that on environmental agreements which are "a form of regulation, with the aim to support the active involvement and companies' empowerment to environmental protection".

Environmental agreements are voluntary and currently and they are currently used in all the member countries, at a national, regional or local level, but they are new on the level of the EU, as agreements between the European Commission and the European International Federations.

The advantages of the environmental agreements have been highlighted since 1996, when there were shown the following conclusions:

- the industry pro-active approach;
- effective and tailored solutions to the problems identified;
- quick achievement of environmental objectives.

Later legislation was brought by the July 2002 Communication sets out three possible types of agreements:

1. Agreements based on own initiative – related to industrial initiatives in areas where the Commission does not intend to propose regulations.
2. Self-regulation - where the industry representatives choose to solve a controversial issue to prevent a legislative regulation.
3. Co-regulation - constitutes a type of stricter regulations by which the EU sets targets and monitoring requirements and the industry field decides on measures to be taken.

Some of the most important thematic strategies are those related to waste management and environment and health strategy (SCALE).

Solving the waste issue in the EU has currently had a fragmented and inefficient approach. To prepare the new measures, including output indicators, the Commission launched on the 28th of May 2003, a broad consultation of the interested parties on policy options for waste prevention and recycling. The objective of the strategy is to eliminate the causal relationship among the economic growth rate, the resource use and the waste production. There have been identified the following issues:

- the member states should increase the effort to implement the existing legislation on waste;
- scientific analysis is required in order to formulate a good policy to prevent waste;
- regarding recycling one should focus on materials rather than on products which completed their period of life,
- the need for harmonized standards for recycling operations;
- a new development on the definition of waste;
- the need to establish a common recycling level for all the member states.

The Environment and Health Strategy is the latest action in the matter and considers the complex and direct causal-reciprocity relationship between pollution, environmental change and human health characteristics. The SCALE was initiated in 2003, as a result of constant preoccupation of the European

Commission in this direction. It was developed through the collaboration between the Research General Directorate, the Environment General Directorate and the Health General Directorate.

The novelty of this strategy is the focus on children's health as they are the most vulnerable social group at environmental pollution effects, unlike the rest of environmental legislation which is based on norms and standards for grown-ups.

The development of this strategy is based on five key elements:

1. It will be scientifically founded and interactions between various pollutants and the human body will be studied;

2. It will children-focused and the pilot actions will be initiated on specific pollutants with relevance for children and it will be focused on substances with endocrine action;

3. It aims at increasing awareness and accountability of the interested parties as well as of the public;

4. the EU legislation will complement national laws and it will be revised so as to reflect the children's situation and special needs;

5. It will constantly evaluate the actions undertaken for this purpose. The overall objective of this strategy is to better understand environmental threats to human health and reduce the number of diseases caused by environmental factors through a proper policy that meet all arisen challenges.

The SCALE' s specific objectives are:

- to reduce diseases caused by environmental factors in Europe;
- to identify and prevent new threats to health caused by environmental factors;
- to develop the EU policies formulation capacity in this area.

2.1.Terms, definitions and standards in environmental quality

To properly understand the phenomena related to environmental protection in order to harmonize joint efforts with the European Union, the whole package of European legislation has needed being adjusted, becoming compulsory for all the State Members and one has needed to set a number of rules, definitions, terms, etc.

The following example is about two major components of the environment: soil and air.

Soil, as the interface among land, air and water is a renewable resource that performs many vital functions:

- producing food/ biomass;
- storing, filtering many substances;
being a source of biodiversity, habitats, species and genes;
- serving as a daily platform / medium for humans and human activities;
- being a source of raw materials, coal field;
- being a geological and archaeological heritage.

The microorganisms of the organic substances from soil are believed to be responsible for about 90% of soil organic matter transformations and their communities may include hundreds of thousands of different species per 100 g of soil, with a biomass estimated at several hundred kilograms per hectare (Balasoiu, 2005).

A clean work agricultural technology should return the environment what is appropriate for it from the inputs used and should not charge the ecosystem with pollutants wgich cannot be integrated or circulated. An interesting example is given by Berca, M (1998) on comparative technology of maize production in American agriculture.

The environment content is a combination of natural elements and human construction that changes the natural landscape. The environmental elements can be grouped into three categories:

- primary elements: the physical background of nature, inanimate elements;
- derived elements: they have developed on account of the former representing the biotic environment;
- anthropic elements: introduced by man by his conscious activities.

Pollution represents a harmful change for humans, for species belonging to natural or artificial ecosystems, as a result of the release of pollutants into the environment, pollutants which are the waste of human activity. Soil and air pollutants are: chemicals, pesticides, oil, petrol, gas, heavy metals, fertilizers, organic substances, radioactive isotopes, heat and others

The main sources for soil pollution are:

- large scale application of fertilizers and pesticides in agriculture;
- extensive use of irrigation systems;

- solid waste disposal;
- atmosphere infected with toxic substances.

The pollution by pesticides - Pesticides use has allowed a considerable increase of production but has affected the quality of products. The negative action of pesticides on organisms is performed by:

- the toxicity of the active substance in the product used;
- the commercial product infected with a dose of active substance ;
- the quantity of pesticides applied per hectare;
- the retention of toxic substances in the products obtained;
- the frequency of the chemical treatment application;
- the application way.

To conclude, pesticides are very dangerous compounds by their high environmental persistence, by the accumulation of residues in the food products, their infiltration into soil, their involving in the quality of dripping waters (rivers, lakes), their "washing" the soil deeper layers, their getting into intercapillar and ground water as well as in atmosphere by means of the air currents.

Oil pollution- The hydrocarbons that occur in different living environments may have two origins:

- human activities- fuel, wood burning or oil processing;
- natural and usual processes-output oil, natural gas emission.

The toxicity of petroleum and petroleum products is divided into two categories:

- immediate – caused by saturated hydrocarbons at high concentrations (can cause death of organisms) and are considered to be the most toxic aromatic hydrocarbons - olefin hydrocarbons have an intermediate toxicity;
- long term – refering to the percentage of soil into water, having a role in nutrition and reproduction of many aquatic organisms, causing ecological imbalances.

Pollution by fertilizers – the polluting effect of fertilizers is derived from two elements: they contain many toxic contaminants and they are used in excessive quantities.

Eutrophication is a pollution form of ecosystems, especially that of stagnant waters, by introducing excessive amounts of nutrients as a result of human activities, causing significant shifts in the ecosystems, fact that leads to their degradation. Eutrophication has expanded and intensified over time, affecting large lakes, reservoirs.

The pollutanting effect of acid rains – The "acid rain" involves all natural precipitations (rain, snow, frost, fog) which contain strong acids derived from the substances that pollute the atmosphere. Due to human activities, the atmosphere has overloaded with harmful substances that cause serious environmental repercussions such as:

- the acids brought by acid rains chemically attack marble, concrete, metal, rubber, plastic;
- the acids disrupt the normal functioning of organisms;
- the acids induce changes in the chemical composition of soil and surface water, changing the ecosystem biochemical circuits.

Due to different soil and vegetation structures, some regions are more sensitive to acid rains than others as it follows:

- regions with poor soils in limestone, covered with a thin layer of soil are most sensitive to acidification;
- regions with highly alkaline soils neutralize acid rain before the rain waters reach by streams in rivers and in lakes.

The concentration of pollutants in coniferous forests is greater than in deciduous forests because the former ones accumulate pollutants in winter too (their leaves never fall).

Pollution by heavy metals:

- Mercury is the only liquid metal found in the three living environments.
- Lead is a highly toxic metal and is used by many industries. Lead results from industrial and automotive explosion engines. It gets into the atmosphere from exhaust engines, then in soil and water where from it is absorbed by plants and it accumulates in leaves and roots.
- Zinc is essential for all organisms but can become toxic under some circumstances and conditions.
- Cadmium is a metal with a strong toxic action on organisms
- The atmospheric pollutants and their impact on ecosystems. One talks about atmospheric pollution when one or more substances or mixtures of pollutants are present in the atmosphere in amounts or along periods that may be dangerous to humans, animals or plants and contribute to endangering the individuals' activity or personal welfare.

The air pollution (mainly by oxidant air pollutants) also affects soil. The pollutants in the atmosphere are gaseous, liquid or solid substances. Gases are substances that, under normal conditions (water vapor, volatile organic substances, fog, smoke, dust), are very fine particulate matter (aerosols) of a diameter of 0.001 to 100 mm. The word “smog” is formed from two English words “smoke” and “fog”. Smoke is a mixture of solid and colloidal particles with liquid droplets (WHO, 2009)

Emissions are substances released into the atmosphere by industrial plants or cars.

The criteria used for air quality, the measured parameters for assessing the air quality, the interpretation of the parameters considered to damage the air quality have varied from one country to another. The fact that the air pollution is a global pollution requires the harmonization of environmental quality standards (in terms of measured parameters and work methods). A special category is represented by the air emissions from natural sources (volcanoes, forest fires) that significantly affect (although they are limited in time) the air quality parameters.

The air pollutants have a negative impact on soils because they affect the soil structure, the nutrients availability (by ground deposits) and the quality of the organic matter by negative modulation of metabolic processes in plants and microorganisms essential to the health of "living tissue" in the ground.

There are two types of air pollution resulting from economic activities: primary ones (nitrogen and sulfur oxides and volatile organic compounds) and secondary ones (ozone and acid rain). Between the two types of pollutants previously mentioned there is a continuous cross-correlation.

Tropospheric Ozone is formed by photochemical reactions of nitrogen oxides and volatile organic compounds. The Ozone also contributes to the oxidation of sulfur dioxide to sulfur trioxide (sulfuric anhydride). The sulfur trioxide reacts with the water in the clouds and forms sulfuric acid clouds. The sulfuric acid mediates transformation of nitrogen oxides into nitric acid (by combining with water in clouds). The two oxides in the clouds cause acid rains and their salts combined with weak bases which are found in the composition of the atmosphere, represent acid powders .

The Ozone and acid rain are the main air pollutants that affect the soil. The main sources of primary anthropogenic air pollutants (sulfur and nitrogen oxides, volatile organic compounds, VHC, VOC_x) are presented in Table 2.

Table 2. Processes that generate air pollutants

No.	Harmful agent	Human activities generating the pollutant
1	Sulfur dioxide	Fuel combustion, smelters, foundries, chemical industry
2	Nitric oxide	Explosives, fertilizers, cleaning, metals, fuels at high temperatures
3	Volatile hydrocarbons (VHC)	Exhaust gas, fuel processing
4	Aldehydes (VOC)	Thermal decomposition of fats and glycerol
5	Volatile organic compounds VOC_x	Agriculture (plant and animal growth)

Secondary air pollutants. A special case of air pollution is the photochemical smog. Ozone, nitrogen oxides and hydrocarbons are precursors of photochemical smog substances. It is formed above the large industrial cities as a result of emissions of nitrogen oxides (NO and NO_2) in a mixture of various hydrocarbons from exhaust gases. These gases represent the ozone which accumulates and forms particulate matters of ozone, a thick, irritating and destructive smog acting on organisms. Once the formation of nitrogen phenomena finished, three kinds of factors combine: nitrogen oxides, volatile organic compounds and intense solar radiation. Another secondary pollutants formed in the atmosphere are "acid rains".

2.2. Environment Management in Romania

The Romanian Constitution does not clearly define the term “environment”, but Article 135 states that "the environment is the appropriate frame to create the necessary conditions for improved the life quality." The same article also states that "environmental protection, restoration and maintenance of ecological balance are the Romanian government’s concern”(Romanian Constitution, 1992)

Thus, ISO 14001 environmental document defines “environment” as the environment in which an organization operates, including air, water, land, natural resources, human beings and relations (SRISO, 2008)

In order to understand and interpret accurately, law defines the environment as “all of Earth's natural elements and conditions: air, water, soil and subsoil, all the features characteristics to the landscape, all the atmospheric layers, all organic and inorganic materials and living things, natural systems with all the values listed above, (including material and spiritual ones), the quality of life and conditions that may affect human health and welfare (Ordinance 91/2002). The Explanatory Dictionary of Romanian Language (DEX) shows a more technical term, namely, “the environment is the combination of factors, material objects and physical conditions that surround and influence organisms”(NOVEX 2002).

The Environmental Protection Law 137/1995 defines environment as "all natural elements and conditions of the Earth: air, water, soil, subsoil, landscape features, all weather structures, all organic and inorganic materials and living things, all natural systems which interact, including the elements listed above, including material and spiritual values, the quality of life and conditions that may affect human health and welfare”. Given the diversity of the items listed in the definition, a variety of legal relations result (regarding the preservation and protection of biotic components of the environment, the protection of manmade factors, the treatment of toxic products and pesticides, of genetically modified organisms, the dangerous waste management, the liability, the environment monitoring). In the composition of the environment, the order in nature is given by the many basic units that is the ecosystems. These units are not independent; they are in a deep interdependence in the millenary shaped complex environmental interactions. The ecosystem, as a functional part of nature, is the world headquarters of all living action and reaction of the environment. Ecosystems are, in turn, structural and functional units generated by the biotypes and biocenoses interference (habitats) (apmvm, 2009)

Like many communist countries, Romania has inherited serious environmental problems caused by industrial policy which did not take into account the impact of activities upon environment and human health. The most serious problems have been identified in the following sectors: the water quality, the waste management and the air and soil pollution.

2.2.1.The Objectives and the Environmental Policy for Agricultural Soils

The Romanian rural area is characterized by natural resources under a relatively good state of conservation with a high level of biodiversity associated with a variety of habitats and ecosystems. On the other hand, while there has been a general trend of extensification and of reduced use of chemicals in agriculture, a serious part of agricultural land has been affected by the misuse of chemical fertilizers and pesticides, the irrigation, the drainage or by the inadequate application of mechanical work, reason which has led to serious damage of environmental components (particularly soil and water) on restricted areas.

Giving up farming and using agricultural “bad-practices” as a consequence lack of specialized knowledge or limited financial resources, have negatively influenced biodiversity and have led to the soil erosion phenomenon or to its increase.

It is difficult to estimate the proportion of abandoned agricultural land, but it is known that abandon mainly affects traditional pasture areas.

Large Romanian areas of agricultural production have natural limitations mainly related to the mountains and the Danube Delta, areas which are associated with a high level of biodiversity.

Adjusting the Romanian agriculture and everything related to resources, technologies, finished products and countryside to the rules of the European Community, represents a commitment starting with the accession process. Among the investments in this area funded by the National Rural Development Program, there are special measures based on maintaining and improving environmental quality in rural areas by promoting sustainable management of both agricultural and forest land. These interventions aim at:

The second priority is to provide *lasting protection and support for the management of natural resources, especially of water and soil*.

The use of chemical substances in agriculture is a real risk for water pollution. Therefore a series of measures established by the National Rural Development Programme aims at this priority, namely: environmental requirements related to the complete elimination of chemical fertilizer use, to the application of organic farming and to the nitrate infiltration practices into soil by promoting the green crops.

There are other complementary measures to investments such as the Nitrates Directive and the sewage systems.

One is trying to prevent the soil degradation by imposing the rules of good agricultural practices, the so-called GAEC rules. In addition to these rules, farmers are encouraged to establish green crops, to plant forests on abandoned non-agricultural and agricultural lands.

The third priority is *to reduce emissions of greenhouse gases due to agricultural activities*.

Due to the National Rural Development Programme, this is done by encouraging the afforestation of agricultural and non-agricultural land as well as by the development or the increased usage of renewable energy sources, including biofuels coming from agricultural and of the biomass coming from forestry.

On the other hand, the obligation of each project is to increase the level of conformity to the Community standards for livestock farms (for example, to reduce the level of ammonia emissions).

2.2.2.Instruments of Achieving Environmental Protection Policies

The developments of the environmental policies and their changes in time are reflected not only by their goals and priorities, but also by the number and the structure of the implementation tools. In this sense one may mention three types of legislative instruments: instruments of awareness and information, financial and fiscal instruments.

The legislative instruments – create the legal framework of the Community policy on environmental protection and are represented by the existing legislation in this area, meaning more than 200 documents (directives, regulations and decisions) adopted since 1970 (they are the so-called "acquis communautaire").

The Council, The Commission and The Parliament are the three European political institutions that have the responsibility to adopt legislation binding throughout the EU Treaty previsions, articles by which amplify the EU Treaty articles are developed and which enable policy and community law to take effect.

The legal authority of the secondary legislation is conferred by specific articles of the European Union Treaty.

According to the Treaty, within the European Community one may draw:

- Guidelines which shall be implemented through laws or regulations of the Member States within a specified time limit;
- Regulations which are direct and compulsory, applicable to the Member States;
- Decisions which are compulsory for those whom they are addressed to (Member States, individuals and companies);
- Recommendations and opinions which are not compulsory and which are not considered legal acts.

Directives - A directive is "a compulsory legal measure which refers to the result to which each Member State to which it is addressed needs to reach." (Marinescu, 2003) It may be addressed to all the states or only one.

Since the full implementation of the Directives can be run over long periods of time, the Member States may have divergent views on the transformation of the directives into national laws, the EC has chosen to use regulations because of their faster effects and application directly in the Community States. Most of the directives are acts of the Council.

Regulations – According to article 189 (2) of the EC, they have general application, being the "main legal instruments that ensure uniformity of laws in the community"; they are mandatory and applicable in all the Member States. The entry into force of a regulation is automatic as a consequence of its being adopted or of the Commission's or Council's establishing a date.

Decisions - a decision is compulsory for all those whom it is addressed to. Unlike a regulation which has a general applicability, a decision "may be taken against a Member State, an individual person or a company."

By definition, decisions are official acts, which impose duties or obligations to those whom they are addressed to; the Member States are informed of the decision, but the publication in the Official Journal is not mandatory.

3. Conclusions

1. Environmental policy covers seven key areas: air pollution, recycling, resource management, soil protection, urban and rural organization, sensible use of pesticides;

2. The Commission defined the environment as being the set of elements which, by the complexity of their relations, make the frame, the means and the conditions of human life, either if they are felt or if they are not felt.

3. Of all the ecosystems that are included by using the generic name of environment, the most important ones are the agricultural ones because they are productive for human and animal nutrition and also because they are subjected to the most powerful and mostly unfavorable human intervention.

4. Since 2001, the European Community has been developing an environmental strategy based on the concept of 'sustainable development' which has in view the role of theCommunity organizations and institutions in managing environment resources.

There were established three lines of action:

a / proposals that influence many sectors;

b / measures to achieve long-term goals;

c / progressive reviews on the state of implementing measures.

5. The main environmental issues in Romania aim: the complexity of river system out of which 97% belong to the Danube basin, the lower water resources as compared with the European average, the

inadequate waste management infrastructure, the natural ecosystems and the protected areas surface which are extremely valuable.

6. Romania benefits of two programs funded by the European Structural Funds exclusively for environmental management in general – The Sectoral Operational Programme for Environment (Environment SOP) and for environment management in agricultural and rural ecosystems in particular - the National Rural Development Programme. These programs set out concrete measures, substantially financed, designed to meet all the objectives of the acquis communautaire in the field of the environment protection.

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ENTREPRENEURS IN RURAL TOURISM – OUT OF THE SHADOW

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Abstract: *The aim of this study is to paint a concise image of today's situation concerning rural tourism and the general frame for guesthouses in two particular areas of Romania. As a first objective, analyzing and explaining the mecanisms used by guesthouses in establighing relations with tourists was a priority. The results of this particular study were meant to outline a general image of the rural guesthouse, pointing out management and marketing techniques used with clients, general management of the establishment, personnel ,etc. On the other hand, the results of this research revealed rather if guesthouses from rural areas are slightly different from establishments located in other parts of the country, due to the type of consumer of rural tourism.*

Key words: guesthouse, consumer, entrepreneur, rural tourism

JEL classification: M

1. Introduction

The sector of rural tourism has proven itself to be a flourishing one in the past decade and has been developing worldwide. Consumers became more and more allert of their needs; due to this, entrepreneurs had to find ways to overcome the consumer's growing demands. In countries like China, Japan, Germany, France or Spain, rural tourism forms a separate domain and it is no longer misunderstood. In countries like Romania, the battle for implementing rural tourism as a viable sector is still going on.

Consumers of rural tourism are influenced and driven by internal and external factors, some of them being difficult to measure. Most entrepreneurs in tourism, in general, do not understand the difference between a tourist and a consumer of rural tourism. There are, of course, many similarities (Kotler, Bowen, 2006, p. 258), the platform of characteristics remains the same. What changes and differs are the factors that influence the behavior of this particular type of consumer. Concerning Romanian rural tourism, the landscape and the cultural impact seem to be two of the factors of great interest (Nistoreanu, Gheres, 2010, p. 81-85). The consumers are allured by the differences between urban and rural and by the desire to merge with the locals and live authentic.

Research has been undertaken in order to improve the standards offered by entrepreneurs. Those who own guesthouses and accommodations in the rural areas of Romania did not yet understand the importance to treat tourists who choose these areas, separately. Consumers of rural tourism have certain expectations and entrepreneurs need to learn how to encounter them.

Todd Comen, professor at The Institute for Integrated Rural Tourism, Vermont, USA, managed to put together the information needed in order to transfer the know-how to all guesthouse owners. Even if there are still problems like bad infrastructure and little advertising for this form of tourism, entrepreneurs need to know what the tourists want in order to feel satisfied. The manual gives perspectives for the Apuseni Area and is considered of great help for those who own a business there or, for those who think about starting one.

We hypothesized that in order to develop the business of guesthouses in rural areas, the entrepreneur must be aware of certain aspects considered of great importance. One of these aspects and maybe the most significant refers to the behaviour of the consumer of rural tourism which eventually influences the way in which a guesthouse is organized and works. Even if the research focuses on the guesthouse, a lot of accent is put on the characteristics of the consumer.

2. Literature review

It is important for both parties, entrepreneurs and consumers, to clarify the link between rural tourism and the concept of hospitality (Kotler, 2006), which defines what a customer is looking for and what the entrepreneur is willing to offer. The thin line between offer and demand is one of the liants that influence a certain business in this domain (Swarbrooke, 2007; Nistoreanu, Gheres, 2010).

Recent literature considers that the owner of a business in rural tourism is slightly different from another type of entrepreneur. First of all, the product he is offering differs from other products, because it is intangible and the business itself is considered a seasonal one (Moscardo, 2008). Consumers of rural tourism are also different form other consumers and this is the main reason why entrepreneurs build unique strategies. However, hotel businesses and common tourism seems to be taken over by a new type of entrepreneurs (Sidali, 2011). Guesthouses are becoming more and more popular and it is believed that professionalism will increase (Ecorys, 2009, p. 57)

Unlike other countries of Europe, Romania has not yet developed enough in order to reach the required standards. Nordic rural tourism, even if it is just like the Romania one, still waiting to be discovered, has met an alert development. These countries understood the changing role of rural areas and that rural tourism is part of sustainable development. Entrepreneurs build their business according to this economic tendency (Hall, Muller, 2008, p. 109)

Many specialists say that Romania has a great potential in what concerns rural tourism. Todd Comen (2010) writes a guide for all entrepreneurs in rural tourism, and especially for those who own businesses in the Apuseni Mountains. He paints the clear image of a sector with a high potential but not fully exploited. The case study offers viable solutions for a domain that is not fully developed, that of rural tourism.

3. Methodology

This research has been undertaken on a number of 40 guesthouses that have been chosen randomly. The guesthouses are all located in Cluj and Alba.

The aim of this research was to identify how owners manage these accommodations, how they deal with clients, what is their way of promotion, etc. In fewer words, the results are meant to place the guesthouses on a particular level and to give the owner a perspective on future actions.

The period of time when the research took place was between June-July 2010.

In order to establish the type of the research and in order to choose from various methods, the general theme of rural tourism has been taken into consideration. The need to gather information in a relatively short period of time has also been a reason for choosing a questionnaire as a tool for implementing the research.

The main topic of the study is to analyze all data obtained and eventually outline the present situation of guesthouses in the Apuseni Area, as it is approached by the owner.

The sample size considered the traditional formula and, after, maximizing the effects, the number of 40 guesthouses has been established.

The whole process of building the questionnaire included decisions regarding types of questions, complexity, order, etc. Even so, a traditional form and structure has been chosen. Therefore, the questionnaire begins with simple questions that are aimed to familiarize the subjects with the theme of the research. For example, the operation period, number of daisies and personnel put together the first part and introduce the subjects with the general theme of the research.

More complex questions follow like the ones that analyze methods of promoting the guesthouse, the reservation systems, food services, etc. Some are considered key-questions because they bring valuable information for the research. For example, such key-question is the one which deals with guesthouse perception over customer loyalty. With other words, the guesthouse needs to know rather the expectations of clients or the demand are being properly encountered.

As it approaches the end, the questionnaire analyzes the relationship between the guesthouse and the client, by pointing out the importance of obtaining feedback. Customizing clients is one aspect left for the final analyses because of its complexity.

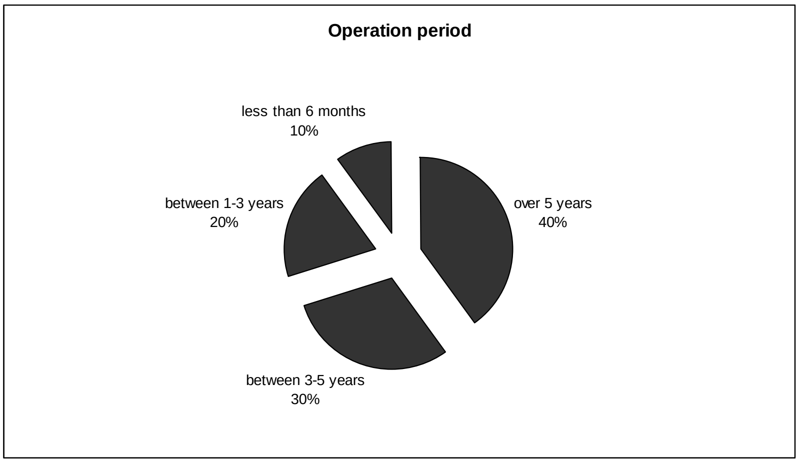
Although the questionnaire is meant to be applied on guesthouses, the questions have been built considering various characteristics and variables that define the behavior of the consumer of rural tourism. Another research undertaken before has been analyzed. This time, the results outlined the profile of the consumer of rural tourism (Plaias, Gheres, Pop, 2008), results which put a mark on the questionnaire used in gathering data form guesthouses.

4. Research results

Data collected with questionnaires has been sorted out in a database and analyzed in SPSS. Results presented in this study were chosen in order to reach the aim of the research, that of outlining the present situation of guesthouses from two counties, Cluj and Alba.

4.1. Operation period

Figure 1: Operation period



Source: Personal approach of the authors

Most of the guesthouses operate in this field since 2006 (16 guesthouses out of 40) and those who operate for at least 3 years are also many. 4 out of 40 guesthouses are new in the field. The last 10 years meant an explosion of guesthouses in the area of the two counties. Even if in the last 2 years not too many new guesthouses pierced on the market, the domain of interest is still growing.

4.2. Classification of guesthouses

Table 1: Classification of guesthouses (number of stars)

	1 star	**2 stars**	**3 stars**	**4 stars**	**5 stars**	**No clasification**
Percentile	7%	21,5%	40,9%	5,6%	5%	20%

Source: Personal approach of the authors

The Romanian legislation specifically refers to the need of obtaining a number of stars, this fact being completely necessary in order to develop the business. It is highly important and recommended to register and obtain the classification for the guesthouse.

Even so, 8 out of 40 guesthouses have no classification label. The others managed to rich the standards for 2 or 3 stars. Only 2 guesthouses obtained all 5 stars, even if the standards for quality are restrictive and difficult to reach.

4.3. The personnel of the guesthouse

Table 2: Number of employees

Category	Less than 3 employees	Between 3-5 employees	More than 5 employees
Percentile of guesthouses	60%	30%	10%

Source: Personal approach of the authors

From the total number of 40 guesthouses, a total of 60% admitted they have “less than 3 employees”. There is the tendency of the owners to compress the number of employees and to search for those who know and can do little of everything. 12 guesthouses (30%) have between 3- 5 employees and only 10% have “more than 5 employees” working for the guesthouse. The owners of guesthouses from the two counties seem to misunderstand the role of employees and the importance of their contribution.

4.4. Promoting the guesthouse

Table 3: Promotion of guesthouses

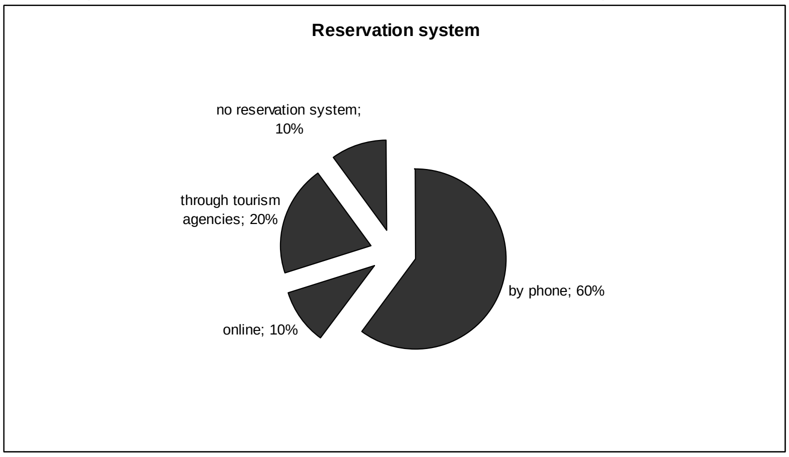
Ways of promoting	Percentile
Through websites	40%
Through tourism agencies	5%
Using promotional materials	15%
Participation to fairs and exibits	10%
No promotion	30%

Source: Personal approach of the authors

A significant number of 12 guesthouses said that no actions are taken in order to promote the business. A more complex analysis between variables revealed that the guesthouses that do not use promotion techniques activate for more than 5 years and are known to the public. The most frequent instrument used is the internet, through the personal website. The least used technique is the promotion through tourism agencies (only 2 out of 40 guesthouses use it).

4.5. Reservation systems

Figure 2: Types of reservation systems used by guesthouses

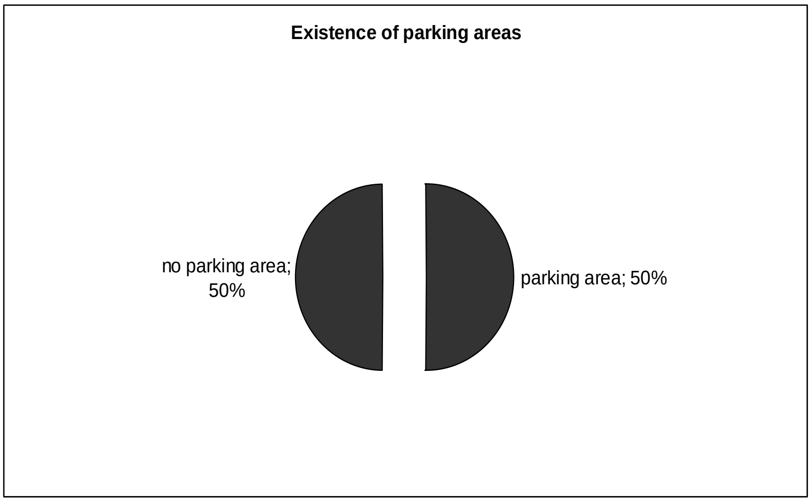


Source: Personal approach of the authors

More than half of all guesthouses still use the phone for making reservations and only 10% have a good system of online reservations. Most of those guesthouses that use the internet have their own websites that are used not only for reservation, of course, but also for promoting the offer of the guesthouse. Another 10% has no reservation system at all.

4.6. Parking situation

Figure 3: Parking areas



Source: Personal approach of the authors

Data collected form all 40 guesthouses indicate that half of them have a parking area for the clients and the other half has no parking area ready for the tourists. More complex relations between variables revealed that young guesthouses do not have parking areas yet but plan to have one in the near future.

4.7. Auxiliary ways of spending time

Table 4: Auxiliary way of spending time offered by guesthouses

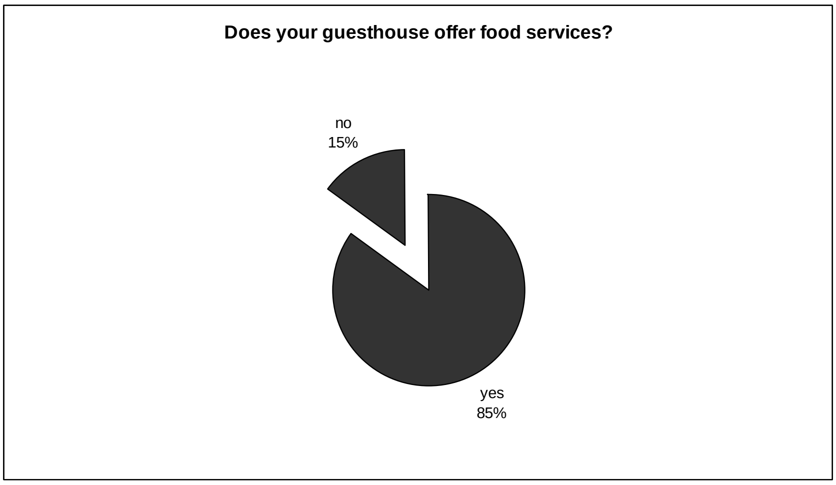
	Percentile	**Number of guesthouses, out of the total**
Field trips	60%	24
Renting objects	10%	4
Cultural and sporting events	10%	4
No particular ways of spending time	20%	8

Source: Personal approach of the authors

This particular question mentioned that only one variable should be chosen in order to observe the focus of the guesthouse. Even if the area can offer a great variety of activities, a great number of guesthouses offer no auxiliary way of spending time (8 out of 40 guesthouses). 60% offer and organize field trips and only few organize cultural or sports events.

4.8. Food services

Figure 4: The offer for food services



Source: Personal approach of the authors

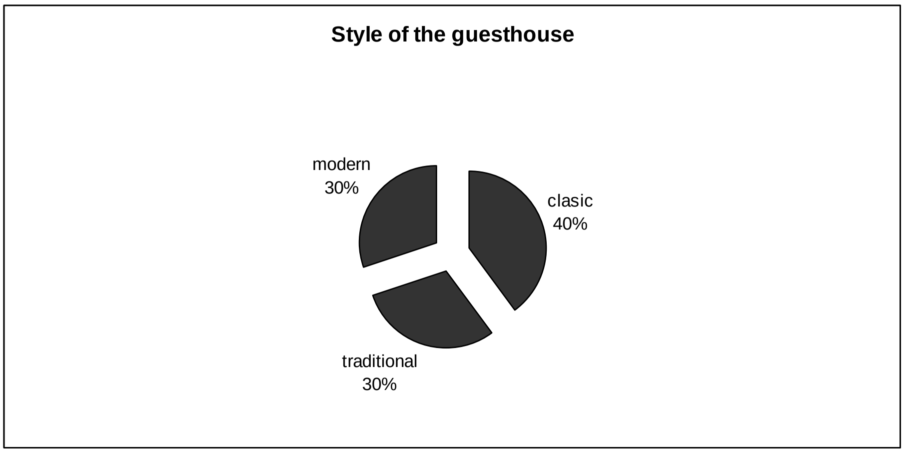
Most of the guesthouses offer food services (34 out of 40) considering the fact that most tourists come with families and children. Among those guesthouses which offer food services, half have traditional meals consisting of specialities from Cluj and Alba counties. The other half splits between classical meals (47%) and exotic meals (5%). Classical meals do not include any of the traditional dishes and exotic meals include recipes form all over the world.

4.9. Authenticity and customizing clients

The architecture of guesthouses must be taken into consideration because it is one of the key elements in rural tourism (Nistoreanu, 2010, p 189). Therefore, the research went on with analyzing the style of the constructions, colors used and general architecture.

Researches undertaken on tourists have shown that those who choose rural areas enjoy to live authentic and prefer guesthouses that maintain authenticity.

Figure 5: The style of the construction



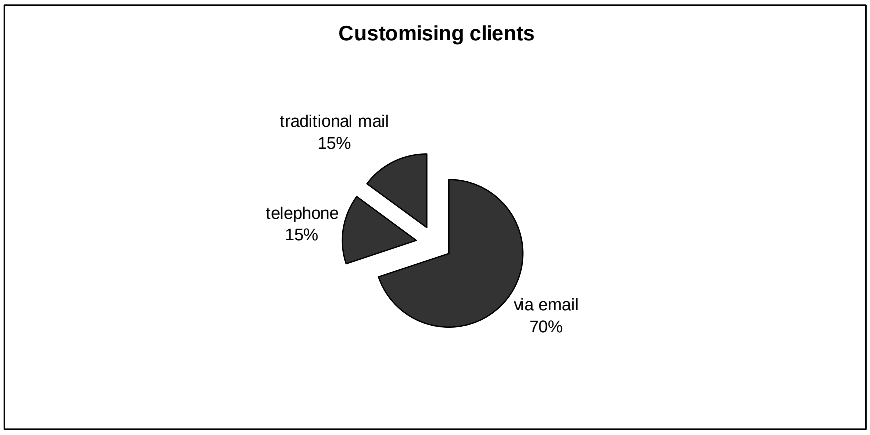
Source: Personal approach of the authors

The traditional style consists of a lot of wood and soft colors while the classic one follows general rules used in constructions, with no sense for keeping the symbols of rural life. Modern style, on the other hand, uses a lot of steel and iron and the colors are vivid and sometimes too strong.

Only 12 guesthouses chose to build or to use traditional buildings, while the majority followed the classic line, more easier to adopt.

Feedback is very important when it comes to maintain good relations with tourists. Considering the fact that guesthouses are not hotels, and that the number of clients is not so high as for hotels, developing a good method to maintain contact is highly recommended. The research analyzed three types of ways used by owners that want to customize their clients.

Figure 6: Methods used in maintaining contact with clients



Source: Personal approach of the authors

60% of all guesthouses that participated in this field research admitted that they maintain a good relation with all their clients and the other 40% say they do not keep any trail of the tourists who spent vacations at their guesthouses.

The most efficient way, according to owners, is via email because it is fast and efficient. Most of the times, tourists even write back.

5. Discussions

The goal of this research was to outline today's situation regarding rural tourism and guesthouses in two counties of Romania, Cluj and Alba.

It has been argued that the consumer of rural tourism is a particular type of consumer whose behavior is influenced by some factors and special characteristics. All consumers guide themselves with the help of their own "black box", where all information is located in order to be used at any time (Kotler, 2004, p. 257). Even so, the consumer of rural tourism seems to develop a 'black box" that is quite different form the one of common consumers. Motivation, perception, attitude, learning and last but not least, culture are the most piercing factors that influence rural tourism consumer's behavior (Kotler, 2004, Nistoreanu, Gheres, 2010, p. 49-85, Kozak and Decrop, 2009, p. 145, Fesenmaier and Wober, 2006, p. 45).

The owners of guesthouses in the rural areas mentioned above, based their businesses on offering services to tourists. What they did not take into consideration was the needs and expectations of tourists. According to researches undertaken on consumers of rural tourism in the same area, most demands coming form tourists are not considered by guesthouses (Plaias, Gheres, Pop, 2008). This research based its questionnaire on the results of initial findings (data analyzed coming from tourists) in order to identify the mechanism used by guesthouses. It would be interesting to make a comparison between results, to put the demands of tourists face-to-face, along with their expectations and the offer of guesthouses.

In rural areas from Romania, tourism is in its early stages. If countries like Japan, invents fabulous methods to allure tourists to rural areas, Romanians still need further research in this field of interest. In order to meet rural life, in Japan tourists hike and walk to specific areas. This is one of the memorable ways to experience rural life and tourists enjoy it (Dubois, 2005).

Similar to Japan, Romania could benefit from this type of tourists, considering the fact that infrastructure is not in a good shape. In order to develop the general economy, some countries invest in infrastructure more than in other sectors. Indonesia, for example, talks about access to infrastructure as a main interest because it is a factor that affects non-farm rural life, in general (employment, income, etc) (Gibson and Olivia, 2010).

Furthermore, an interesting point of view regards the future of rural guesthouses and the consumer of rural tourism projected in future, as well. Hall and Kozak (2001) talk about new types of tourists ready to emerge somewhere in future. Post-modern tourists are almost fully aware of their behavior and know how to form their demands and how to control them. Owners of guesthouses in rural areas of Romania need to reconsider this aspect because tourists will change in behavior (Nistoreanu, Gheres, 2001, p.78).

Another aspect has been analyzed by Decrop (2006) in one of his works where he identifies new types of tourists who are loyal to their brand. The process of making decisions is highly changed. These types of tourists search little or no information before buying and evaluate very little the alternatives.

The consumer of rural tourism in Romania could be affected by these changes. It is a challenge to observe the new mechanisms used by guesthouses in rural areas, businesses that need to reconsider their activities.

6. Conclusions

40 guesthouses accepted to participate in this research which has been undertaken in rural areas form two counties of Romania, Cluj and Alba. In order to collect data, a questionnaire has been developed, following the results from other researches taken before. Most of the data from the questionnaire has been taken form a research applied to tourists form rural areas, in the same counties.

Therefore, we hypothesized that guesthouses should consider certain aspects of consumer's behavior in order to function correctly. After analyzing data collected form the owners, the following conclusions have been reached.

Most guesthouses have more than 5 years of activity and only 10% are younger than 6 months. Almost 41% are ranked with 3 stars and a significant number of 8 guesthouses (20%) have no classification.

When talking about personnel, most than a half (60%) of all 40 guesthouses admit they have less than 3 employees, 29% have only qualified employees and 41% have some of their employees qualified for the work they are doing.

Another aspect refers to promoting the guesthouse. 30% use no promoting techniques and the most frequent way used by the others is through internet. Most of them have websites especially designed for promoting the business. Some of the guesthouses use their website to make reservations. But a considerable number (60%) use the telephone as a reservation system, while 10% have no reservation system at all.

50% of guesthouses have parking areas especially equipped for tourists who come with personal cars. The other half has no parking area.

Auxiliary ways of spending time is another aspect analyzed through the questionnaire. The majority of guesthouses (24 out of 40) offer various trips for those who want to know the area better. 20% offer no auxiliary ways of spending time for tourists. Other guesthouses prefer to organize cultural or sports events or to loan different objects (bikes, scooters, etc).

The food service is also important and this is why two questions from the questionnaire dealt with food. 85% of guesthouses offer food services because most tourists come with families. Even so, 15% have no restaurant, only a kitchen used by tourists to prepare their own food. Half of those guesthouses with restaurants offer traditional food, with dishes form Cluj and Alba. The other half offers classic meals or exotic ones (meaning recipes from other countries).

Authenticity is another aspect that influences consumers in rural areas. When it comes to architecture, 40% follow the classic lines while 30% choose the traditional style. Buildings have a lot of wood and the colors used are rather pale.

Feedback was the last aspect pointed out in the questionnaire. Owners of guesthouses said they use to maintain contact with tourists even after checking out (60% of all guesthouses). The most common way to do this is via e-mail. 70% of guesthouses use this method in order to obtain feedback and to keep contact with tourists. The other methods used are the telephone and the traditional mail.

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THE ECONOMIC APPROACH TO ECOSYSTEMS: A COMPARATIVE ANALYSIS FROM THE PERSPECTIVE OF ECOSYSTEM FUNCTIONS

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Abstract: *"Ecosystem services" is a relatively new concept, developed under the pressure of the economic approach which, in turn, was adopted because it proved to be the most appropriate in relation to the determinants of ecosystem degradation. In essence, it reflects an anthropocentric position in which nature is to serve humanity. In contrast, "ecosystem functions" is a well-defined concept of ecology to describe the purpose of ecosystem interactions with the system superior to - the biosphere. To the extent that instead of using an anthropocentric view, an eco-centric one is used, functions and ecosystem services are practically overlapping, because society is one of the components of the biosphere, so that the welfare state is directly related to the biosphere caused, in turn, by the ecosystem functions.*

Key words: ecosystem, ecosystem services, economic approach

JEL classification: Q57

1. Correlation services - functions of ecosystems

Correlation services - functions of ecosystems is approached by Costanza and collaborators (1997) in a reference work for the evolution of the concept of ecosystem services. In this case, the distinction between the two concepts considers usefulness as a dividing line, under which there are functions of ecosystems, i.e. results that do not directly contribute to human welfare and ecosystem services, i.e. results that directly contribute to human welfare. In other words, the functions are indirect determinants of welfare, while services are direct determinants.

Table 1 suggests the correlation between functions and services, grouping ecosystem functions that contribute to the manifestation of certain services.

Table 1: Ecosystem services and functions

No.	Ecosystem services	Ecosystem functions	Examples
1	Gas regularization	Regularization of the atmosphere chemical composition	Balance of carbon dioxide balance / oxygen, ozone protection against UVB, sulfur dioxide concentrations
2	Climate regularization	Regularization of climate temperature, precipitation and other biologically mediated climatic processes at global and local scale	Regularization of greenhouse gases, emissions that affect clouds formation
3	Disturbances regularization	Empowerment and integrity of the ecosystem response to environmental fluctuations	Protection against storms, floods, drought recovery and other aspects of habitat response to environmental variability mainly controlled by vegetation structure
4	Water regularization	Water flows regularization	Water supply for agriculture (irrigation), industry (washing ore) and transportation
5	Water reserve	Water storage and retention	Water supply in river basins, reservoirs and groundwater
6	Control of soil erosion and sediment retention	Soil retention in an ecosystem	Preventing soil loss by wind erosion, rain or other processes, the deposit of sediment in lakes and wetlands
7	Soil formation	Soil formation processes	Rock alteration and accumulation of organic material
8	Biogeochemical cycles	Storage, internal circulation, processing and acquisition of nutrients	Nitrogen fixation, nitrogen cycle, phosphorus and other nutrients

No.	Ecosystem services	Ecosystem functions	Examples
9	Waste treatment	Recovery of mobile nutrients and elimination or decomposition of substances in excess	Waste treatment, pollution control, detoxification
10	Pollination	Movement of floral gametes	The provision of pollinators for the reproduction of populations of plants
11	Biological control	Trophic-dynamic regularization of populations	Control of key predatory species on prey populations, herbivores reduction by top predators
12	Refuge	Habitat for resident and transit populations	Breeders, habitats for migratory species, regional habitat for locally harvested species or species of wintering
13	Food production	Part of gross primary production that can be extracted as food	Fish, meat, crops, fruit by gathering, hunting, subsistence agriculture and fishing production
14	Raw materials	Part of primary production that can be extracted as raw material	Production of timber, fuel and feed
15	Genetic resources	Sources of biological materials and unique products	Medicinal products for materials science, genes for plant resistance to pathogens and pests of crops, ornamental species (pets, horticultural varieties of plants)
16	Recreation	Providing opportunities for recreational activities	Eco-tourism, sport fishing and other outdoor recreational activities
17	Cultural	Providing opportunities for non-comercial use	Aesthetic value, artistic, educational, spiritual and / or scientific ecosystems

Source: Contantza, R., d'Arge, R., de Groot, R., Farber, S., Grasso, M., Hannon, B., Limburg, K., Naeem, S., O'Neill, R.V., Paruelo, J., Raskin, R.G., Sutton, P., van den Belt, M. (1997), The value of the world's ecosystem services and natural capital, *Nature*, 387, 253-260.

Analyzing the representation of Table 1, we can see that between ecosystem functions and services is not always a one to one correlation. In some cases an ecosystem service is the product of two or more functions of ecosystems, while in other cases a single ecosystem function contributes to two or more ecosystem services. It is also important to emphasize the interdependent nature of ecosystem functions. For example, a portion of net primary production in an ecosystem comes to food commodity which generates the necessary respiratory products to primary production.

Although the functions and services are interdependent, in many cases can be combined as they are common products of the ecosystem that contribute to human welfare. Costanza and collaborators (1997) highlights the need for a minimum of "infrastructure" for ecosystem services should be produced. This reveals another aspect of the correlation services - functions of ecosystems i.e. a minimum level of functions that should be met for the services' occurrence.

In the conceptual framework developed by MEA (2005) distinguishes between four categories of services: support, supply, regularization and cultural services. The definition of first category makes it difficult to delimit the ecosystem functions from the ecosystem services. The proposed interpretation means, in fact, that support services represent in deed the ecosystem functions. The same reasoning applies to the regularization services.

"Ecosystem services" is such a concept whose content cannot be clearly defined in comparison with the concept of "ecosystem functions". The difficulty of differentiation can be explained with reference to report's methodology and correlated with the ecological and social dynamics and the origin of the concept of "ecosystem services".

2. Reporting methodology

Distinction ecosystem functions/services is difficult to be made because it refers to the same entity whose functionality is reported differently. Thus, if human being is not present, ecosystem functions are services for the biosphere and are called functions. If human being is present, ecosystem functions are for human benefit, so that they become ecosystem services.

Roe and van Eeten (2003) develop this reasoning for bringing attention to the dynamic nature of systems analysis. Thus, recognizing the ambiguity of definitions and the distinction between the functions/services ecosystem they bring attention to the fact that in practice there is still a need for a continuous redefinition because of the increasing pressure due to the population growth and resource extraction. What slow as a virgin ecosystem before the existence of settlements is now a large technical system which overlaps with systems dominated by human being. For example, delta ecosystems serve not only to control and avoid water flows, but also functions as protection for the agricultural ecosystem, agricultural ecosystems' function besides providing food, or other ecosystems designed to protect against urban sprawl. These changes can be seen also as a reformulation of the ecosystems considered contour. This redefinition is necessary to highlight some of the processes, since they occur only at certain spatial scales.

The concept's origin offers another explanation for this ambiguity. "Ecosystem services" has been formulated and developed to address the economic approach, being necessary to clarify the relationship between needs and resources. To the extent that there are no needs, resources that could satisfy them have no value. The concept of "ecosystem services" is meant to enhance the society's need on one hand and the resource that can be used to meet that need, on the other hand.

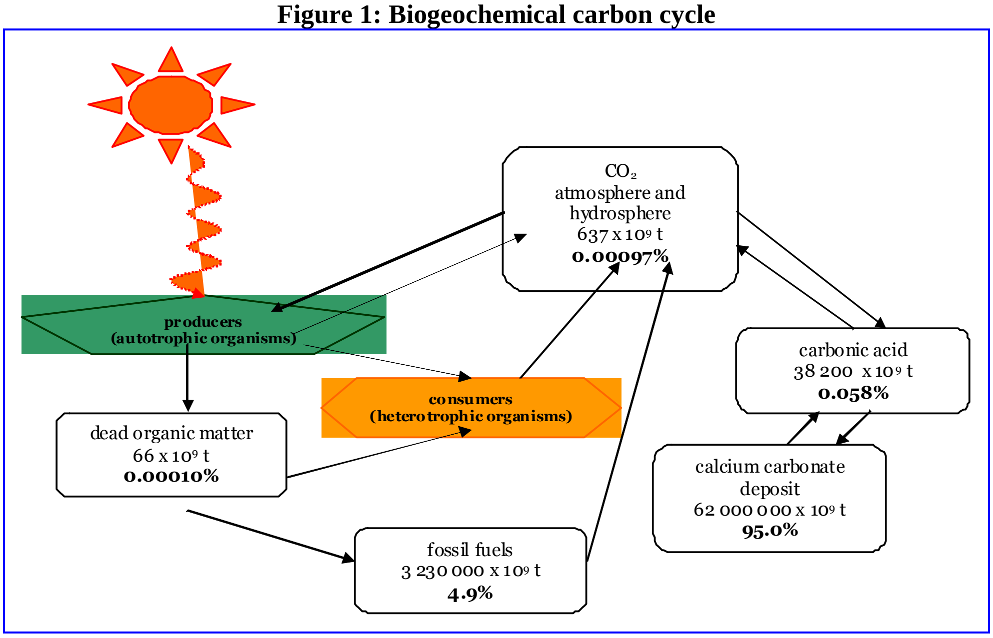
In the absence of such a concept, ecosystem functions were considered invaluable heritage that even can influence decisions in their favor, but does not allow evaluation of several options in quantitative terms. In other words, any action with detrimental effect on the ecosystem is not allowed because it lowers the value of ecosystem. On the other hand, can be listed relatively few actions with no negative effects on the ecosystem, so to maintain the integrity of the heritage represented by the ecosystem, the others should be stopped.

Of course, this is an unrealistic perspective and the argumentation of economic decisions requires the possibility of costs and benefits estimation, i.e. answers to questions such as: reducing the value of ecosystem is *"x"* for option 1 and *"y"* for option 2. The creation of these references is possible by transforming the inestimable value in estimated value, and within this process was necessary to clarify the correlation between needs and resources.

3. Ecological interdependencies and society benefits

To serve the purposes of economic analysis becomes more important to know the ecological interrelationships they depend on the direct benefits of society. They are more enough accurately described by Ecology, although the quantitative relations are far from being exhaustively explored.

Figure 1: Biogeochemical carbon cycle



Source: Ricklefs (1976) cited by Bran, F., Ioan, I.. (2004), *Ecologie generală*, ASE Publishing House, Bucharest, pp. 82.

Bran and Ioan (2004) define these functions with respect to elementary forms of matter - substance, energy and information. Thus, there are biogeochemical circulation functions for different elements that influence metabolism, macro – elements being predominating (carbon, oxygen, hydrogen, nitrogen, phosphorus, sulfur); energetic function embodied in ecosystem productivity and ecological balance function as an expression of the information function.

Biogeochemical circulation is one of the most known transformations of nature. In terms of ecosystem function, biogeochemical circulation determines constant concentration of gases in the atmosphere, climate, nutrient reserves for the first link of the food chain - plants, no waste to name a just a few. In terms of services, the results are similar as people are direct beneficiaries of constant concentration, climate, waste disposal and indirect beneficiaries of the nutrient reserve recovery. Biogeochemical cycle of carbon (fig. 1) is one of the biosphere most important determinants. Its perturbation by excess emissions resulting from burning of fossil fuels illustrates the importance of this function / service. How much should society pay for this service is one of the economic questions that received the most elaborate and concrete answers. Tax carbon, emissions regulations are examples of economic opportunities arising from ecosystem functions reporting to human welfare, their analysis as "ecosystem services".

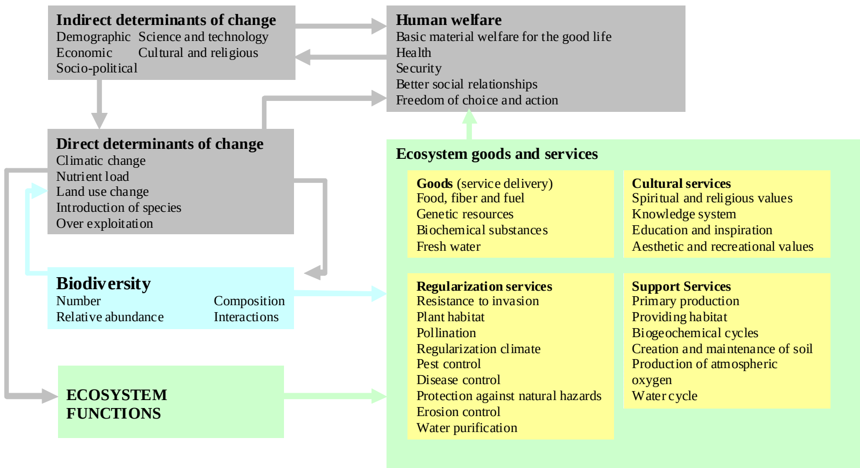
Transformation of energy is crucial to the functioning of ecosystems and the biosphere. From this point of view, the biosphere is part of the regime imposed by the law of entropy, the compensation of continuous energy dissipation. Photosynthetic fixation of solar energy has become the main energy input into the biosphere with the advent photosynthetic plants. The development process depends on the carbon cycle, an element that allows "packaging" of sunlight, and makes the existence of the state "far from equilibrium" specific for life.

For society, the energetic function of the ecosystem belongs to the category of support services, being considered as an indirect benefit. The result of this function, biological productivity, is providing the services, that intermediary for the direct benefits resulting from biomass.

Ecological balance is the goal of ecosystem function in terms of information. The main self-regulation mechanisms are preventing mechanisms (feed-before) and correction mechanisms (feed-back) based on different relationships, as: reproduction, spread, self-protection (hiding, homocromie, mimicry), food (trophic) and biochemical (auto toxicity).

Starting from the conceptual model proposed by MEA (2005) (fig.2), become relevant to discuss the relationship between biological diversity and ecosystem stability (Box 1).

Figure 2: Biodiversity, ecosystem functioning and determinants of change

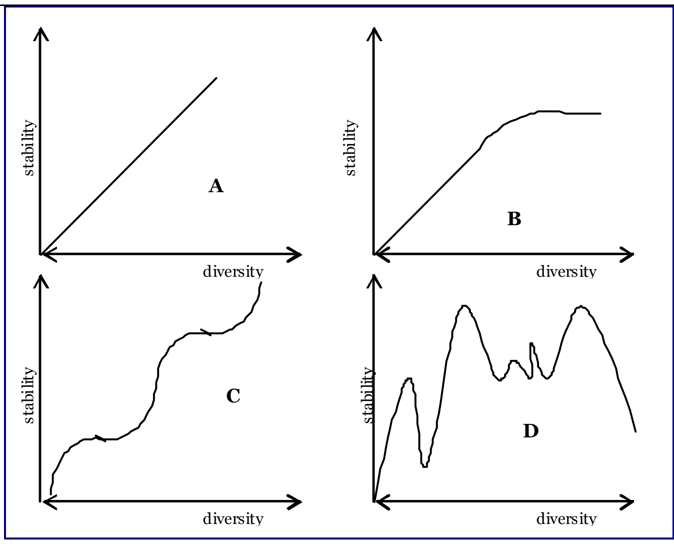


MEA (2005), *Ecosystems and human well-being. Current state and trends*, volume 1, Island Press.

Box 1. The relationship between biological diversity and ecosystem stability

Thienemann (1925) identifies two types of equilibrium, corresponding to biocenotic principles: balance principle I, characteristic of hot areas, with very favorable conditions, where maintaining the balance is positively correlated with diversity (the equatorial forests, coraligen reefs); balance principle II, characteristic to biotopes with relatively few species, better adapted, where apparently unbalanced structure is maintained by "barrier" of the biotope.

MacArthur (1951). This hypothesis is based on positive correlation between diversity and stability. Such ecosystems are more stable as they have a higher heterogeneity, more species capable of reacting in a "professional" appropriate to the environmental change.



Stability-diversity relationship as assumptions of A, MacArthur; B, Ehrlich & Ehrlich; C, Walker; D, Naem.

Ehrlich and Ehrlich (1981) stated "rivets" hypothesis based on the analogy drawn between rivets to ensure the stability of a plane's wings and populations providing stability to biocenosis. Removing rivets will cause massive damage to the wing after missing just enough rivets; when first rivets are missing, this does not significantly affect the wing stability. Similarly, the absence of some species will affect progressively the stability of the biocenosis, but it is really dangerous for the whole biocenosis only up to a certain level. This hypothesis considers all species of an equal importance; the effect of their presence is related only to their number, not to the specific functions they have.

Şchiopu (1982) assumed that for the biocenosis' stability is not responsible the large number of species, but other biocenotic parameters such as abundance of antagonistic biosystems and of the possible equivalent functional states. Thus, disrupting the biocenotic balance because of an external force does not cause an opposite reaction from the affected biocenosis. The existence of species with different requirements, sometimes conflicting, allows adaptation to varying conditions. For example, within the biocenosis' composition, both species: heliophilous and umbrofile can be found. Under conditions of strong heatstroke, the first category of species multiplies, stores energy and synthesizes biomass, and under conditions of low heatstroke, this role is taken by the umbrofile species. The system (biocenosis) is not destroyed, but maintains the balance due to this combination of species.

Walker (1992) believes that the diversity-stability relationship can be explained by the hypothesis "driver and passengers". According to this, species have not equivalent roles - many species perform superficial functions ("passengers") and only a few ("drivers") are important for maintaining stability. Therefore, stability will depend not only on the number of species to disappear, but also on the function that is not satisfied anymore.

Naem (1995) states the "idiosyncrasy"hypothesis. It admits that the ecosystem functions change when species diversity is changing, but the magnitude and direction of change are unpredictable whereas the role of each species is complex and can vary from one environment to another. In addition, the ecosystem's functions depend on the ecological history and evolutionary history of the species being in interaction.

Source: Bran, F., Ioan, I. (2004), *Ecologie generală*, ASE Publishing House, Bucharest, pp. 160-162.

4. Conclusions

The assumptions are different regarding how to explain the correlation between the ecosystem's complexity, diversity and stability, but they are converging in terms of role played by the energy flow. Further, opinions are unanimous regarding factors determining the stability and trophic relations as the main guarantor of stability. The links generated by food are in fact the main pathways through which energy and, thus, the substance are circulating (Bran and Ioan, 2004).

If the ecological balance is the expression of ecosystem's information function, in terms of ecosystem services, genetic resources and biological mechanisms may also be interpreted as determinants of this function. Human being is the direct beneficiary of the mechanism of photosynthesis and assimilation, controlled by agricultural technologies. Substances produced by plants and proved useful in treating diseases are further reproduced by chemical synthesis. Thus, human being takes the benefits of nature's "technology" imprinted in the species' DNA.

Identifying ecological interdependencies and their relations with environmental benefits to society, however, is only the first step in building the necessary knowledge in decision making. The description in quantitative terms that should follow will be critical to identify answers for distinguishing among options. Given the characteristics of ecological and social systems, quantitative analysis of the relationship between them is a difficult task since many benchmarks, formed by positivist approach, should be abandoned in the favor of exploring directions proposed by the theory of complexity. This goal was pursued consequently within MEA (2005) and is continued by the project TEEB (Economics of Ecosystems and Biodiversity) for the rationale of determining economic instruments to protect ecosystems and biodiversity.

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THE CUSTOMER RELATIONSHIP MANAGEMENT IN ELECTRONIC MEDIUM

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Abstract: *Considering the complexity of trade it is of importance not the competitive technology and the capacity to integrate the products in a pack of services that accompany them. The image of the services quality operates in an intensive manner on the buying behavior of potential customers, the level of sales being so, greatly dependent of the supporting services. The implementation of an electronic project CRM are determined by the technology development and allows a rapid adaptation of the organization behavior to the changes on the market that will meet better the wishes and exigencies of the clients.*

Key words: Cyberspace, customer relationship management, marketing

JEL classification: M31, M15

1. Introduction

The contemporary period is characterized by a re-thinking and re-conceptualizing of the market, aimed at providing it for the co-ordinates of a market able to answer flexibly and dynamically, in the framework of the permanent restructuration of the whole society.

The establishing of the new co-ordinates of the market represents a process with constituent elements developing under the effect of a competition brought about by the emergence of new technologies, at different levels: products manufacture, communication, transportation, distribution, banking and finance systems etc. The competition will contribute both to the permanent re-structuring of the products life-span and of the relationship that is at the background of any transaction or business (Laudon, 2002, p.10-20). Under these circumstances, trade, through its systems of organizing the trading network, will have to overcome the status of a mere servicing of the final end-users or agents, aiming at a complex service, multiple valences, that contributes to the complex balancing of the market areas where it is active, and socially involved.

Any predictive approach of the trading matter cannot avoid the world economy exigencies, under the circumstances where trade, in general, retail, in particular strives for globalization. Moreover, the systems of meeting the consumers needs in any country aim at a widening of the area, namely additional to the object of buying-selling act, it becomes more and more necessary to offer a large array of facilities, that contribute to the increase of satisfaction degree (Gupta, 2005, p.34-39). In the framework of the modern economy, the entrepreneur designs the company strategy focused on a major variable – the client satisfaction (a variable that is a true standard of the trading development – success or failure). Looking carefully to the technologic development, using these in an innovative manner, the trader, together with the suppliers, is aiming at the diversification, enriching its offer with a large and various arrays of services.

The important increase of the role of services around the world makes the rally to global networks of services to become a *sine-qua-non* condition of the integration and operation under the new global economic climate. The process implies that the countries able to integrate have and develop a highly developed infrastructure, at international standards, in view of making the integration possible at any level. Considering the complexity of trade and the aims in view, to last in electronic business, it is of importance not only the competitive technology but also the capacity to integrate the products in a pack of services that accompany them during their span of life. The image of the services quality operates in an intensive manner on the buying behavior of potential customers, the level of sales being so, greatly dependent of the supporting services.

2. E-space and CMR

In the framework of such coordinates, the success of the business will depend, more and more, on the company capacity to offer complementary services that are more adequate and useful to clients and that contribute, at the same time, to the strengthening of the relation between the products and clients (exceeding the competition being more difficult under such conditions). This phenomenon seems favorable for buyers too, thus becoming the beneficiaries of a complex of utilities (product-service), which will ensure a high level of meeting different types of needs. The fragility of certain clients fidelity to a product, a trade-mark, a company can diminish by a policy of promoting complex services, that by offering special uses to each consumer, leads to the creation of certain buying behaviors based on a permanent collaboration between the seller and buyer, a good mutual relationship, a high degree of fidelity for the offered product-service whole (Laudon, 2002, p.26-52). The Internet superiority to offer a large array of „areas" of developing trade can be also a disadvantage the used pattern is the first decision that has to be taken on starting an INTERNET business. There are already many patterns for business on Internet, classified by the number of suppliers, servicers for clients: 1-to-1 (*e-shop*), more to-1 (*e-mall*), more-to-more (e-auction). It is thus set up a range of services within which each element can be dominant. A first element is the products or services supplier; the second one is the Internet services provider that offers space on Web to possibly integrate into an e-*mall*. The third element of the range is the client, having a certain professional formation, own interests, preferences. This client can be a consumer (B-2-C), another company (B-2-B), a public administration (B-2-A), an employee (B-2-E /in the context of inner transactions of a company). The buyers are exposed to quite many potential sellers. The dilemma is for the consumer as an information overload. Thus, a certain anxiety of the consumer occurs, the latter one being unable to weight the whole information available (increasing the possibility of a wrong buying decision).This consumer „deception" can be avoided, in a great measure, by creating a strong company name, as very seldom, especially on internet, the decisions of buying are taken based on the trade-mark (thus the risk for the consumer is diminished).

Under the new context, marked by the information technology, the marketing can be understood as the transmission and reception of information impulses in view of finally getting selling impulses. The whole trading complex (product, price setting, promotion, relationship, creation and development of trade-marks, distribution) depends on the communication of information (Kotler, 1998, p.20).Using the specially made databases, the possibilities to influence effectively the market are growing greatly, as long as the data meet the necessary criteria. The technology places the companies in a better position for an individual approach (personalized communication), even on a large market, owing to data on clients and the client searches cumulated in databases (Haeberle, 2004, p.12). Thus, a new orientation of the company management has appeared, based on the relationship marketing that offers an answer to the challenge that the companies face – maintaining the clients (Kotler, 1997, p.10). It is the practice to build up long-term relationship, based on satisfaction, with key-partners (clients, dealers, suppliers etc). Network marketing, *Multi-Level Marketing* (MLM) or *Network Marketing*, represent a business where the companies pay for publicity after the sale of their products. Through this strategy, the companies use the publicity budget for the payment of a distribution network of independent sellers. Each participant to a ML: M business gets commissions for the products selling both for the individual and the network sales – direct and indirect collaborators that are affiliated. The conditions as an electronic business of MLM to be profitable are : to sell required products, of good quality; the business to be in expansion, either at local or global level (the market enter data is not important but the existence of geographical areas where the business is developing or such business does not exist); the supplier to offer professional services (maximum responsibility) in delivering in time the products, adequate employ instructions materials; agents commissioning engagements.

Customer Relationship Management (CRM) has developed as a major element in the business strategy of many companies. It is based on the creation and development of personalized relationship with the clients, in view of strengthening this portfolio. A CRM strategy allows a rapid adaptation of the organization behavior (of the company) to the changes on the market; the company will meet better the wishes and exigencies of the clients. The implementation and development of an electronic project CRM are determined by the fact that the personalized relationship with the clients represents one of the most important „assets" of the company, and the built up of an information system which manage these personalized relationship determines a competitive advantage (embodied in the increase of the fidelity and retention degree of clients) (Karnyanszky, 2001, p.15). For some companies, the customer relationship management means (mainly) the implementation of a loyalty set-up, for others it is the built up of a database with data about the clients (helping the working out of a finer segmentation of the market). The electronic management of the clients relationship (E-CRM), does not represent only a „service „ for the client using Web methods, authomatization tools for the selling force or packages of software for the analysis of the buying behavior through Internet. The electronic management of the clients' networks represent the assembly of these initiatives, integrated to a process that allows an organization to meet more efficiently the clients needs (an integrated system of the clients relationship, based on the information and communication technology) (Kao, 1989, p.41-58). Aiming at the estimation of the efficiency of an E-CRM strategy, an important role has the *feed-back* offered by the clients, showing the way the established objectives were achieved.

3. E-CMR forms

An E-CRM implies many Web solutions, from personalized E-mails to Web *Call Centers*.

The "*telecommerce culture*" gets richer in an accelerated rhythm. The explosion of Internet connections vitalized the clients' relationship management, and the *Call-Centers* have become information channels and productive, economical sales one, open towards the old and new clients of a company. Using the „*Call-Center"* services a company can assure the maintenance of the relationship and keeping its clients fidelity – with optimum costs – with a specialized staff. The firms using a call center succeed in avoiding the method of random offering, having the advantage of the direct contact with the potential clients, who are well informed and interested in the proposed services activities of a *Call-Center* cover both those of *outbound* type, namely the meetings between the companies agents and prospects, selling by phone, market studies, reactivation of existing clients, but also the *inbound* ones, namely client assisting, order take over, laying by unique center, pre- and post sale assistance. There are in *Call-Centers,* namely departments of bigger companies (telecommunication companies, banks). A *Call*-Center represents, in a large sense, an operating entity of a company, able to communicate in real time (voice/data/audio-video) and serving simultaneously two categories of applicants: internal (when the management uses the *Call-Center* to co-ordinate the basic business, and the center is also used by the company staff) and external (when by *Call*-Center, the clients stay in touch with the company representatives. A *Call*-Center can support an organization to understand and react optimum and timely to the permanent changes of the business environment.

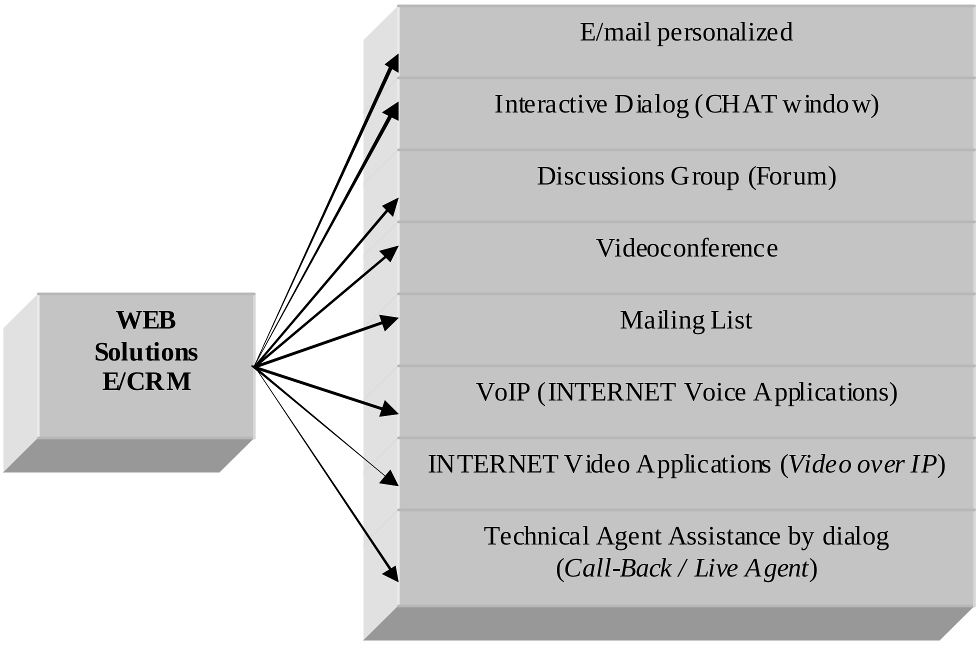
There is a general profile of the companies that should assure a *Contact*-Center. It comes to, first of all, the companies that offer products and services to a large range of public. *The Call-Centers* are not exclusively dedicated to companies with a very large number of clients. A company with a limited number of clients can offer certain types of services, of *follow-up,* certain data in real time and of good quality. One can speak about information *Call-Centers*, about those that monitor the clients' reactions (stocking answers, suggestions, claims) about commercial *Call-Centers.* As a rule, the report facilities and the statistics forwarded by a *Call-Center* bring about a valuable feed-back for the company. Quantitative and qualitative estimations, fairly right, close to those of the companies specialized in consumers polls.

The development of the concepts *HelpDesk*, *Contact Center*, *Call Center* (in different architectures) created specialized companies, that already offer to other companies an important number of clients, teams that know the importance of achieving and maintaining an efficient dialogue with the clients. These have an adequate technical support, able to answer different requests. Other firms are successfully operating *Call-Centers* for global clients, in an *outsourcing* pattern. Some are able to sustain *telemarketing* offensives. *The HelpDesk* represents a technical complex support, an integrated platform of IT *outsourcing* offered to enterprises, that can ensure the technical management from the company, monitoring the software, hardware architecture, *remote control* etc. the beneficiary company wins time and can focus on its *core-business* development. So, a *Help Desk* is a part of the *customer-care* activity.

The *Contact Center* is an interface of the relationship with the client, made up through all communication channels (voice, data, video), while a *Call-Centre* assures, traditionally a voice contact12). The personalized e-mail represents an instrument used by many companies to communicate with clients. On Web pages of companies, there is a contact button that can be accessed by a present/potential client. The client sends an e-mail where he explains the problems or claims regarding the bought product; requires details about a certain product etc. the company answers – as soon as possible – also by e-mail. The e-mail represents the cheapest solution Web of an E-CRM strategy; it does not imply special technologies (figure 1).Its main disadvantage is that of not offering a dialogue with the client in real time. Entering the database information on clients, a company can send personalized e-mails to devoted clients, to show special offers, promotions etc.

With an interactive dialogue (CHAT window), the client (Example – the client visit the firm's site to receive a prompt answer to a problem related to the utilization of the newly bought product. He has to push

Figure 1: Solutions types for E-CMR



the button CHAT – and on his monitor a window of inter-active dialogue will open. The question is written down in the window; soon the answer to the question will be shown.), can communicate in real time with a company's employee. The company has to have a person that offer technical assistance at any time.

A dialogue group allows the participants to touch subjects that interest them directly, through the centralization of the reports and their redistribution by e-mail. In the case of E-CRM, the constant clients of a trade-mark meet together, electronically, in a forum and discuss online about new products, offers of the competition etc. Video-conferences are used by those firms that have important financial resources. The video-conferences are used, usually, when a new product is launched; the electronic audience is formed from the clients that contribute significantly to the increase of the company turnover (Li Yanhui, 2007, p.67-92). The products of high technology are the object of video-conferences.

With the help of Web application „lists of addresses" the standardized messages are transmitted, generally, to the clients of the firms database (using a „*Mailing List*" one can send documents of the following type – thanks for previous purchases; information bulletins about new products of the firm; congratulations on client' birthday; polls on the degree of meeting clients requirements and requests for remarks). These messages are transmitted with the help of a „*Mailing List Manager*" (software that collects and distributes e-mail messages using a list). This kind of communication is, in some cases, more efficient then the personalized e-mails.

Accessing a *link* to an application VoIP will determine the insert of an actual/potential client *browser* into a window of dialogue and software for voice. VoIP applications need special components and software, to process the sound. VoIP is the "technical name" for what is „Internet telephony" . The main idea is that, instead of using it as a way of voice transmissions in fixed cable networks, it is using the Internet network, without any concern for the users regarding the costs of the telephone conversations. The cost of a conversation is low (practically, this made up of the Internet connection; the main advantage of the application).The disadvantages are (yet) represented by the system requirements (sound plates, microphones, ear phones, other components) and security (cryptograms, firewalls).

Thus, the client can have a discussion – in real time – with the responsible person with the technical assistance within the company. The multi-media technology allows the type of application „*Video over IP*", which can be spectacular for the client generally, DIVP applications (*Digital Video over IP)* are costly. They are, usually, aimed at complexes industrial products.

Beside the technical assistance, suggestions, employment instructions, this can see how, the product he wants to buy, really runs. The solution E-CRM, type „*Call-Back"* combines the Web technology with the telephone. Accessing the button „*Call*-Back", on a company site, a client having some obscure points related to the bought product, can require to be called – at once or at a certain hour – by the person responsible for technical assistance. These facilities came out when it was noticed that the clients wish the „human element" to be put again in the online commerce (Lomerson, 2004/2005, 2).

4. Cybermarketing

In the virtual context, the marketing becomes indissolubly connected with the sales activity, electronic commerce, and electronic business. The *cybermarketing* („marketing in virtual context", „online marketing", „Internet marketing") is placed at the crossroad of three fields of activity – marketing, economy and technology – and have the aim to design the trends, to identify the major facts for business and social life (Holland, 2004, 3). The major stages that an organization has to run through for building up and implementing online are: the discovery of key aspects of the technology able to activate *cybermarketing* capacities; the precise set up of the technical and technological characteristics that will merge with the theoretical aspects of marketing, the analysis of the economic aspects that govern the new style of Internet marketing (Robbins, 2005, 3).

Cybermarketing has to be seen as an online information policy, as an online marketing focused on consumer. An important element of the marketing policy focused on client is represented by the members registered as users. The force that governs the *cybermarketing* is the client. The low cost and high efficiency of the virtual world, the world wide extent of the computer networks grants the specialists important opportunities for new targets for their marketing actions. As a consequence of the increase of interactivities, the clients use frequently the offered servicies; invest time for their understanding, stay online connected with the producers. The interactivity is a complex factor that depends on direct communication (dialogue is possible when there is a direct communication between the *marketer* and client, without intermediation or blockings of *feedback*), the individual choice (the network is not a proper communication medium, it is rather a transportation motor for opinions, choices, transactions) and the friendly technology (the net can be a difficult and challenging medium for some users) (Reynolds, 2004, p.13-52).

The term innovator firm is not synonymous to firm on Internet. What really matters is the effective way of using the Internet page (the Internet displays have to meet clients' requirements). the term „Internet page" is common, but the simple fact of having such a page does not mean positive success (such a hypothesis could be taken into account during the beginning days of Internet, when the number o pages were limited; now, there are millions of businesses on Internet and having a Web page means nothing at all, even if its basic concept is very good). To obtain efficient results, the page owner has to set up tangible and realistic objectives, to draw a plan to accomplish them (even for exceeding the provisions). The realism is an important aspect. Apparently, it is said that to do business on Internet don't cost a lot, but this hypothesis can be deceptive (in fact, one can say that, usually, it costs less then a traditional shop) The Internet potential to reach to clients is huge but, at a first stage, those ones are „potential clients".

Under these conditions, the decisive aspect is made by the value added offer of the firm – on Internet – to the target group. The offensive, electronic marketing is based on the desire to innovate, on creativity. It assumes that a company has a clear strategy, invests continually to achieve this strategy, to forestall the future needs of consumers and to meet them faster and better then the competition, on long term. To obtain a superior value of the products/services of the company against of the competition ones, the offensive marketing involves each employee of the company. Electronic marketing is founded on three elements: focusing on clients; focusing on profit; employing all departments of the company in the achievement of the other two directions (each employee of the company is a „marketing man"; ideally, each employee should have a strategic thinking about the consumers needs, competitors and the competitive advantage).

5. Conclusions

The firm is enriching continually the marketing competences, fact that happens, mainly, in the activity orientation towards consumer, market integration, profit-making focusing. The business globalization is a challenge with the most impact on the marketing activity. Buyers and products suppliers adopt a more and more global position, and the idea of separated markets from a national point of view is no longer relevant, excepting the cases where there are evident differences of choice, the outcome of certain cultures. The creation of the unique European market makes this trend easy. From the marketing point of view, the problem is the restructuring of the marketing activities at a national level, with a view to be competitive on an international level, in bigger and more heterogeneous markets. Another matter that is specific to the business environment is the actual clients, more aware and sophisticated. They become exigent; their expectations regarding the quality, friability, durability of the products/services are constantly increasing.

As a result of a sharp competition, the strategy based only on consumers' segmentation is not ensuring the sustainable success of the company. Thus, the offensive, electronic marketing took progressively the place of the classic approach one. More, against the standard analysis of the clients needs it is necessary to focus also on defining the „ rules of the game" regarding the enterprises behavior against its competitors, and other key-actors present or influential in the market. In the electronic marketing, the analysis of competitors' reactions represents a decisive factor of long-term success of a company on a market.

The actual marketing has to take into account the strong impact of the information and telecommunication technologies on the world economy. The electronic commerce is based on the use of certain powerful IT infrastructures (Internet, WAN), software programs, communication services offered by the Internet providers (ISP) and distance applications, with the aim of a good running of business. Mobile commerce (*m-commerce*) has the same meaning with that of *E-commerce*, but its activities are run by means of a mobile telephone or another mobile device, with access to Internet. The world of electronic business will use more and more wireless devices to access the clients' data; to extract marketing information, to find out products and services offered by suppliers or dealers.

The connected services are a major vector in the development of a dense system of relationship with the users/buyers. In the future, the growth of sales will be supported, mainly by a good drawing and a strong exploitation of services whose added value allows the decrease of company vulnerability on certain markets. The outsourcing represents one of the benefits of globalization and is brought about by the need of companies from developed regions (Europe, North America) to get the optimum of business. Major advantages for the offer to be the host-country are represented by multi-languages, diverse competences and the potential of the young graduates.

The firms' position in consumer's mind is more important for the traders that operate in the Internet framework, because of the strong competition on this market. To attain this aim, the trade-mark has an important role, as it is used as a symbol representing the company on Internet. The relation of the customer relationship management (CRM) with the new information technologies is not limited to a simple personalized web site, but it spreads to all company functions that implies the management of data regarding the clients. The *Call Center* represents a pro-active service, where the humane factor and technology are inter-correlated, focused on an ever better in-house communication and also a high degree of meeting the clients' needs.

In the process of the decision taking within a national or international firm, at the same time with the extension of the activity in the field of electronic commerce, the managers have to estimate a number of parameters, as : currently offered products and services; the range of goods offered through the electronic channels; the access costs to Internet, hosting services; the geographical density of a business; availability of supplier chains; availability of finance, risk management and alternating payment methods.

Success managers in the field of electronic sales of a high value succeed in raising the group performances by developing certain fundamental emotional qualities: initiative, involvement, adaptability, understanding the needs, capacity to be influential, judgment, empathy, confidence, and power to challenge the others in a positive way. An interesting part of a business is the extending, in time, of the products consumption business development. This phenomenon occurs as a result of the consumers' efficient use and products awareness. The prompt sale has to be doubled by the consumer training, creation of a style and life standard.

A competitive marketing strategy imposes obtaining a balance between two separate groups: consumers and competitors. As a rule, the marketing specialists have put consumer in the center of their action, and the strategists the competitors in the core of their attention. Nowadays, under the globalization conditions, it becomes visible the fact that the accent on only one of the two groups is insufficient, being necessary a „fusion" of the two directions (a complete approach of the marketing strategy; the strategic thinking offers a more balanced approach both regarding the consumer, and the competitors, as a source of the competitive advantage). A competitive strategic thinking of the electronic marketing implies passing from provision to competitive advantage. The connection between strategy in practical terms, the competitive marketing mean „ faster, better, more" and the competitive advantage is so powerful and straight that the strategy is frequently defined as „ searching for the competitive advantage" (the competitive advantage is that „something" that allows a company to gain profits over the average in the field/branch of activity it is active in).

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THE ORGANIZATION THE OF MARKETING DEPARTMENT IN EDUCATIONAL STRUCTURES

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Abstract: *The educational system has to adept it selves to the new challenges that are taking place on the education and training market. That is why the existence and development of the private sector are inducing the need of public marketing at the level of schools and other educational institutions. Paper aims to present the place of the marketing department and a possible structure for Teacher Training Center and Technical School. Also there are presented the attributes and role of this department and its specialists. A new approach of the educational market could be a solution for system improvement.*

Key words: public marketing, educational system, customer information, market positioning

JEL classification: M31, M38, I20

1. Introduction

The marketing is the way to survival and efficiency or, conversely, can be a source of failure when the management of the marketing does not exist or is distorted. Starting from the observation that marketing has two sides submitted to constant pressures – the "logical and rational side", as well as the "intuitive–creative side" - Philip Kotler states that "marketing is both an art and a science".

Marketing practices are successfully applied in various fields of the economic and social life, and education represents an area of interest from this perspective. Marketing application in the field of higher education, as a natural consequence of competition with private institutions, is a successful demarche, unlike in middle school education. In middle school education there is no marketing department, there are only sporadic attempts to integrate marketing practices within the institutional management. In a time marked by discomposure and tensions in the entire educational system, due to the promotion of the idea of decentralization, a question arises also at the level of middle school education: "How could be organized a marketing and public relations department in an educational institution that - throughout specific pro-active and/or reactive actions – would provide customer satisfaction, while creating new products and new markets"?

The prevail of middle school educational institutions that are belonging to the public system inflicts a knowledge and a marketing approach specific to the public sector and services. The public sector, understood as "the sector that possesses the resources and the political tools to control the society through production, prices, finance and public administration" (Galbraith, 1982) plays an important role in the development of a society. Economic developments at the global level have triggered the trend for of the public institutions towards commercial practices and often profit-driven demarches.

In the context of a fierce competition for conquering and controlling new markets, both within this sector and between the public and the private sectors (for example in the case of educational or life-long training services), some concepts have been transferred from the private sector to the public sector. These include also the concept of marketing who has migrated from the private sector to the "non-commercial" area by means of: political marketing, marketing and public administration (educational, cultural, and healthcare), social and nonprofit marketing.

The public marketing, defined as "a modern concept for the guidance of public organizations, reflected in a series of planned, programmed and conducted activities, using methods and techniques with the aim to meet the needs of the taxpayers and/or to promote behaviors that are expected in the communities that represent target markets" (Grigorescu, 2007) is the kind of marketing that determines and satisfies the needs of the citizens, consumers of public services.

The final goal of the public marketing – to meet the consumer's need for public services – is integrated into the management objectives of the public organization and subsumes several operational goals like: (1) understanding the goals of the public organizations and determining the ways in which the marketing contributes to their achievement, (2) smooth integration of marketing policies in the policies pursued by the organization, (3) formulating public marketing strategies specific to the organization.

Perceived as a management tool specific to sectors focused on profits, the marketing initially encountered some kind of opposition on behalf of public sector managers. Other explanations might be the resistance to change in almost all spheres of political, social and economic environments and the lack of knowledge with respect to the concept of marketing frequently associated with the sales area. Or, from the above, it is clear that marketing does not mean "sales". In the public sector the resistance to the use of marketing has been manifest at both service providers and customers' level. Due to the public services approach based on market mechanisms - in the institutions that were open to integrate marketing into the overall management of the organization - a change in the structures, the attitudes and a clear improvement of results has been perceived, leading to increases in customers' satisfaction.

In the central place of the market lies the consumer of public services. Around him are revolving firms providing services in order to fulfill his requirements by means of more and more attractive offers. Every company aims to predict, to anticipate and, furthermore, to stimulate consumer's desires and, due to a planned response, to orient its actions towards making him a client faster than the competition. As a conclusion, the consumer is "the king" as stated by Philip Kotler. Without him, any business does not survive.

Modern marketing requires actions determined by projecting company's interest "from the outer to the inner area", market segmentation and achieving customer satisfaction. Public services have special features. Regardless of work- or business relationship, "the user is in relation of citizenship with the public service because, as citizen and due to social membership, he has certain rights and he participates in decisions" (Tanasescu, 2008). This specificity involves studying the dynamics of consumer behavior (behavior reactions – perception, impression, and conduct) mostly generated by his relations with other members of the community within the targeted market he belongs to.

2. The current framework and the basic structures in the middle school education

Currently, public marketing gains an increasingly large importance in all areas. In the field of education, marketing was promoted efficiently in higher education. In the County School Inspections (CSI), Teacher Training Centers (TTC) and schools the offer of educational services has not a scientific determination. After 2000, at the level of technological highschools covered by the Phare TVET programme a managerial guidance towards marketing was attempted, in an empirical approach and without involving professionals. Polling structures for local and regional markets have been established. These are issuing prospective documents (REAP – Regional Education Action Plan and LEAP – Local Education Action Plan) on several levels: economic, social, cultural and demographic. The documents are basis for the School Action Plan, which is conducted by teachers in schools and has acquired, at present, a formal side.

The connection between the labor market and the education market is well known. Thus, if the unemployment ratio is rising, the demand for education increases. Under these circumstances, many people are willing to invest in education, hoping to preserving or obtaining a job. Schools and TTC should come with training offers able to meet the needs of these potential customers (teachers / students / other persons). Marketing departments are required to consider the framework in terms of the future. In order to do this, an efficient, flexible structure - driven by marketing experts – is needed.

TTC is a unit related to middle education, an institution with legal personality, with location, assets, logo and seal. Its mission is to promote innovation and reform-oriented approaches, to provide the framework for the professional evolution of the personnel working in middle education. The main objective of the institution is organizing life-long training activities, activities related to the scientific, methodological and cultural education for the middle education staff. According to the Rules of Organization and Functioning of the TTC (annex to OMER. 4897/2001), within the functions of the institution lies also the marketing education: training needs analysis, defining of products and services provided (offer for life-long training programs), promotion and delivery of educational services. TTC is administratively subordinated to the Department of Strategies for Career Development and Lifelong Learning within the Ministry of Education, Research and Innovations. At the local level, TTC's activity is controlled and coordinated by the CSI.

In achieving designed programs, TTC inter-relates with experts from the initial training institutions: universities, colleges, high schools and with institutions specialized in life-long training, accredited by MERI. In order to achieve its goals, it establishes partnerships with educational institutions at all levels, professional and scientific societies, libraries, research institutes, NGOs in the country and abroad, which have responsibilities in education and research.

As a consequence of the above-presented framework, the paper will discuss and propose marketing departments within the TTC, as a regional structure for educational activities and at a local unit – The Motor Transport School Group (MTSG) from Trgoviste. The rationale of the selected examples is the target market which is mainly constituted of teachers for training programs, in the TTC case, and scholars and parents, for the MRSG.

3. The need to organize the marketing department in a TTC

The TTC – whose mission is the life-long training of adults encompasses in its very center the triad: programmes provided, communication, and meeting customers' needs. Starting from the objectives of life-long education, TTC must initiate, organize and run programs as a result of investigating the needs for life-long training of teachers working in the middle education sector. Studies of the needs have as primary objective the set up of the most appropriate educational services, designed to meet the economic and social problems of the communities and social groups involved in implementing quality educational programs. The starting idea is that through professional marketing methods - implemented by a dedicated marketing department - the needs for professional development / life-long training of potential customers as bearers of the demand for learning could be determined.

The training services market is in constant development. Universities have proper infrastructures, specialized teachers and trainers, systems of study recognition due to the ability to issue post-graduate certificates, distance or online learning departments. A question logically arises: What could determine a teacher to prefer the TTC offers and not to turn his attention to the offers of the higher education institutions? The answer to this question might be: an offer with certified programs, closer to his expectations and needs, more diversified than the competition, quality services in a location in his proximity or even in his institution. To identify the competition, the TTC should have a special department with thorough knowledge of marketing and education, able to building up a positioning strategy: a strong position on the market of life-long training providers that should be maintained through consistency in performances and communication and by adjustments to the evolutions in public needs, competitors' strategies, and market evolution.

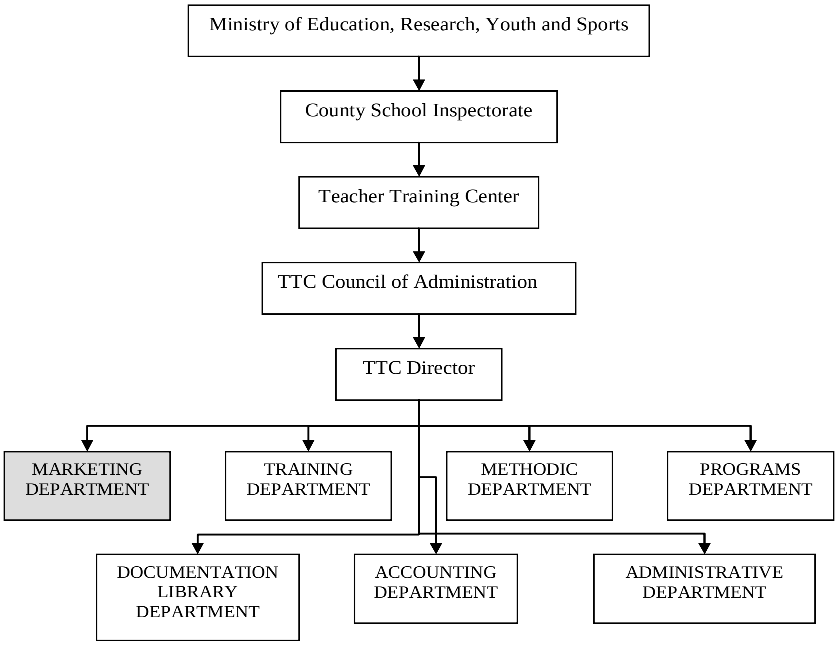
Currently, there is not a Marketing and Public Relations department in the TTC structure. Marketing communication related tasks are assigned to multiple compartments, the mix of responsibilities being managed by the director. Therefore, the necessity of a department that knows how to design and correctly use the promotion mix within the direct marketing is needed. Actions such as: understanding of the potential customer, developing value-added communications strategy, nurturing the customer to get his loyalty and attracting new customers due to existing ones can not be effective if they are not run by specialists.

4. Proposed structure of the Marketing and Public Relations Department of the TTC

Given these reasons, as well as issues regarding the structure of a small business (as a potential unit for comparisons) and possible forms of organization of a marketing department, the organizational structure of the TTH is presented in Figure 1. The marketing department is positioned with direct subordination to the Director of CCD, while cooperating with the library and accounting departments. The scope of this department includes: investigating training needs, designing and delivering training courses, consulting / counseling for personal/organizational development, organizing introductory, research, innovation expertise, courses, information and documentation, organizing of methodological-scientific and cultural activities, design, dissemination of promotional and educational means, human resources offers for educational activities.

The marketing department will include specialists in marketing research, strategies and programs, communication and public relations, international relations, technical support (Figure 2). The staff of the marketing department must possess, in addition to their specific expertise, knowledge of educational and communication management, and specific knowledge and abilities in marketing. At least one or two of them must have strong expertise in marketing and - in addition – in educational management and training. The criteria used for the marketing department personnel must be established in accordance with the tasks they will perform. Their work with the other departments will depends on their attributions as it is suggested in Figure 2 as potential functional cooperation.

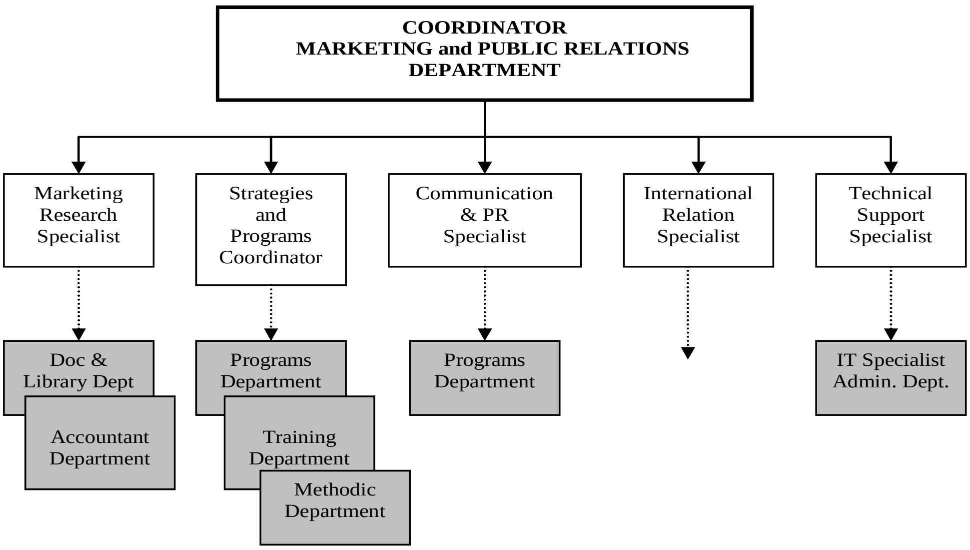
Figure 1: TTH Organizational Chart



The structure of the marketing department is designed so that: marketing specialists have responsibilities between marketing research and organizing/implementing training courses; the technical support specialist is dealing with the processing of materials for publications, the development of informational materials and their technical design, the promotion of the educational offer, ensuring the institution's own publications distribution network and supporting teachers in implementing marketing research methodologies.

The IT specialist manages the electronic catalogues of offers for training programs, coordinates specific operations of drafting, editing, copying of any publications of the TTC, centralizes databases useful

Figure 2: Marketing Department Chart



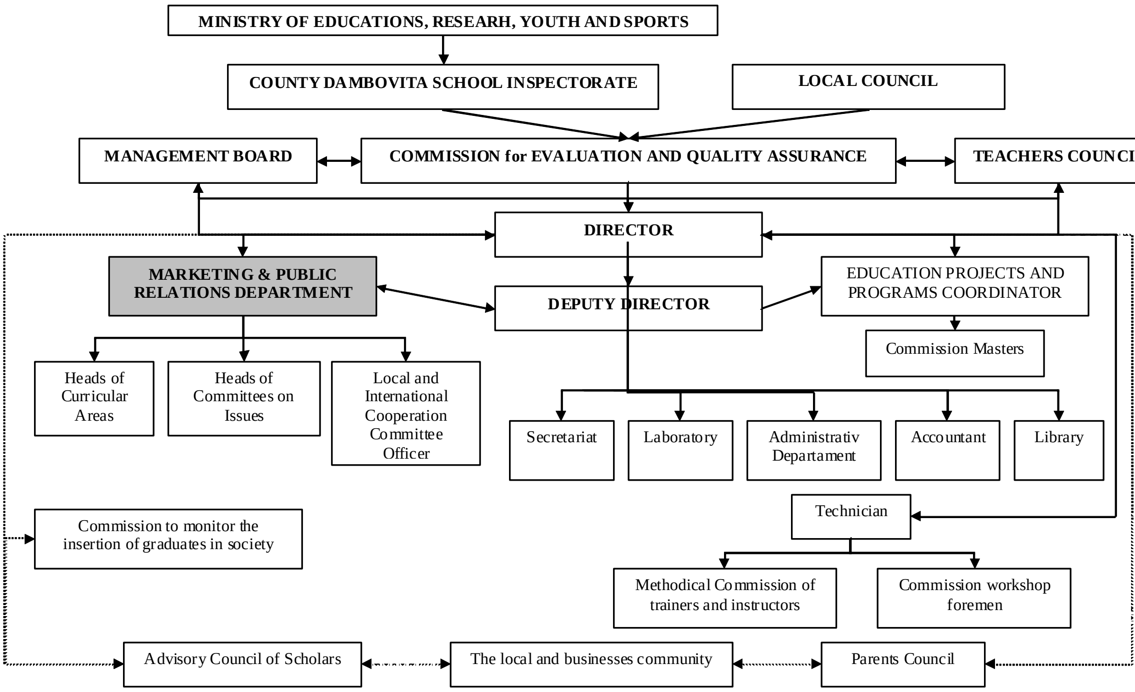
for the optimal performance of the institution, performs demonstrations and organizes multimedia courses in computer and Internet training, supports the methodists in their actions and participates in promoting the educational offer (particularly by placing information on the TTH website). The one who manages public relations and fulfills the function of spokesperson could be the marketing department coordinator, while covering also the international relations position.

Existing relationships within the department are of collaboration between the persons employed and of hierarchical types – of subordination to the department coordinator. There is also cooperation with the staff in the other departments. In order the department activity to be effective it is necessary to specify clearly, rigorously the specific requirements for each position, and to quantify their performance descriptors in order to achieve a proper assessment. The job description is necessary to define the types of relationships that are established inside and outside the compartment, inter-institutional (management, other departments) and with partner organizations (schools, universities, libraries, CSI, ministry, local community organizations etc.).

5. The structure of the Marketing and Public Relations Department of the School Group for Transports

The Transport School Group (TSG) is 30 years old and it operates in the city of Targoviste. It is requested by the school population of the Dambovita County because of its profile and previous results. Since 2001, TSG became a school of applications for the PHARE-VET project. Workstations and school buildings were rehabilitated and equipped with specific teaching materials, equipment and documentation. The institution has benefited from a comprehensive program of staff training so that they could provide to their students the best training and education. One of the experimental modern forms is “The Application Company” which is performing garage-type of services (mechanical repairs, metalwork and electrical repairs). The organizational chart presented in Figure 3 is pyramidal.

Figure 3: Transport School Group Organizational Chart

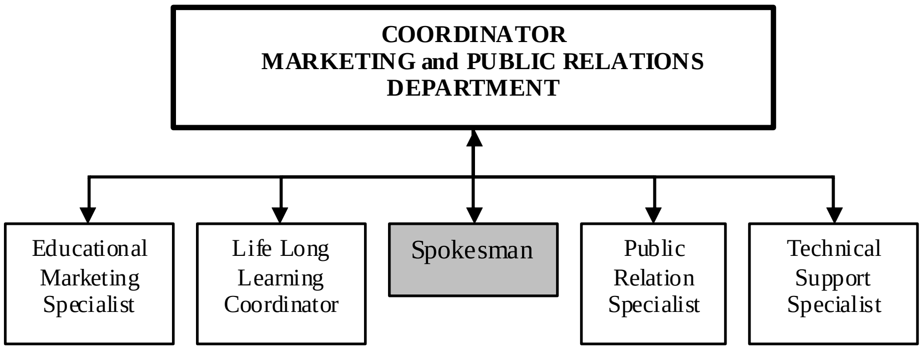


The “Marketing and Public Relations” department is a functional structure that is directly subordinated to the director general, who aims to achieve some management strategies in order to lead/maintain the organization among the top institutions in the field. Between the “Marketing and Public Relations” Department and the deputy director there are collaborative relationships. At the same time the department manages authority and collaboration relationships with all departments on the equal and lower hierarchical levels.

The chart of the department (Figure 4) was made based on its duties. The list of tasks was based on the specific activities of the unit encompassing both educational services (the "educational marketing" and "training" structures were introduced into the compartment) and service activities. The Law 544/2004 made necessary to incorporate specific persons responsible for public relations, and the specifics of the marketing activities lead to the position of responsible in charge with the image of the institution and spokesperson. The processing, management and storage of data are performed by the IT specialist. The coordinator of the Marketing and Public Relations department is also in charge with the public image of the institution and spokesperson because the TSG, as institution with tradition in the educational sector of the district, requires a constant promotion by proper means, in order to be recognized as a dynamic, flexible and always open to progress body, with a fundamental role in the life and balance of the community. The tasks of the coordinator of the department are in the job description. Among the five people in charge with training and public relations there might be teachers with specific attributions (currently there are two people at the level of the institution, without marketing knowledge, who, by the decision of the Director and in accordance with the job requirements, carry out these duties). The responsible with educational marketing, the computer expert and the coordinator of the department are employed by means of public contest, according to their training and the specific duties that are listed within the job description.

The organizational relationships cover the entire range of managerial relations and are integrated into job description. These are cooperative relationships with businesses, local community, CSI, media and other departments in the school, representation relationships according to the specific tasks assigned by the decision of the director, hierarchical authority and subordination relationships. The duties of the staff of the marketing and public relations department shall be included into job descriptions and the ROI.

Figure 4: Marketing & Public Relations Department Chart



6. Conclusions

The analysis of the effects of the socio-economic dynamics on the development and promotion of marketing could lead to the idea that only the abundance of goods and services could determine the market orientation. The current financial and social-economic crisis that humanity is passing through compels marketing as essential - but not sufficient - solution, in order to reduce risks and to ensure the survival of an institution. In the context of Romania's integration into the large European family (the country enjoying the advantages of the EU policies, but also facing the EU obligations and norms), when the demographics are becoming more visible and the working and living standards of the consumers are constantly evolving leading to new requirements in the consumption sphere, marketing appears as a necessity for production with real demands of consumption.

The marketing offers proper tools for market segmentation and for in-depth knowledge of market's needs, which are necessary for designing the strategy for the distribution of educational services.

Currently, based on two fundamental concepts of the modern marketing, knowledge and experience, managers of firms and particularly marketing specialists focus their efforts towards innovation and product development.

Knowledge is based on three pillars:

1. knowledge about customers - enabling the development of methods for customer involvement in product design (in order to respond to his needs);

2. knowledge about competitors and new technologies that could change the competitive environment;

3. knowledge about company's own type of organization and about identifying market segments that may apply to the institution.

One could add to these three pillars the one related to the expertise reflected in creativity, in the interaction and the ability of the company to conduct analyses based on scientific methods and feedbacks. The outcomes of these analyses provide relevant information for the development of the new products.

The positioning of this compartment should take into account the size of the enterprise, the degrees of autonomy of the other functional departments, especially of the marketing department. A centralized structure, available in most of the large enterprises, is inefficient in sizeable universities, but can be applied to pre-university education institutions because of their small size. This aspect, in conjunction with the marketing department directly subordinated to the manager, might be the most efficient organizational form for primary and secondary educational institutions in their desire to promote an attractive offer of educational services.

The educational services market is evolving in line with the general dynamics of the society and it is marked by fierce competition events. By investigating the correlation between education-labor market, a marketing department could identify professional skills considered as essentials in the modern society and could justify the need for profound change in the strategic orientation of the institution with respect to the the supply of educational services. The current situation – within the analyzed segment - is not the most encouraging for the educational system because of the following reasons:

1. the educational institutions devote much of their time to organize and improve their own educational system, without interest in other means of education; the links with the challenges of the contemporary society and labor markets are weak, sometimes inexistent;
2. the world of education is very complex, its origins stemming from national logics, inspired, most of the times, from short-term policy options and budget imperatives;
3. schools are integrated into a centralized public system, managed by a bureaucracy that slows the evolutions and makes them resistant to change requests coming from students, parents and the local community;
4. too often, some schools promote narrow specialization, and others, on the contrary, persist in employing educational programs with strong theoretical, non-practical features; at the same time, the levels of requirements in terms of education differ very much from one school to another, from rural to urban areas, and even within the same institution.

From the displayed data it appears that some skills are under-developed, while being essential for the integration into today's society. We are speaking about the development of the critical thinking, the training techniques in new skills and competencies in order to adapt to new situations, the communication capacity. For example, the diploma itself offers no guarantee of employment if not complemented by a proper skill to communicate. Many young people leave school without having clear idea on their competencies for the professional life: the sense of responsibility and the personal discipline, the ability to work in a group and the team spirit, the sense of initiative and creativity, the professionalism and the competence, the sense of community and the civic responsibility. Sometimes the family has no time to properly educate children on human, social and moral values

The solution could consist of achieving the proper correlation between local labor market demands and the educational offer.

At the institution level, the correlation could be achieved, in a professional manner, by a specialized compartment - strictly delineated from the other departments,- which should incorporate, undivided, the entire marketing conception for planning, organizing and conducting the educational processes. The establishment of an operational marketing compartment might be adapted according to the specificity of a primary and/or secondary educational institution. The "Marketing and Public Relations" department must be subordinated to the Director General, it needs a coordinating role in the preparation and implementation of decisions, and the marketing vision should be disseminated in all compartments of the institution.

The need for this compartment is obvious. The process of establishing a marketing and public relations department in a primary or secondary educational institution could apper as an informational support, a starting point for the school manager or the director of the CCD.

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CONSUMER PRIVACY ON THE INTERNET

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Abstract: *The explosive growth of the Internet has led to an increased interest in its use for commercial businesses. Many security issues arise when doing business on the Internet. In this context, hereinafter the authors provide an interdisciplinary analysis over the protection ensured in the electronic marketplace. The importance of such a study resides from the need to achieve two important goals (both legal and economic), such as: to meet the privacy and security requirements in cyberspace and to carry out successful commercial activities.*

Key words: online privacy, personal data, Directive, e-commerce.

JEL classification: M21, M 31, K29

1. Introduction

The Internet had and still has a great impact on society, culture, business and economy. It offers great potential for communication and information. Today we are talking about electronic commerce, electronic transactions and online auctions. Internet differs from traditional media; it is characterized by a principle of taking information, where the customer is responsible for deciding what information to take from the vast sea of existing information. He decides what information he wants to exploit, when and how detailed is that information. The explosive growth of Internet has led to increased interest in its use in commercial businesses. Together with this growth came the need to define and to address legal issues that arise when trading online.

2. Privacy issues in cyberspace. An economic outlook

The literature highlights the importance of knowing the laws regarding the selling of products and services on the Internet, facing the difficulties due to the multitude of laws in different countries. Klosek states that the advent of the Internet has led to increased concerns on protection of personal data. (Klosek J., 2003) The literature mentions also multiple legal problems due to the Internet, such as contractual issues arising from doing business via the Internet, electronic document processing or the transfer of money. (Vasiu I., 2001)

Doing business on the Internet is not easy because of the security issues that arise. Consumers complain of problems that arise in online transactions. Consumer concerns are mostly related to security matters, disclosure of personal information and credit card information. In order to make online purchases, customers are required to disclose their personal data such as name, address, telephone number, birth date, credit card number, personal identification number. Customers are worried about the way their personal data is used. It is not a danger to the customer if the data is used solely for the purpose of their processing for statistical analysis. But, if data is disclosed to third parties to create unwanted promotional messages called spam, the law should go into action.

The security issue is very important for those companies wishing to use the Internet in selling their products to customers worldwide. On the one hand, companies must protect their computer systems for possible attacks or hackers and on the other hand, these companies should even encourage their customers not to use a technology that may be unsafe in certain circumstances.

In an environment rich in information, such as the Internet, maintaining customer privacy has a significant importance. Users will not disclose personal information or credit card information if they consider that the company will disclose their data to third parties.

The lack of trust can be a huge problem in electronic commerce. The main concerns of online consumers are: companies will sell or provide personal information to other companies without their permission, lack of secure transactions, which may cause that hackers could steal their personal data.

While the costs of obtaining and processing the consumer's information are decreasing with technological advancements, the value of this information for business is increasing. As a result, online businesses are motivated to collect and use large amounts of information about customers.

Confidentiality is a major problem and concern for marketers. Some companies already collect and use customer information without customer knowledge. Information about them is collected every time consumers make online purchases, or each time they visit a Web site. Consumers and producers have shown little enthusiasm to concern over privacy and security issues. (McKenna R., 2002)

Some authors argue that the loss of privacy is the price that consumers pay for the convenience of shopping online. Most consumers are unaware of the "electronic footprints" they leave when browsing Web sites. Cookies store information about the identity of the computer, but do not provide personal information like a person's name or address. They create a unique identity for a browser, so that a site can recognize when a person visits a site again, using the same computer. Online merchants use cookies to recognize you and speed up the shopping process the next time a user visits the web site. It was noted that the online environment, more information is unreliable. A large part of Internet users decide to provide false information about themselves false information to conceal their real identity. They see this as a way to protect their privacy. (Gupta J., Sharma S., 2002)

When developing a privacy policy, it is important to remind that this must include the following: (B Keillor, 2007)

- A statement of how personal information is used and transmitted within or outside the company.
- The steps to be followed to ensure that customer information is kept safe (and not disclosed).
- Customers' choice on how to use their information.
- A way to contact a company.
- A clear message that the company is willing to discuss issues of confidentiality.
- Full reasons why consumers' personal information is collected.

A study carried out over three years by Desai M., Richards T. and K. Desai showed that in fact, Internet companies improve their customer communications policy. This provides evidence that these Internet companies are becoming increasingly concerned about their customers and respond to the needs and concerns. However they are concerned about how customers' personal data is collected and how to manage these data. The authors argue that proactive communication encourages confidence among consumers and helps them become familiar with electronic commerce. (M. Desai, T. Richards, K. Desai, 2003)

Castañeda A. and F. Montoro mentioned an important implication for e-business: an online customer with high confidentiality requirements does not usually show little interest in that company. The study shows that a person who has strong restrictions on the use of personal data, however, is more likely to buy from one website and provide the requested data. The authors consider that trust is a variable that has only an indirect impact on intention to provide data for a web site. Therefore, the intention to provide personal information to a website is strongly determined by the intention to buy and the sensitivity to the information requested. The type of information required from the client determines whether he will provide them or not. In addition, as higher the sensitivity to the required data, the lower will be its intention to provide the requested information. (Castañeda J. A., Montoro F.J., 2007)

Correct online customer information is very important for a company that uses the Internet as a distribution channel. Its absence leads to a bad customer relationship management and the inability to effectively apply direct marketing. However, consumers are reluctant to disclose personal information online, because they still worry about their privacy.

Xio et al. mention that the awards and the notices about privacy and reputation have a great influence on consumers' intention to provide accurate personal information on the Internet. Rewards in the form of vouchers have a positive impact on the consumers' decision to provide online accurate personal information. Consumers seem willing to risk invading privacy, revealing the personal information in exchange for tangible rewards. In order to be successful in the online market, merchants have to build a good reputation over time. Online consumers are willing to provide demographic information only, without taking into account the company's online reputation. Rewards play an important role for those companies whose reputation is lower, in an attempt to get accurate personal data from online customers. This finding implies that the new companies entering the online market which have not yet managed to create a certain reputation must provide financial incentives to attract consumers to provide personal information online. However, even reputable companies should not stop to assure online consumers that information required from them will not be misused. (Xie E., Teo H.-H., Wan W., 2004)

Internet marketing specialists are realizing the need to collect consumers' personal data in order to better tailor offers to individual consumers and to provide high quality services. The basic steps that Internet marketers can follow are the recognition of consumers' right to privacy by including a privacy policy statement on the website and offering consumers the opportunity to be excluded from the mailing list to receive commercial emails, offers or promotions, if the want it (opt-out procedure). (Zugelder M., Flatherty Th., Johnon J., 2000)

Confidentiality and trust are of great value in the minds of consumers. They are cautious about providing private information. Moreover it is said that successful firms store information for the customers, not about them.

There are some aspects that create discomfort when using the Internet, especially with regard to the user's private life, because users provide their personal data when doing online transactions. In order to protect customer privacy, companies develop special policies, characterized by:

- security of their data
- a choice and a consent, giving users the opportunity to decide whether their personal information may be used or not;
- a notice and a disclosure, which explains how information is gathered and for what reason it is required;
- an explanation about updating of data and accessibility of data

The risk of fraud in electronic commerce is, in generally, due to the public nature of the Internet network and due to the fact that the shopper and the merchant meet only in the virtual space, they are not face when doing online transactions. To meet the privacy and security requirements, e-commerce must assure: confidentiality and integrity of data when storing and transmitting it and authentication of transactions (individualization of each transaction). (Vasilache D., 2008)

To carry out successful online commercial activity, companies must gain customers' confidence and trust regarding the way of managing their personal data. The visitors trust gets therefore a special importance. The privacy statement must contain information about the types of personal information which is collected, the use of it and ways to protect it. A hidden privacy statement or one that is difficult to understand is not the best way forward for an online company.

Confidentiality, as a basic principle to all forms of electronic communications, is ensured through the enforcement of the specific legal instruments.

Therefore, as it follows, a legal overview will complete this study with regard to the data protection of the customers on the Internet.

3. Data protection legal framework

Within the European Union a legal framework for data protection was designed in order to ensure a high level of protection and a more effective enforcement of privacy rules in cyberspace.

The following analysed legal framework is in accordance with the European Convention for the Protection of Human Rights. Pursuant to Article 8 of the Convention *everyone has the right to respect for his private and family life, his home and his correspondence.*

The examination of the legal instruments will start with the Consolidated Version of the Treaty on the Functioning of the European Union, that in Article 16 states: "*Everyone has the right to the protection of personal data concerning them".* In this respect is to be mentioned, also, the Charter of Fundamental Rights of the European Union, especially Article 8 with the following content: "*Everyone has the right to the protection of personal data concerning him or her. Such data must be processed fairly for specified purposes and on the basis of the consent of the person concerned or some other legitimate basis laid down by law. Everyone has the right of access to data which has been collected concerning him or her, and the right to have it rectified. Compliance with these rules shall be subject to control by an independent authority."*

At European level, the term "personal data" is firstly defined by the Directive 95/46 of the European Parliament and the Council of 24 October 1995 on the protection of individuals with regard to the processing of personal data and on the free movement of such data" (hereinafter referred to as Data Protection Directive 95/46/EC). As per the Directive, the concept "personal data" means any information relating to an identified or identifiable natural person ("data subject"); an identifiable person is one who can be identified, directly or indirectly, in particular by reference to an identification number or to one or more factors specific to his physical, physiological, mental, economic, cultural or social identity;

The Data Protection Directive 95/46/EC also defines the basics elements of data protection that Member States must transpose into national law. The Directive was adopted in order to ensure an equivalent level of personal data processing in all Member States.

In Romania, in order to comply with the EU legislation, there was adopted Law no. 677/2001 on protection of personal data processing and free movement of such data, law published in the Official Gazette no. 790/12 December 2001.

Examples of data subjects' individual rights, as established by the Directive, are: the right to know who the data controller is, to know the recipient of the data and the purpose of the processing; the right to have inaccurate data rectified; a right of recourse in the event of unlawful processing; and the right to withhold permission to use data in some circumstances.

Article 12(a) of the Data Protection Directive requires Member States to ensure a right of access to information on the recipients or categories of recipient of personal data and on the content of the data disclosed not only in respect of the present but also in respect of the past. Thereby, in Case C-553/07, in the operative part of the Court Judgment it is held that Member States have to fix a time-limit for storage of that information and to provide for access to that information which constitutes a fair balance between, on the one hand, the interest of the data subject in protecting his privacy, in particular by way of his rights to object and to bring legal proceedings and, on the other, the burden which the obligation to store that information represents for the controller.

The Directive 2002/58/EC of the European Parliament and of the Council of 12 July 2002 concerning the processing of personal data and the protection of privacy in the electronic communications sector (hereinafter called the Directive on privacy and electronic communications) particularises and complements Directive 95/46/EC and also provides for protection of the legitimate interests of subscribers who are legal persons.

One of the most controversial aspects of the Directive was the introduction of an “opt in” system requiring prior customer consent for unsolicited e-mails (spam). As a consequence, any form of interception or storage of private communications was prohibited without the users' prior consent.

In Case T-321/02, the European Court of First Instance held that Article 13, laying down provisions intended to regulate unsolicited electronic communications, are set out in general terms, and produce effects to objectively determined situations and in relation to categories of persons considered generally and objectively, namely any natural or legal person providing electronic communications services and any user of or subscriber to those services.

The e-privacy Directive also sets out specific conditions for installing so-called Internet 'cookies' on computers.

4. Concluding remarks

Privacy matters face new challenges in the light of the technological developments, through the Internet. Consumers worry that more and more data about them is gathered online, without their knowledge and consent.

In the above working paper the authors described the impact of the e-commerce over the privacy of the consumers alongside with marketing aspects.

The European Union has a solid legal background with regard to data protection that mostly fulfilled its restriction purpose: it has enabled the processing of personal data for the purposes the data was collected, under prior consent from the data subject. We appreciate it as providing an international reference model for good practices.

Nevertheless, the legal package regarding the data protection of the costumers must be continuously improved for an effective safeguard of the citizen’s rights in order to face amazing advances in the information technology.

Recently, marketers have taken into consideration more than ever the importance of gaining customers’ confidence, to induce a sense of security so that customers conduct online transactions without any fear that their personal data is stored infringing their privacy.

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SMALL ENTERPRISES AND STRATEGIC ORIENTATIONS DURING ECONOMIC CRISIS

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Abstract*: Strategic orientation is a critical concept in managing a company. The aim of this paper is to investigate strategic orientations used by small enterprises in a difficult environment. The article contributes to better understanding the process of strategy development and implementation, factors of influence and results by means of a direct research based on the method of semi-structured interview. The research universe consisted of small enterprises from Romania. According to research results small enterprises employ different types of strategic orientations, have an informal approach to planning process, use specific strategies and have difficulties in securing a competitive advantage.*

Key words: strategic orientations, marketing strategies, small enterprises

JEL classification: M31

1. Introduction

Small and medium enterprises (SMEs) have an important role in economic and social life of a country. In European Union (EU) 99% of all businesses are SMEs (less than 250 employees). They provide two out of three of the private sector jobs and contribute to more than half of the total value-added created by businesses in the EU. Moreover, SMEs are the true back-bone of the European economy, being primarily responsible for wealth and economic growth, next to their key role in innovation and research&development (European Commission, 2010).

In Romania were registered 617,405 enterprises at 1 January 2008, out of which 99% are SMEs, a situation similar to that observed in the EU. The difference is that the share of added value generated by SMEs in Romania (especially by micro and small enterprises) in total added value created at the national level is inferior to the European average. SMs situation became difficult since the end of 2008 when the economic crisis started. In 2009, 195.751 SMEs interrupted their activities (Nicolescu, 2010). This dramatic situation raises the question if Romanian SMEs are prepared to deal with a difficult business environment by using the correct strategic approach.

This article aims to identify the strategic orientations adopted by small enterprises in Romania, which factors influence them and how a strategic orientation is translated into market related strategies. The paper is organized as follows: first we present the theoretical background followed by research methodology. We then introduce an empirical study, present the results and discuss the implications.

2. Theoretical background

The strategic orientation has been defined both as a business philosophy that guides company's efforts and as a behavior (Gatignon & Xuereb, 1997) adequate for obtaining superior performance. A strategic orientation describes the factors (Birley & Muzyka, 2000) that guide strategy formulation. Over time several strategic orientations have been investigated: entrepreneurial orientation, market orientation, learning orientation also known as knowledge management orientation, employee orientation, innovation orientation or technological orientation and even orientations related to rather tactical elements such as design orientation (Moll et al., 2007), or interactive communication orientation (Rusescu et al., 2010).

Entrepreneurial orientation (EO) refers to practices adopted by companies to identify and launch new businesses. It is based on five dimensions: autonomy, aggressiveness, innovation, proactivity and calculated risk-taking (Certo, Moss & Short, 2009). Although initially the five dimensions were considered separate entities, there are relations of interdependence between them: innovation is associated with proactivity and risk-taking (Perez-Luno, Wiklund & Cabrera, 2010). This strategic orientation is beneficial when it is coupled with the ability to quickly adjust business practices if they are ineffective. This strategic reactiveness emerges if the company's organizational structure (mechanistic/organic) is aligned with the decision-making style (formalized/intuitive) (Green, Covin & Slevin, 2008). A meta-analysis based on 53 samples with 14,259 respondents identified that the relationship between EO and firm's performance – financial and non-financial - is moderately large. This relationship is moderated by a set of factors like company size, industry and national context (Rauch et al., 2009). The model was completed by adding mediator variables. Thus, EO influence performance through a strategic behavior, that is only if the company adopt certain strategies depending on external context - external environment and internal context - company's resources (Moreno & Casillas, 2008). Although most researches have focused on the relationship between EO and performance, some researchers have examined the individual influence of each of the five-dimensions on performance. It turned out that, in the early stages of company development, some have a positive influence - proactivity and innovation - others have no influence - autonomy and aggressiveness - and some may even have a negative influence - risk-taking (Hughes & Morgan, 2007). The five dimensions are used to divide entrepreneurs into active and passive ones. Active entrepreneurs assume greater risks, are more proactive and launch new products on the market. Such EO profile is not only a challenge but maybe an appropriate opportunity focused response to large competitors (Avlonitis & Salavou, 2007).

It should be mentioned however, that not all owners / managers are also entrepreneurs. This raises the distinction between EO and **small business orientation**. The differences between those two orientations were investigated based on an assessment of three dimensions: innovation, proactivity and calculated risk taking. Those entrepreneurs/owners/managers that have achieved high scores these variables were considered to have an entrepreneurial orientation, the rest having a small business orientation. The method of differentiation has been challenged (Runyan, Drug, & Swinney, 2008) considering that lack of entrepreneurial orientation does not necessarily mean a small business orientation, because the two concepts are distinct.

Taking into account the objectives, an entrepreneur is a person who manages a business in order to achieve growth and profit. A small business owner manage a business to achieve a personal goal such as professional development or providing an income to his family which makes him instead to achieve an acceptable level of business performance.

Market orientation (MO) summarizes the essence of the marketing concept. It is a strategic orientation that has become a widely accepted norm in many industries (Liao et al., 2010). There are many definitions that can be grouped into two types (Sorensen 2009): behavioral definitions which refer to actions and cultural definitions which refer to the company values. From a behavioral perspective Kohli and Jaworski (1990) considered that market orientation is related to intelligence gathering (information on current and future customers' needs), intelligence dissemination between departments within the company and response based on acquired information. From an organizational perspective, Narver and Slater (1990) considered that market orientation consists of customer orientation, competitor orientation and interfunctional coordination. The relationship between MO and performance is achieved by mediators: competitive advantage (Zhou, Brown & Dev, 2009) or organizational innovativeness (Theoharakis & Hooley, 2008). Marketing mix innovation (Naidoo, 2010) is considered to support SMEs during crisis. This relationship is moderated by several factors, including product lifecycle. Thus, during growth and maturity stages the relationship is stronger while during the introduction and decline stages the relationship weakens (Wong & Ellis, 2007). In order to assess MO several measurement scales were developed. But they are not useful for SMEs, because they were developed for large companies. Moreover there are significant differences even between small and medium enterprises, therefore a different conceptual model was conceived (Raju, Lonial & Crum, 2011). Based on resource based view theory, MO was considered an internal resource of know-what type, which has only a potential value. It becomes effective only when it is transformed into a marketing capability of know-how type (Morgan, Vorhies & Mason, 2009). For example, a prerequisite for a market-oriented company is the ability to "feel" the market called market-sensing capability, in order to predict more accurate and ahead of competitors, how customers and markets will evolve (Foley & Fahy, 2009).

Although it was considered that MO contributes to firm's performance more than other strategic orientations, it has been shown (Grinstein, 2008) that this is not the only viable strategic option. Moreover combination of strategic orientations enhances company's performance.

Innovation orientation (also called technological or product orientation) characterizes firms that develop new ideas, products or processes and is often associated with significant investments or high quality products/services.

Learning orientation (also known as knowledge management orientation) is representative for companies that constantly question the way they operate. The aim is to stimulate new knowledge and skills. In order to be competitive, the company must become a knowledge based organization. For SMEs a different conceptual model has been developed (called 5I: intuiting – interpreting – integrating - intertwining) through which the company acquires, generates and disseminates knowledge, both at individual, group, organization and inter-organizational level (Jones & Macpherson, 2006).

Employee orientation characterizes firms which consider that employee's satisfaction and welfare is the most important. These companies have decentralized processes, delegate responsibilities and invest in employee development. This orientation is suitable to companies operating in dynamic industries/environments where customers want personalized experiences (Plakoyiannaki et al., 2008).

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 (Gilmore & Coviello, 1999). If the researcher is closer to the essence of the phenomenon, the results are richer and more authentic. It is unlikely, in the initial phase, that quantitative researches can provide an adequate level of knowledge and understanding of the phenomenon. 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.

The goal of the present research is to study strategic orientations of small enterprises (under 50 employees). The purpose is to find out what philosophies guide the behavior of entrepreneurs, how important are for them the interests of the company, customers, employees or even personal.

The research objectives were: (a) to determine the knowledge level of the external marketing environment, (b) to identify the type of business objectives (c) to investigate their sources of competitive advantage, (d) to understand how they develop and implement strategies, (e) to identify what marketing strategies are used, (f) to determine how is firm' performance evaluated.

The studied universe consisted of small enterprises from various industries. Research sample was made of 15 companies in industries as construction, real-estate, tourism, wholesale, retail, computer services, professional services (training and recruitment, business consulting, events organizing), education (private education services) and health (dental services). Nine firms of the sample were micro-enterprises (less than 10 employees) and six were small firms (10-49 employees). Twelve were from Bucharest (12), two from Sibiu and one from Ploiesti. The sample of the research was designed based on both secondary sources of information and recommendations obtained from the entrepreneurs. The interviewed persons were entrepreneurs, who played an executive role in the company, or managers of such companies.

According to the goal and objectives of the study, the exploratory research was the most appropriate type. The research method was the semi-structured in-depth interview. A guide for conducting interviews was designed including main discussion topics. The interviewer encouraged respondents to present what they consider important relative to the discussion topics suggested for the interview, without feeling limited by them. At the end of the interview respondents were asked to prioritize –based on importance - a set of six statements, each one describing a type of strategic orientation. The statements were based on the models used to evaluate entrepreneurial and small business orientation (Runyan, Drug & Swinney, 2008) and those used in evaluating market, product (technological), learning and employee orientations (Grinstein, 2008). Placing this exercise at the end of the interview has proved beneficial because respondents felt more confident in the accuracy of evaluation. Moreover, if a respondent revealed something during interview but the priority order seemed contradictory, clarifications were requested to make the necessary corrections.

The qualitative research was conducted in June-July 2010. The interviews lasted on average 90 minutes and were audio recorded. For the data analysis, the content analysis was applied. The analyzed units were grouped by exhaustive and exclusive categories.

4. Results

Most companies are run by associates, where there are several partners in the firm one of them takes on the role of executive officer and is involved in business activities. Rarely entrepreneurs hire professional management and withdraw or have only strategic coordination responsibilities. The organisational chart of SMEs is flattened: between top management and the front line employee there are on average two layers of management.

Due to the limited number of employees, each one performs multiple functions simultaneously being responsible for several areas of activity. Entrepreneurs seek a large variety of competencies ranging from general such as communication, negotiation, mathematical abilities to highly specialized IT competencies. Entrepreneurs generally prefer to recruit people who do not yet have the necessary skills, possibly due to a lower salary level or due to personal crisis before 2009, and develop them. "*It's very hard to find people in this industry [business consultancy –n.a.]. The idea is that I developed them*.".

4.1 Marketing external environment

Entrepreneurs gather information about the external marketing environment using informal methods. They know the market through senses: they see, hear and feel. "*I cannot say much about competition. I'm trying to feel it, to see it.*". Even if they are aware that they could collect information by formal research methods, they are discouraged by the costs involved. Beside, direct contact with the market offers some of the information they need "*I am almost sure about the information I've told you about my clients without having to interview 300-400 of them*.". The main sources of information used are the press, the Internet, events, conferences, competitors' websites, mystery shopping at competitors' premises, discussions with business partners or even their own customers. They consider that it is important to know the market in order to have a reference system. "*You can be under the market [level - n.a], you are looking only into your own backyard, you grow and say you're ok but the market grows more.*".

Regarding their customers, they define them as those who buy their product / service but some companies consider also customers other categories. For example, the recruiting agency says "*Customers are of two types: employer and employee. If I think of who pays [for the service – n.a] the client is the company. But if I think that I cannot finalise [my job- n.a] without candidates, then I must consider them also my clients.".*

They segment their customers using a limited number of criteria the most used being behavior, demographic and psychographic ones. Behavioral criteria are used to differentiate between existing and potential clients. Most companies, except the start-ups, focus on the existent customer base. The most used demographic variables are: gender, age, location, income level "*Our customers are young men aged between 18 and 40 years in urban areas.*". If customers are companies, than variables as industry and size are used "*My clients are big companies and my clients are entrepreneurs, small and medium ... but not micro enterprises*.". Psychographic criteria emerged spontaneously during interviews "*Our clients are employees who do [physical – n.a] exercises for health, pleasure and fitness*.".

Even though companies serve multiple customer segments "*You can sell [touristic – n.a.] packages to individuals, corporate or other travel agencies*" the majority focus on a single segment. The explanation of serving multiple segments comes from companies development needs: they start initially with one segment of customers and then expand the server market. In the marketing theory the strategic approach is top-down: dividing the market, building profiles of customer segments using a set of variables and after that choosing those with the highest potential. In SME practice the approach is rather bottom-up: the product/service creates its own market, the company begins to serve a limited number of clients and decides to expand only based available resources.

The respondents believe they know a great deal about their customers. This is done primarily through discussions because direct communication with the customers is the easiest way to find out what they want, but it is also a limited approach. A privileged situation occurs in firms operating in online markets: they know more about their customers due to forums, blogs and demographic studies conducted by BRAT (Readership Survey and Internet Traffic, polls etc.)

Competition is defined in several ways: either as companies offering the same quality standard "*There are three premium brands in the market and we distribute one of them*" or companies with a similar level of skills „*There are maximum five companies that have testing abilities similar to us, but any software development company can pretend to have testing abilities; I do not see them as competitors*.".

Respondents are not concerned about competitors. They perceive that the number of competitors is limited, which is actually a consequence of a niche strategy. For SMEs it is important to avoid collision with large competitors because of financial costs involved, "*I have my own way and my own program [product – n.a.]) ... everyone finds its own place. The idea is not to fight with them.*". Sometimes these tolerant relationships become even cooperative relations" *I worked even with competitors in a project ... who wins [the bid – n.a.] takes the other one- alone, we couldn't manage*.". Moreover, cooperative relations on specific projects may turn into partnerships "*In this crisis, people have come to collaborate which is very interesting [...] to work on joint projects under a larger umbrella and trying to become bigger*"

4.2 Objectives

Business objectives are mainly non-financial in the case of younger companies, who think that they need to develop, and financial for mature companies. Young firms are concerned with penetrating certain market-segments and building a customer base to exploit later. At this stage of company development respondents believe that profit is not a priority. The main objectives are market penetration, awareness and competencies development. Market share is irrelevant at this stage "*I would not use market share as a target in this moment. I have probably 0.16%.*".

If they set market-penetration as a target, the indicator used is the number of new customers and is expressed either at a minimum level "*I had five industries in which I wanted to enter... with money or for* *free, doesn't matter only to get there*" or they seek to maximize it "*I focus on this area, the kindergartens, for example. Usually I don't have a target but [...] I do my best, as much I can do*.". As the company grows, such an indicator loses its importance, "*There was such a target [new customers – n.a.] three years ago but I have dropped it because we were already covering some locations*.".

Another stated objective in this stage is developing employees' skills. The indicators used are subjective, like customer appreciation "*When a major customer like xxx tells me « things are much better with you compared with company yyy» that is much bigger than me, then I can say that I've achieved a goal: reaching a level of performance on the training quality*" or objective like formal accreditation by well-known organizations.

The transition to a mature stage means modifying the business objectives "*Let's do things that can be monetized [...] because I can expand in many areas, but nobody will pay you those services*.". Objectives are financial and expressed using indicators such as sales volume, turnover and profit. Whatever indicator is used, the aim is to maximize it "*We have not set a profit figure, we struggled to get projects, to get customers in order to maximize the profit.*". At this stage, the company sets also development objectives such as "*We want to open a new line of business, implementing solutions xxx abroad.*".

Since 2009 some companies have revised their objectives, deciding that survival is important "*This year, as we wanted or not, we had to change our targets... maybe they weren't very realistic, especially since we are interested in survival.".*

The respondents consider that most of their objectives are not clearly defined or monitored "*You have a level [of income – n.a.] that you should get. I didn't put them in Excel to say «yes, I want to get x»*.". There is large uncertainty in setting the level of objectives. The main reasons are lack of market information and future uncertainty. "*Because I worked in a multinational [company – n.a.], I wrote my objectives very well [...] after that, I've seen the market and said « wow, what I wrote and what I saw »... you have to take it over again, you cannot do your calculations because is highly impredictible*.". If there is a strong influence of an external stakeholder - parent company, financing bank or exclusive importer - objectives are more clear, defined on specific periods of time and carefully monitored.

Often it happens that business objectives are influenced by entrepreneur's personal goals. Thus, if the firm represents a place where the entrepreneur searches a professional fulfilment, a source of income or even a hobby - all these will influence the company's objectives "*I've started the business not necessarily based on opportunity but more on a desire to do something for children*.".

4.3 Competitive advantage

Most companies have tried intuitively to build a competitive advantage in order to ensure their survival and growth. The main sources of competitive advantage are knowledge/skills, a unique business model, a flexible cost structure, distribution of high-quality, premium brands or profitable commercial contracts.

Skills/knowledge are critical in industries such as IT and consulting. Such companies are careful in how to manage, develop and protect this type of resources. To "preserve" the quality of this resource, they regularly attend and send employees to specialized training sessions get their certifications and align to international professional standards. These expenditures are considered investments, because respondents are aware that this is actually a guarantee for survival and growth. The main issue here is the difficulty of retaining critical employees in the company. Employees are aware of the value they bring to the business and expect to be rewarded and motivated, which is sometimes difficult.

The second type of competitive advantage is a unique business model, which is the case for the Internet company. The model can be copied, but the efforts required, the specific logic and the skills needed for such a project provides a relative protection against a possible competitor.

Flexible cost structure is important to ensure competitiveness against larger firms in the same industry. The fourth type of competitive advantage is the products/services brand awareness. This advantage is used by companies distributing international brands. It is obvious that a quality product/service with a well-known brand facilitates the sales effort, but the demand level for these products may be relatively limited. In periods of economic decline these markets may decline, which represents a real threat.

Advantageous trade agreements can provide a competitive advantage "*This year was [...] very good to reach international partners, where previously you had no access. The crisis was a very serious opportunity, I try to contact them for four years ... I didn't even dream something like this.*". The problem is that such contracts may be a consequence of a favorable circumstance for an SME, but does not represent a long time guarantee.

4.4 Elaborating and implementing strategies

The process of developing a strategy within the SME context does not reflect the conventional way: analysing the external environment, setting goals, developing the best strategies for achieving them, after that implementing them. The vast majority of respondents do not formalize this approach. With few exceptions they don't have defined moments during the year when such a strategic exercise takes place.

Those who have set dates to elaborate a strategy did it because of economic reasons (when they are not so busy), due to the need to synchronize with business partners or because of personal preference " *I'm set this way, at the starting of each year to make order in my ideas*.". Even those who have appointed such exercises, do not document in a plan what they decide. The main reasons are (a) limited knowledge they have about the market's dimension makes it difficult to determine where they are in present (b) difficulty of anticipating future developments "*It is hard to get a strategy... it seems to me. Market is chaotic particularly in construction during this time of crisis.*" (c) futility of such an approach due to market dynamism "*We reinvented everything in just one night. You don't have time to make plans in Excel*.".

We should not conclude that SMEs do not develop strategies, but the approach is different. They carried out an exercise of strategic thinking, without necessarily being constrained by a certain time of year or a specific working procedure. The work procedure is based on discussions "*We meet all together, there is a discussion ... all variables that could appear in the next year are taken into account [...] It is not written what we have decided, it is only a discussion and it is implemented as such*.". The purpose of these discussions is to generate ideas on which to build some courses of action. Sometimes it may be risky or inappropriate: "*I'm constantly full of ideas [...] temptation is big [to follow them – n.a.] and I think that the chances of success are small because of lack of time and maybe you enter areas where you are not so good.* ". Another source of ideas is the experience, younger companies considering its absence a handicap "*I have little experience from the previous period, I would need more experience*.". The ideas are then tested on the market, "try and see." Even if the ideas prove to be a failure, they are valuable in gaining experience "*I try and see what works, draw conclusions*".

The final conclusion is that SMEs employ emerging strategies, where development and implementation phases overlap, and the process is cyclic and continuous: idea -> testing -> conclusions-> new idea -> testing-> ...->strategy.

4.5 Marketing strategies

As mentioned above, the strategic approach in SMEs is different from the conventional path: researching the market, identifying a need and then satisfying it with the right products/services. The vast majority of respondents used their own expertise/skills as a starting point. They developed them either as employees, specialists in a particular field or as a hobby. Expertise/skills enabled them to identify in their areas of interest some opportunities "*I have noticed a deficiency: many boast that they are offering IT testing services but they don't have qualified personnel.*". They decided to capitalize on these opportunities by offering what they knew to do best. They had the product and then began to look for customers.

Initially they approached various customer segments in an attempt to determine where they have the greatest chance of success. Thus they learned to select the most appropriate segments and to avoid serving others. The first strategy adopted by every start-up company - depending on market-product matrix - is market penetration. As they gain confidence in what they do, they begin to "refine" their product strategy through diversification. Retail/wholesale companies start horizontal diversification by adding other product lines into their portfolio. Other companies prefer to expand vertically: construction materials distributor bought equipment to prepare a certain profile, the sports store opened a bike service. Service companies - consulting, recruitment, events organization -start to laterally diversify. This strategy is reactive, stimulated by their own clients who ask for additional services.

When developing a strategy in connected areas, the approach is incremental "*I started with a small project in Bucharest and they [our clients – n.a.] liked them very much ... and they asked to make an offer for a project at national level. I realized that it wasn't a big deal, I offered and waited and when they announced us that we won the project I was terrible scared… then I started step by step to build the national network.*". All these developments actually prepare them for a purely entrepreneurial approach: assuming greater risks, growing in leaps not small steps, and much more organized "*Now, after so many years, I learned how to start a new business by the book ... by the book means not as a big company, but of niche, not shy but in force, having a clear picture in mind*.".

In order to reach this stage of evolution two issues must be solved: type of objectives and resources. In terms of objectives, entrepreneurs are aware that sometimes they become barriers to development, "*I do not like to manage a business that grows very large, I like to practice myself.*".

In terms of available resources – people, money and time - they are limited for various reasons: they do not hire extra people because they feel responsible, they avoid massive external financing and time is often consumed in current operational activities "*I could step up but I was afraid to get them [new employees – n.a.], I never fired anyone. I want to be sure when I hire them ... not to tell them after six months «good-bye!»*.". All these factors limit a potential development that is seen in the market.

Once they mark their "boundaries" within they operate, they start to refine their strategies. Intuitive or not, they are aware that they must be to be "different" from their competitors and differentiation strategy is achieved mainly at product level. The strategy used is to add more value in the price requested: the construction company owner goes with its clients and help them buy various construction materials, guards the site, the distributor of construction materials not only sells the product but offers technical advice, the recruiting agency assists the employer even after they finalized the project.

Regarding the product strategies, most companies choose to offer high quality products: retailers/wholesalers distribute mainly premium products, the educational company has chosen a "top", franchise while service companies (IT testing, consulting, training, dental clinic) also aim to offer a quality product.

Regarding the pricing strategy the majority of respondents believe that they are in medium to high range. This option is explicable given that they provide premium products or high quality services. They can afford not to ask for a high price due to their cost structure. This is a competitive advantage used as against large companies " *Customers are happy because they can enjoy a high standard of quality at a price level that a large agency would not accept*.". Yet price remains an important indicator of quality of product/service "*I will never compare by price with an Indian company which cannot offer a quality similar to ours*." Most respondents avoid offering discounts because they do not want to get into a price war with other competitors. Instead they are flexible in terms of charging scheme *"[…] on project, on billable hours, what the customer wants*.”. Prices are based on costs - for distribution companies and based on costs and competition – services companies.

In terms of distribution strategy, things seem relatively simple: companies surveyed were either parts of a supply chain (distributors, shops) or distributed their own products/services directly to the customers. A special case is represented by a company that has penetrated a foreign market using its partner direct sales forces on an international market "*In xxx [country –n.a.] is company with whom we worked there ... and they have a very good networking in the telecom and banking industry*.". The same company plans to penetrate other foreign market and open an office with a local partner. Small companies are forced to resort to atypical distribution strategies because they have insufficient resources "*I'm playing around with the idea of setting up a franchise"*."

Regarding the promotion strategy respondents commonly use low costs techniques. Thus, advertising is done only on low-cost channels like Internet, radio, magazines, flyers but such initiatives are sporadic. With the exception of one respondent, all firms had a website, which is used to provide information to potential customers. The recruitment agency increased its value by using it as a platform for effective communication with their customers - sending regular newsletters, displaying information of interest to them. In terms of sales promotion techniques, the most commonly used methods are demonstrations, free trials and recommendations. For some respondents, a sales force is a necessity but the cost of hiring it is restrictive. Consequently, either the entrepreneur assumes this role or resorts to the partner's direct sales force „*The advantage is on both sides. They have a strong sales team but the agent sells, someone must do the job.*”. Another promotional technique mentioned is participation at fairs, events or exhibitions. Participation is rather imposed by the need to acknowledge membership in a particular group of companies that matter in an industry "*The fair is more for appearance, you should be there.*”.

In general entrepreneurs promote company name and do not have a brand name. Without putting efforts to build a brand they find that "*We have a good image and a good name, apparently you say there is a lot of money behind and this is not true*" The explanation for this could be: entrepreneurs are aware of the value of a good reputation in the market. Because they do not invest resources in the communication, the dissemination mechanism of the "brand" is actually orally through word-of mouth „*Word of mouth is running very well on this area of hobby*.”.

It is interesting to note that - at least for services companies- these companies are able to offer "niche" services at a level of expertise similar to that of major competitors. Moreover they add additional services while keeping costs below them. All these can attract the attention of large companies who may decide that they are dangerous and will attack them or that are attractive and may decide to buy them.

4.6 Performance evaluation

Performance is evaluated based on a results evaluation process. Those are mainly expressed in financial terms: revenues, costs, profit. The respondents prefer to monitor only those indicators which are essential to the business, giving up to those considered to be insignificant "*Last year I had indicators such as number of site visitors , number of site orders, I had more indicators, but starting this year I gave up ... I did not want to complicate my life.".*

A limited number of indicators are evaluated because small companies have few objectives expressed in measurable indicators. Most respondents check each month income-expenditure balance to make sure they are at expected level. If performance does not meet expectations, they start to investigate the cause and find solutions to solve the problem. There are cases in which the monthly assessment is replaced by assessment done at the end of a project or of a sales cycle.

But not only results below expectations trigger a change in strategy. Interactions with customers are good opportunities to determine what works and what needs to be changed. The reaction speed is critical "*After a meeting [...] I realize I have to change quickly. Everything is ongoing, you see where it works-if you did not react quickly …here you cannot work with five-year plan.*".

4.7 Strategic orientations

Customer orientation is considered to be the most important one (understanding and satisfying customer needs), followed by product orientation (providing products/services of the highest quality) and then the learning orientation. Surprisingly, entrepreneurial and small business orientations seem to be the last options of the respondents.

5. Conclusions

According to the research results, small enterprises employ different strategic orientations.

They are a projection of entrepreneurs' personal values, so they are hard to change. The problem is that in certain contexts and at certain development stages, the company must adopt different strategic orientations. If the entrepreneur will not have the ability to adapt to new conditions, the risk is that the company will not prosper anymore or might not even survive.

Compared to large companies SMEs have some advantages such as flexibility, quick speed reaction, closeness to clients but also some disadvantages: insufficient financial resources, lack of expertise, high exposure to unfavorable market conditions. Therefore, survival and development of SMEs is based on identifying, building and securing a competitive advantage. This advantage should be exploited into business strategies to assure company success. A critical issue is that entrepreneurs are failing to protect for a long time their competitive advantage.

Beside the already identified competitive advantages, we believe that entrepreneurs themselves are a critical resource for business. Their passion, skills and deep involvement, help them build a business. Perhaps if they will not involve any more in business, the company performances will decrease. Thus, the main challenge for them will be to build another model of business management: find talented people to delegate their duties and devise mechanisms by which to control the business. This will be absolutely necessary for those who possess an entrepreneurial spirit and want at some point in time to capitalize on other opportunities.

The majority of SMEs don't set clear and precise objectives due to the unpredictable nature of the market. Lack or unclear objectives can be a handicap since they represent both a target - which raises the efficiency level - as well as a benchmark against which can assess the effectiveness of a strategy. Business objectives are indirectly influenced by entrepreneurs' personal goals or other stakeholders such as business partners.

Even if entrepreneurs believe that maximizing the effort leads to better business results this is not sufficient. Maximum performance is achieved not only through the efficient use of resources but also through an intelligent use of them in connection with market opportunities.

The ability to exploit competitive advantage and seize opportunities depends on entrepreneurs marketing-management competencies. Most of them are developed in time through an experience-based learning process. A major drawback of this method is the long time needed to acquire an extensive and intensive business experience. Therefore, entrepreneurs should accelerate the learning pace either by sharing best practices with other entrepreneurs or by applying relevant theoretical/conceptual frameworks.

Entrepreneurs adopt cautious, incremental growth strategies, in small steps due to their entrepreneurial "immaturity". When they will gain enough experience, they will take more aggressive actions.

Although most SMEs have a non-combat attitude towards competition - because they are ignored by major competitors - this situation is likely to change. To respond to the threat of large companies they need to build networks of partners or to join in strategic alliances.

Management and marketing tools can be accommodated by SMEs in the context in which they operate. They should not "import" without reasoning tools used by large companies, but adapt them using critical thinking and creativity.

These conclusions are drawn based on the exploratory research results presented in this paper and may represent a real starting point for the generation of hypotheses for a quantitative research aiming at describing the dimensions of strategic orientations phenomenon in small enterprises.

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THE SHOPPING CENTERS IN ROMANIA – THE MARKETING AND THE BATTLE WITH THE CRISIS

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Abstract: *Shopping centers represent an important aspect of the extremely dynamic life of the 21st century consumer. Nowadays, worldwide, shopping centers represent significant investments, remarking themselves with bold architectures and structures and an individual brand image*

Over the time there were identified various factors playing important roles in the success of shopping centers in the 21st century – among them we may mention : the wide variety of goods and services, the multiple access, the increased security, entertainment offer, etc.

But the crisis revealed that the management "by-the-book" sometimes is not enough.

The current paper describes how the crisis affects the shopping centers in Romania, including some examples of local marketing response and possible directions for the future.

Key words: shopping centers, marketing, strategy, crisis

JEL classification: M31

1. Introduction

The selected theme represents a relatively new subject for the Romanian marketing literature, on a domain situated at the intersection of the retail and the real estate areas: shopping centers and the marketing strategies of shopping centers in Romania vs. crisis situation.

Shopping centers are an important aspect of the extremely dynamic life of the 21st century consumer. Nowadays, worldwide, shopping centers remark themselves with bold architectures and structures, having an individual brand image and being managed centralized, by a specialized management (Falk E., 2003). Being classified based on various criteria, the shopping centers may cover different areas (from 5.000sqm up to 300.000-400.000sqm), may include a multitude of activities (retail, restaurants and coffee bars, exhibition areas, entertainment, cinema halls, various services – health, banking, beauty, supermarket, etc.), may have different themes and different shops structures, with various opening hours, etc.

In addition to that, these buildings may represent works of art and contemporary architecture, points of attraction from the tourists point of view and drivers of the urban life, being seen many times as "the economic and cultural images of the age" (Tuncer D., ALKIBAY S. , HOSGÖR S,2008).

They also represent investments that may rise up to hundreds of million of euro.

Over the time there were identified from consumer studies various factors playing important roles in the success of shopping centers in the 21st century – among them we may mention the most important (BIG FOUR): the wide variety of goods / offers which are provided, the multiple accessibility (easiness to reach the center), the atmosphere of the center, the services of the center , to which sometimes there are added other important aspects – the entertainment offer, the length of working hours (i.e. they are open at midnight, on Sundays, and on some holidays), generous and accessible parking spaces, security, etc. (Casazza J., Spink F., 1999). All these represent the shopping center "structure", based on which the marketing builds the positioning.

Apart from all these, a very important aspect is the (brand) image of the shopping center – on which relies its competitive power. Consumer studies showed that the brand image of the shopping center, the atmosphere, the signalization of the access to various shops inside the shopping center, the information accessibility for visitors, the promotional activities organized by the center, together with the quality of services and products – all have a maximum impact on the consumer choices of a shopping enter versus another (Tuncer D., ALKIBAY S. , HOSGÖR S,2008).

A successful management of a shopping center needs to rely on analyzing consumer needs and on a different marketing positioning, based on the mentioned needs. Multiple studies revealed that there is a direct connection between the image of a shopping center and the visiting frequency, the shopping habits (amounts spent per visit, quantity / type of products purchased during a visit), visiting time, etc. (Casazza J., Spink F., 1999).

In Romania, the shopping centers construction in rare cases was done by developers after a serious analyze of the preliminary long term potential (consumer potential vs. tenants mix); their promotion / marketing was done in many cases without a proper know-how or a good-practice manual .

Currently there is no centralized information (in Romania), on the best practice for a commercial center marketing. All these in total contrast with current practices on more developed retails markets, such as USA / Western Europe, where there is a total different conception over the system (see ICSC - International Council of Shopping Centers).

2. A Glance On The Romanian Shopping Centers Market

The Romanian shopping centers market is a relatively young market (the first mall in Romania opened in Bucharest in 1999 (Bucuresti Mall), the second was opened in 2001 (Iulius Mall Iasi) and the third only in 2004, (Plaza Romania, Bucharest).

The evolution of the market was influenced by the rhythm of the real estate raise and decline (the "boom" in 2007 / 2008, the more-or-less fall in 2009, the 2010 fail). For example, only in Arad, a city with 173,000 inhabitants, only 2 years ago there were announced to be developed till 2012, seven big shopping centers (with an investment value over 600,000euro), far over the capacity of absorption of the city. And it is not a singular case.

A study made by ZF showed that during the last three years in Romania, the investment made in the twelve most expensive shopping centers was of 1.5 billion euros, while the investment in the biggest 10 factories / plants was 1.8 billion euros (among which Ford - Craiova, Renault -Mioveni and Titu or Nokia – Cluj). From the ten shopping centers, six are located in Bucharest : *Cotroceni Park, Sun Plaza, Grand Arena, Baneasa Shopping City, Militari Shopping* and *Liberty Center*.

Table 1. Key investment figures in shopping centers

Mall / shopping centers	**City**	**Value of the investment (mil. Euro)**
2010		
Sun Plaza	Bucharest	200
Gold Plaza	Baia Mare	97
Atrium Center	Arad	70
2009		
AFI Cotroceni Park	Bucharest	300
Grand Arena	Bucharest	187
Militari Shopping	Bucharest	75
2008		
Baneasa Shopping City	Bucharest	150
Liberty Center	Bucharest	70
City Park	Constanta	70
2007		
Polus Center	Cluj	140
Iulius Mall	Cluj	75
Euromall	Pitesti	50

Compared to European average, Romania has still plenty of space to go:

Another example of the retail boom is that in 2009, a study made by CB Richard Ellis (CBRE) on 300 retailers and 200 countries, placed Romania on the 2nd place (after The United ***Arab Emirates***), in terms of the number of new brands entry on the local market.

The trend continued also in 2010 with: *Camaieu, Gerard Darel*, *SIX*, *Brioche Doree* and the announcement of *Leroy Merlin* , *Lidl* and *H&M* of entering on the Romanian market.

Fig. 1. Shopping Centre GLA (sq.m) per 1,000 Population (September 2010)

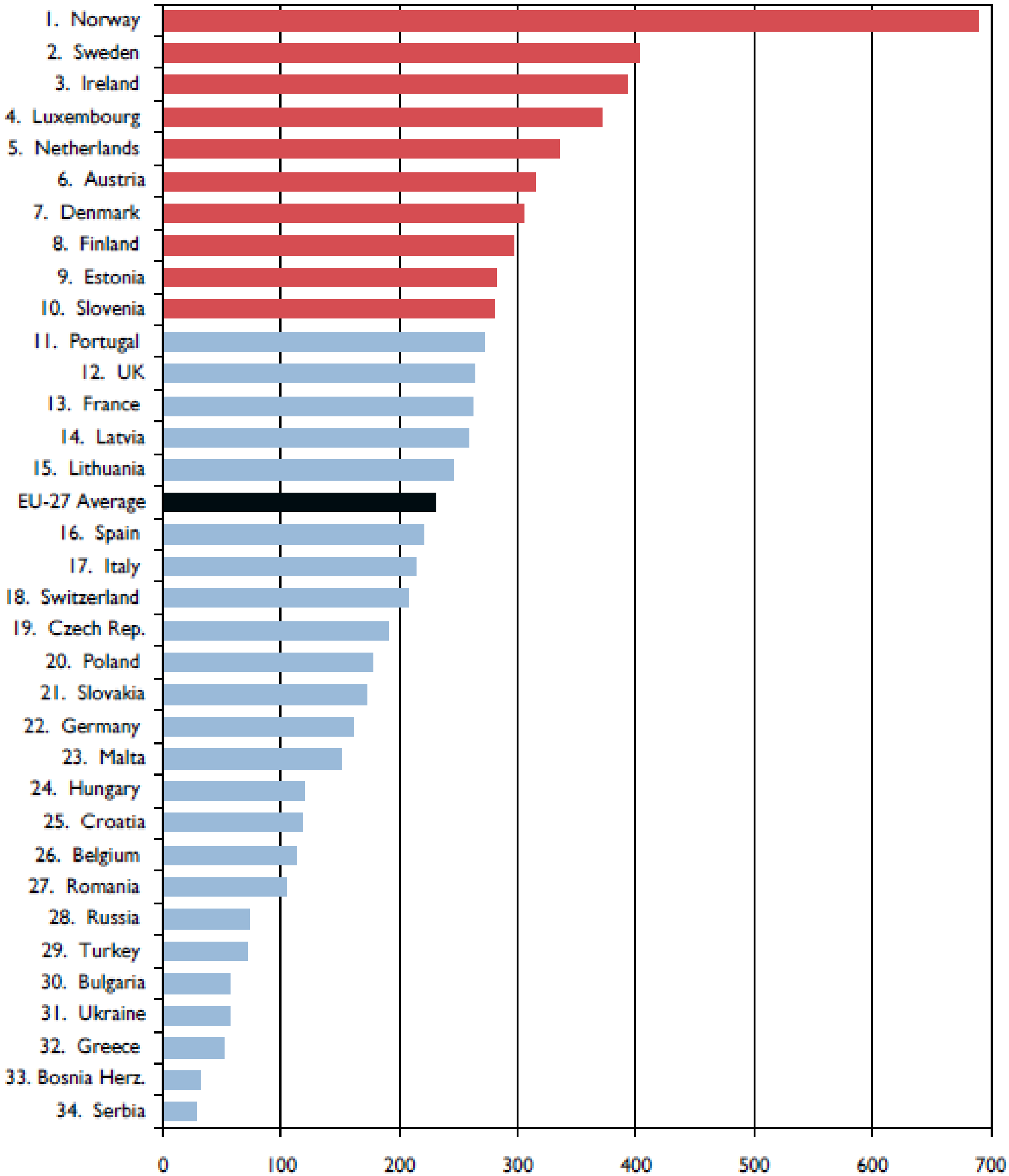


Fig.2. Brands expansion / cities (ZF analysis based on data provided by companies)
Note: cities over 150.000 inhabitants

But the facts do not look so encouraging anymore.

In Romania, the last of the projects started before the economic downturn is now being completed. Only one project is expected to open between now and 2012.

Table 2. Key investment figures in shopping centers in year 2010 - ~400 milion Euros

Project	**City**	**Investment (mil. Euro)**	**Anchors**	**Opening Date**
Sun Plaza	Bucharest	200	Cora, Baumax, Mobexpert, Flanco. Inditex	24th February 2010
Gold Plaza	Baia Mare	97	Cora, Cinema City, C&A, new Yorker	4th November 2010
Atrium Center	Arad	70	Billa, C&A, Altex, Cinema City	23rd March 2010
Cocor	Bucharest	25	Guara, Agnes Toma, Yokko	2nd October 2010
Severin Shopping Center	Drobeta Turnu Severin	16	Carrefour, Altex, NewYorker, Orsey	22nd September 2010

As a result of numerous store closures by retailers seeking to cut costs, vacancy rates in both new and existing projects have risen. Some projects have modified their format to include more discounters, which have been a major driving force behind expansion in the last 12-18 months.

Though the shopping centers domain is at its start in Romania, we can already talk about the failure of some major projects that suffered the effects of ignoring some major aspects, correlated with the world economical crises.

Such case is the *Tiago Mall Oradea*, which was finalized over a year ago but it was not opened due to the lack of tenants. This mall was put on sale, after the developer MLS Proiect Oradea, a subsidiary of the Irish group Mivan, went into bankruptcy. Till now, other commercial centers were also closed / suspended (*Trident – Sibiu, Armonia – Braila*), but they were not put on sale yet. In exchange, Red Project Three (company owned by Red Capital Management and the developer of *Armonia – Braila*), requested insolvency.

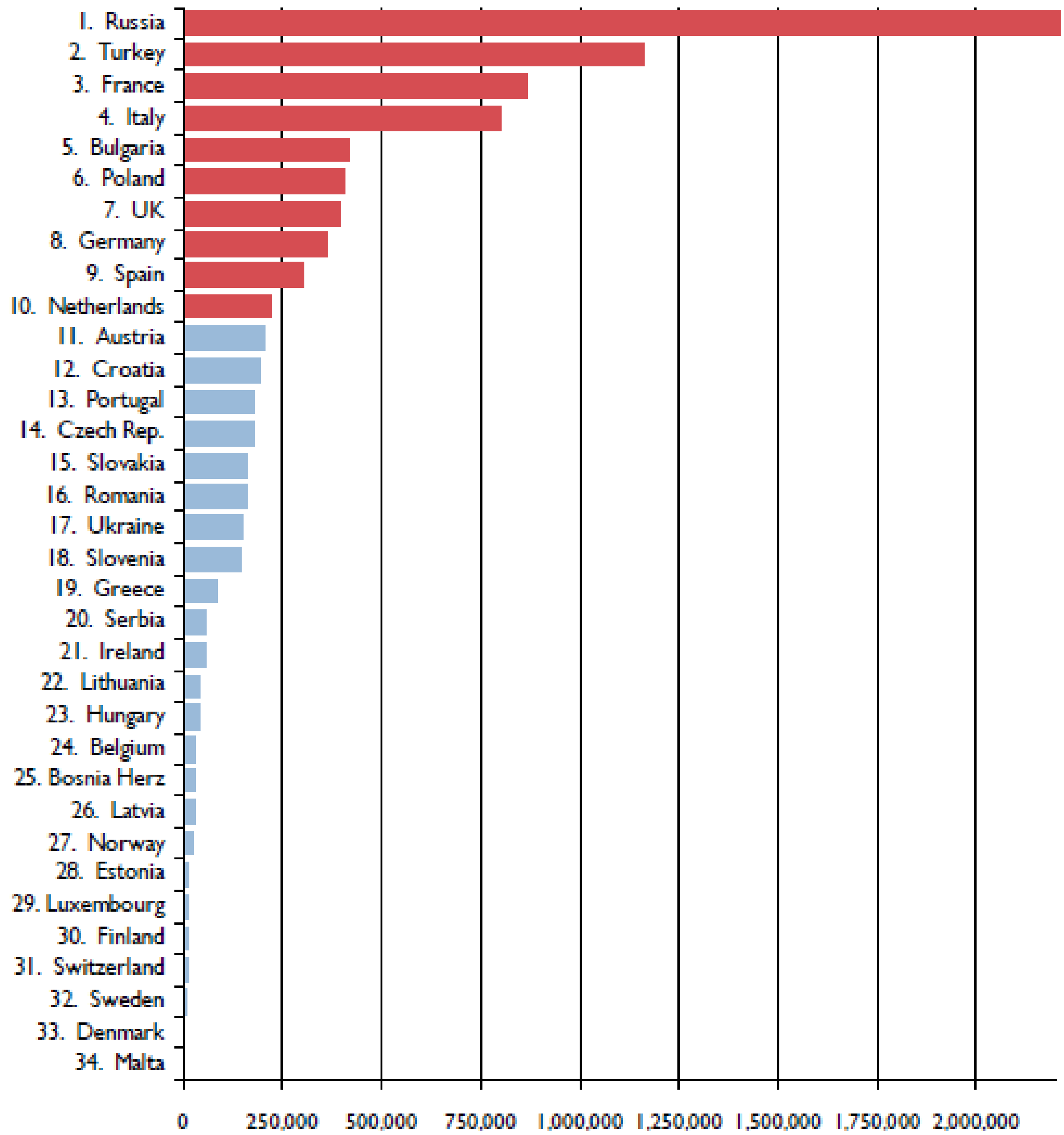
Other shopping centers that struggle with difficult financial problems are: *City Mall Bucharest* and *Bucharest Grand Arena* (centers located in close proximity – south part of Bucharest, very close to other two major projects *Sun Plaza* and *Liberty Center*).

In the case of City Mall, for example, the financial situation of the shopping centre has worsened dramatically in 2010, with operating income falling by 90%, from 3.1 million euros to 308,000 euros, as a result of the lower occupancy rate of the mall and of lower rent for remaining tenants. Under the circumstances, the market value of the project went down even further to 35.4 million euros (compared with 51.6 million euros a year ago and over 100 million euros, the price paid for the acquisition in November

2006), taking its "loan to value ratio" indicator to 116%, even though the limit accepted by the bank is 65%. Currently the sopping center faces insolvency.

In the case of *Grand Arena*, the facts look also difficult – over 25 tenants during a single “scandal” resigned the 5 years contracts after only 1 year, due to “lack of traffic, the low occupancy rates, the improper shopping spaces”, etc. An important complaint was also the fact that the shopping center was opened before time, with only 80 stores opened out of the 180 (at the pressure of some anchor tenants)

Fig. 3 European Shopping Centre Pipeline (sq.m)



A study made by Business Construct showed that, while in April 2010, in the eight malls opened in Bucharest there were registered ~171 empty spaces, in four month time (August 2010), the number increased with 18%, up to 202pcs. Same study revealed that six out of the eight projects registered an increase in the number of empty spaces). The total number of commercial spaces registered for the eight projects is ~1000pcs - this means that, as average, one out of five is empty. But they are not distributed equally… and more relevant is not the number, but the area.

For instance, in the south part of Bucharest, in august 2010, Grand Arena, Liberty Center and City Mall registered 75 empty spaces (from 61 – an increase of over 20% in four months).

Tunc Capa, the founder of Anchor Group, the company that developed the first mall in Bucharest and Romania, declared for ZF “*in Bucharest there were built too many malls, despite the fact that the retail market and the level of salaries grew spectacularly in the last ten years*”.

3. A Glance On The Romanian Level Of Life

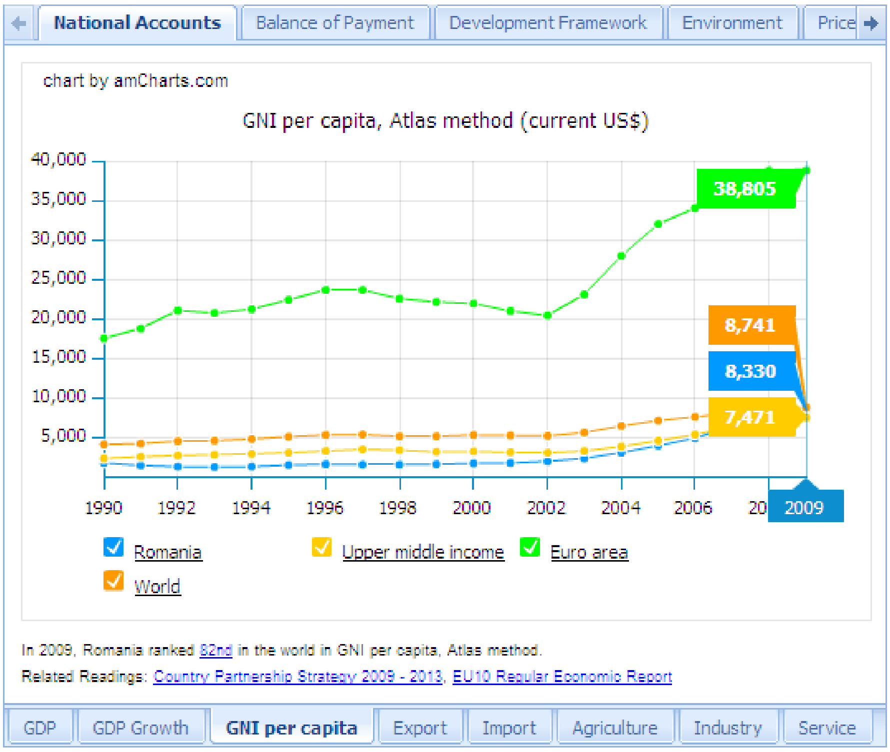
In present days, the problem for existing projects is mainly the economical incertitude and the low power of consumption of the Romanian consumers, which decreased massively compared to previous years. Triggers that may be mentioned together with crisis:

- increase in VAT from 19% to 24%,
- unemployment and current incapacity of private sector to absorb work force (due to the economical crisis),
- decrease with 25 – 40% of the salaries in the public sector, combined with a large share of public sector employees – 1.27 million persons from the active population),
- expected layoffs in the public sector (from 1.27 million to 0.9 in the next 2-3 years), etc..

A study ordered by the World Bank and made by the Institute of World Economy – The Romanian Academy (*Institutul pentru Economie Mondiala - Academia Română)*,during the period 1st – 15th May 2010, showed that 2 out of 3 Romanians remain without money between two consecutive salaries, while 65% of the population aged over 16 years has difficulties in covering its daily needs. Same study revealed that , from those that have extra money from one month to the next one, 74.6% answered that they keep them in cash, only 33.6% are spending them on consumer goods and 25.4% are saving them as economies.

And this situation was before the VAT increase and the public sector reductions … and before the winter months which affect consumer budgets with increased costs of electricity & heat.

Fig.4 GNI per capita, Romania (Gross National Income, divided by its population) – source World Bank



The decrease in power consumption and in the level of optimist expectations affects the retail market directly … and the shopping centers indirectly.

"*Consumer nowadays only looks for quality products, to satisfy his needs, at the lowest possible price*" says Vlad Dragoescu, investment & asset manager of Equest Investment Fund.

4. HOW SOM SHOPPING CENTERS TRIED TO ADDEPT

The situation briefly summarized before does not look pink.

As they do not have the "red button" of reducing prices (as the normal retails shops have), what are the local shopping centers doing to counteract the constriction of consummation?

We can make a comparison between three shopping centers, all located in Bucharest: Afi Cotroceni, Bucuresti Mall and City Mall.

Table 3. As a short presentation of the three shopping centers

Afi Cotroceni Park	Bucuresti Mall	City Mall
- opened in 2009; - location: 6th district – biggest district in Bucharest ; - **250 shops**, 2500 parking places, 1 hypermarket non-stop, 20 cinema halls (first Imax from Romania), a skating area- the biggest indoor area (~1000sqm), a mini-train, laser tag, etc. - Shops: Zara, Bata, Benetton, C&A, Marks & Spencer, Tommy Hilfiger, Hondos, Nike, Puma, Adidas, Calvin Klein, Bershka, Body Shop, etc. - H&M to come - http://www.aficotroceni.ro	- first mall in Bucharest (2001); - declared as the only mall currently 100% occupied; - location: 3rd district (in a high traffic area) - over **140 shops** , 1800 parking places, 1 supermarket (G'market), multiplex cinema (10 halls), bowling, casino, electronic games, etc. - Shops: Zara, Debenhams, Marks & Spencer, Tommy Hilfiger, Springfield, Bata, Aldo, NineWest, Mango, Adidas, Otter, McDonalds, Starbucks, Burger King, KFC, etc. - H&M to come - http://www.bucurestimall.com.ro	- the 3rd opened shopping center in Bucharest (2006), - location: south area of Bucharest, 5th district - over **70 shops**, 1000 parking places, 1 cinema (4 halls), bowling & billiard area, etc. - Shops: Sprider , Hondos Center, House of Art, Burger King, KFC - www.city-mall.ro

Table 4. What communication plans did they prepare for the difficult period of the 2010 fall?

Afi Cotroceni Park	Bucuresti Mall	City Mall
Activities		
Events at MegaFun zone: - A Michele Jackson event – "Thrill the World"; - "Beer festival", 1st – 3rd October (stand-up comedy, music live, pantomime, traditional art exhibition, etc.) - "Happy Baby day", etc.	- "Optimo" card (discount card up to 25% in 130 shops) - A shopping competition with prizes in weekends at the mountain	- Fidelity card (discount from 5 up to 20% in 25 shops) - Halloween children events; - Folk contest; - School start competition (1000 prizes)
Communication:		
Radio, on-line, PR, indoor	On-line, in-door, PR, mall's magazine	On-line, in-door, PR

As it seems, there is no significant difference in the communication campaigns / events prepared by the three malls. Two out of three attempted to include "global" programs of discounts / sales / special offers, in which they tried to involve as many as possible retailers.

If we will go back in time, we will see that the trend of activities maintains the same. Apparently they all three should have same traffic expectations, based on the promotions prepared.

But the facts look distinctive for the three malls: Afi Cotroceni and Bucuresti Mall prepare for H&M much expected entry (as locations with high traffic and high sales expectations), while City Mall strikes with financial difficult problems.

A short on-line search on the perception on the three centers looks as follows:

- Afi Cotroceni – "*the biggest / tallest mall in Romania*"
- Bucuresti Mall is "*The Mall / the first mall in Bucharest*";
- City Mall – "*the mall that betrayed expectations"*

So the difference lies in the consumer perception on the three centers image and its evolution in time and not in regular communication activities. And the crisis only enlarged the existing gaps and image differences.

A quote from Ben Bins – Associate , King Sturge Romania may be used as conclusion "*shopping centers which were incompletely developed from the offer point of view (shopping / centers / entertainment) now suffer from traffic extreme decline. The most difficult times are for the shopping centers with poor renowned international brands or with poor entertainment facilities offered to consumers"*.

It is not about what you say you are, but about what consumers think you are – a perception which is built in time and is not easy to change.

5. Which is the future?

A study prepared by Jones Lang LaSalle (Retail 2020 – "*Change is coming / Are you ready*") put into the light some expected major differences, the shopping centers and retail in general will have to face. According to Jones Lang LaSalle, over the next 10 years, the whole retail landscape looks set to experience a period of dramatic change:

- The raise of the consumer power – power will shift from manufacturers and retailers to consumers;
- Retail's ability to maintain margins will diminish as fixed pricing fades (see the Consumer Price Index expected evolution)

Table. 5 Consumer Price Index, Year-on-Year Percent Change
(Source: IHS Global Insight, February, 2010)

Geography	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
EU: European Union	1,68	1,80	1,92	1,88	1,93	1,91	1,89	1,91	1,93	1,93	1,92
Western Europe	1,58	1,70	1,84	1,82	1,88	1,84	1,82	1,84	1,87	1,87	1,86
Eastern Europe	4,71	3,99	3,98	3,40	3,24	3,14	3,07	3,01	2,95	2,88	2,80
Central Europe	2,78	2,78	2,60	2,47	2,40	2,43	2,45	2,40	2,37	2,31	2,26

- Retailers and Shopping Centre Managers will respond with:
  - Store staff become more empowered (and better)
  - New emphasis on added value offers
- The Shopping Centre Manager will have a pivotal role
  - Coordinate an important retail response & rebalance retail brands
  - Manage the consumer insights - Reconfigured investments - Targeted shop concepts
- Getting the targeting wrong will matter more since the Generational impacts are like none we have witnessed to date;
- New technologies will modify the shopping patterns;
- On-line will represent a serious competition for shopping centres (easier, cheaper, faster, etc.). It will mean the end of "clone centres". Where successful, the battlefield will move from location and price to consumer relevancy and experience.

6. Conclusions

Regular marketing activities by the book will not save a job not done in time, the job of "listening" and preparing for the consumer needs, needs that are in constant change and adaptation, becoming more and more complex along with crisis evolution and the growth of globalization and sophistication level.

The days when the consumer took whatever was offered are over.

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EXTERNAL COMPETITIVENESS OF THE ROMANIAN MINING AND QUARRYING INDUSTRY

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Abstract: *The paper presents a brief analysis of the external competitiveness of the Romanian mining and quarrying industry – one of the industrial sectors with a very low share in the country's foreign trade. Both the analysis by industries and that of certain comparative advantage indicators reveal a very weak specialization of Romania in the international trade in mining and quarrying commodities, although the significant decline in the imports of inputs for production determined by the economic crisis led to a relative diminution of the competitive disadvantages.*

Key words: competitiveness, sectoral analysis, comparative advantage/disadvantage

JEL Classification: F10, F14, L70

1. Introduction

The identification of comparative and competitive advantages/disadvantages in the Romanian foreign trade in goods is important for several reasons: i) it is a way to assess the external competitiveness of the Romanian economy in the specific context of global and regional markets, ii) it provides information on the specialization of Romanian sectors/industries with the perspective of adapting their output to the demand on foreign markets, iii) it signals likely difficulties in adapting (or concerning the adaptability) the sector structures of the Romanian economy to the changes in the overall economic environment and to the changes in the specific demand, iv) it provides a picture on the integration of the companies activating in Romania (domestic or foreign) into the international output structures and value chains and on the extent of integration of the Romanian economy as a whole into the European Union economic area (Chilian, 2011). In such a context, the paper presents a brief analysis of the external competitiveness of the Romanian mining and quarrying industry – one of the industrial sectors with a low share in the country's foreign trade, trying to find out with the help of specific indicators whether there are or not comparative advantages.

2. Dynamics of Romanian foreign trade in mining and quarrying industry products

The *mining and quarrying industry* (and its industries) is one of the industrial sectors with a very low share in the total Romanian exports, but with a significant share in the total imports (Table 1). From among its main industries, those with a more significant share in the total exports over the interval 2005-2009 were *Metallic ores mining and processing* (which experienced a severe drop in export amount and share in 2007, followed by a stagnation afterwards) and *Other mining and quarrying activities* (with relatively constant export amounts, but diminishing export shares over the analyzed interval).

As regards the share in total imports, *Crude petroleum extraction and other connected activities* accounted both for the largest amounts (nevertheless, nearly halved in 2009 as compared to the previous year, against the background of a significant decline in the imports of inputs for production, consequence of the economic crisis) and for the largest shares (experiencing a relative diminution after 2006). Considering such an aggregated structure, the trade balance was in deficit both for the whole mining and quarrying industry and for each of its main industries, the largest deficit being accounted for by *Crude petroleum extraction and other connected activities*, which practically registered no exports, but only very large imports.

If one analyzes the foreign trade in mining and quarrying products at a more disaggregated level, by product groups and sub-groups, one may notice certain differences (see the Appendix). However, one should mention that the mining and quarrying product groups (and certain sub-groups) considered for the analysis (which in the foreign competitiveness analyses are considered as proxies for the exporting industries) include also products that do not belong technically to the mining and quarrying industry. They may be products resulted from the primary processing of raw materials provided by the mining and quarrying industry, or mixed sub-groups of products, which include both raw products and products resulted from further processing (although not very sophisticated) of the raw materials provided by the mining and quarrying industry.

Table 1: Participation of the mining and quarrying industry to the Romanian foreign trade

	Shares in total									
	Exports*					Imports*				
	2005	2006	2007	2008	2009	2005	2006	2007	2008	2009
Mining and quarrying industry – total	0.25	0.27	0.16	0.15	0.17	13.71	13.13	10.22	11.10	7.69
Coal mining and processing	0.00	0.00	0.02	0.00	0.01	1.12	0.74	0.72	0.67	0.24
Crude petroleum extraction and connected activities	0.00	0.00	0.00	0.00	0.00	10.96	11.12	8.36	9.35	6.95
Metallic ores mining and processing	0.17	0.20	0.08	0.10	0.09	1.35	1.05	0.94	0.84	0.30
Other mining and quarrying activities	0.08	0.06	0.06	0.05	0.07	0.28	0.21	0.20	0.24	0.20

* International trade in goods, by main economic activities (CANE Rev. 1) for the interval 2005-2007 and by product classification by activities for the interval 2008-2009.

Source: Authors' computations on the basis of *Romanian Foreign Trade Statistical Yearbook* 2007-2010, National Institute of Statistics, Bucharest, Romania.

Thus, the product group *25 – Salt, sulfur, earths and stones, gypsum, lime and cement* recorded a decline in its share in the total exports over the interval 2005-2009, while its share in the total imports oscillated. From among its sub-groups, the only one belonging to the mining and quarrying industry that recorded export amounts and shares in total exports worth to be mentioned was the sub-group *250100 – Salt and pure sodium chlorine* (however, with significant decline in shares in the total exports towards the end of the analyzed interval).A similar situation was registered by the product group *26 – Ores, slag and ashes*: a significantly declining share in the total exports, but also in the total imports (especially towards the end of the analyzed interval, due to the significant decline in the demand for inputs for output, one of the consequences of the economic crisis), with the mention that the latter was substantially higher than the former. From among its sub-groups, only the sub-group *260800 – Zinc ores and concentrates* recorded shares in the total exports worth to be mentioned, however, with significant declining tendency in 2007 and 2008. One must also mention the tendency of sharp decline in total imports recorded by the sub-groups *2601 – Iron ores and concentrates* and *2606 – Aluminum ores and concentrates* (in line with the similar trends in the ferrous and non-ferrous metallurgy).

Finally, the product sub-groups belonging to the mining and quarrying industry of product group *27 – Fuels and mineral oils, bituminous materials, mineral waxes*, do not practically count in the total Romanian exports, while their shares in the total imports were either stagnating or declining over the analyzed interval.

Another aspect worth to be mentioned refers to the distribution by trade partners of the markets for mining and quarrying industry products with significant export amounts. Over the analyzed interval, one may notice both a tendency of reduction in the number of countries where the Romanian mining and quarrying industry products were exported, and the increasing dependency on a very small number of export markets (Hungary and Serbia in the case of sub-group *250100 – Salt and pure sodium chlorine*, Egypt, Greece and Ukraine in the case of sub-group *2503 – Sulfur of any kind, except for sublimated, precipitated and colloidal sulfur*, Bulgaria, China and Luxembourg in the case of sub-group *2601 – Iron ores and concentrates, including roasted pyrites*, Poland in the case of sub-group *260800 – Zinc ores and concentrates*).

3. Assessment of specialization of the Romanian foreign trade in mining and quarrying industry products

Another part of the analysis refers to computing the comparative ***advantage indices***, on the basis of different formulae. The ***comparative advantage concept*** used to identify a country's industries (products) that are strong or weak from the foreign trade point of view is extensively used in the literature. A certain industry of a country enjoys a comparative advantage if its exports are more important for the respective country than the exports of a reference group of countries.

There are many ways to compute the comparative advantage/disadvantage indices, but in the current analysis only several were used. A first comparative advantage index was computed as according to the ***normalized balances*** for the main imported/exported goods, as follows:

$Z_i = (x_i-m_i) / (x_i+m_i) * 100,$ (1)
where: m_i = import of product *i*
x_i = export of product *i*

The index may take values ranging between -100 (there is no comparative advantage for product *i*) and +100 (the exporting country has full comparative advantage for product *i*). For the case of the Romanian mining and quarrying industry and its main industries, as well as its product groups and sub-groups, the results are shown in Tables 2 and 3.

Table 2: The comparative advantage of the Romanian mining and quarrying industry* and its main industries computed on the basis of the normalized balances method

	2005	2006	2007	2008	2009
Mining and quarrying industry – total	-97.5	-97.5	-98.2	-98.41	-96.84
Coal mining and processing	-100.0	-99.3	-96.5	-99.97	-95.79
Crude petroleum extraction and connected activities	-100.0	-100.0	-99.9	-100.00	-100.00
Metallic ores mining and processing	-84.1	-78.4	-90.8	-86.49	-62.24
Other mining and quarrying activities	-66.7	-68.3	-70.7	-73.19	-64.69

* International trade in goods, by main economic activities (CANE Rev. 1) for the interval 2005-2007 and by product classification by activities for the interval 2008-2009.
Source: Authors' computations on the basis of *Romanian Foreign Trade Statistical Yearbook* 2007-2010, National Institute of Statistics, Bucharest, Romania.

The results show that the presence of comparative advantage could not be identified for any of the mining and quarrying main industries; moreover, except for *Other mining and quarrying activities* all the other industries practically registered absolute disadvantages (including the mining and quarrying industry as a whole).

Table 3: The comparative advantage of the Romanian mining and quarrying industry's groups and sub-groups of products, computed on the basis of normalized balances method

Code	Product group/sub-group	2005	2006	2007	2008	2009
25	*Salt, sulfur, earths and stones, gypsum, lime and cement*	-25.95	-23.74	-60.60	-73.82	-63.03
250100	Salt and pure sodium chlorine, also in liquid form	**51.43**	**45.97**	**44.53**	**46.23**	**36.07**
2503	Sulfur of any kind, except for sublimated, precipitated and colloidal sulfur	**43.69**	**44.31**	-20.10	**66.93**	-77.69
2507	Kaolin and other kaolin clays, roasted or not	-99.97	-98.92	-99.73	-98.97	-99.96
2510	Natural calcium phosphates, natural aluminum-calcium phosphates and phosphate chalk	-100.00	-100.00	-99.65	-100.00	-99.36
2519	Magnesium natural carbonate	-95.19	-93.49	-90.36	-86.70	-85.27

	(magnesite), melted or syntherized magnesia, magnesium oxide					
26	*Ores, slag and ashes*	-83.89	-77.90	-89.97	-85.08	-62.96
2601	Iron ores and concentrates, including roasted pyrites	-99.99	-99.99	-99.69	-97.59	-76.43
2606	Aluminum ores and concentrates	-95.80	-99.88	-98.82	-98.96	-89.35
260800	Zinc ores and concentrates	-80.06	-90.36	-96.54	-99.66	-99.17
27	*Fuels and mineral oils; bituminous materials, mineral waxes*	-31.33	-35.99	-42.32	-39.84	-35.73
270111	Anthracite	-94.99	-100.00	-100.00	-99.99	-97.59
270112	Bituminous black coal	-100.00	-100.00	-95.22	-100.00	-86.89
270119	Other black coal	-100.00	-97.21	-100.00	-98.43	-98.86
271121	Natural gas in gaseous form	-100.00	-100.00	-100.00	-100.00	-100.00

Source: Authors' computations on the basis of *Romanian Foreign Trade Statistical Yearbook* 2007-2010, National Institute of Statistics, Bucharest, Romania.

As regards the mining and quarrying industry product groups and sub-groups, one may find a moderate comparative advantage over the interval 2005-2009 only in the case of sub-group *250100 – Salt and pure sodium chlorine*, which also registered relatively significant export amounts (which signals a weak specialization of Romania in the exports of such products). One may also find a comparative advantage in certain years of the analyzed interval in the case of sub-group *2503 – Sulfur of any kind, except for sublimated, precipitated and colloidal sulfur*, which recorded relatively constant shares in the total exports, but low export amounts.

Another way to determine foreign trade specialization is given by the ***Michaely index***:

$MI_{ij} = X_{ij}/\Sigma_i X_{ij} – M_{ij}/\Sigma_i M_{ij}$ (2)

where X_{ij} is the export of industry *i* of country *j* (the percentage share of a given industry in the national exports) and M_{ij} the imports of industry *i* of country *j* (the percentage share of a given industry in the national imports). The variation interval is [-1; +1]; if the index value is positive, then a country is specialized in a given industry, while a negative value points towards a de-specialization in the given industry. A similar index is that proposed by ***Neven***:

$ACA = (x_i/X – m_i/M) * 100,$ (3)

where: m_i = import of product *i*
x_i = export of product *i*
M = total import
X = total export

Although theoretically ranges between 100% and -100%, the apparent comparative advantage determined with the help of the Neven formula rarely exceeds +/-10%. Its value is correlated with the intensity of intra-industry trade: the stronger the trade in both senses is, the lower the specialization is and the index is close to zero. For the Romanian mining and quarrying industry product groups and sub-groups, the comparative advantage determined as according to the Neven formula is presented in Table 4.

Table 4: The comparative advantage of the Romanian mining and quarrying industry's groups and sub-groups of products, computed on the basis of Neven specialization index

Code	Product group/sub-group	2005	2006	2007	2008	2009
25	*Salt, sulfur, earths and stones, gypsum, lime and cement*	-0.04	-0.01	-0.14	-0.29	-0.17
250100	Salt and pure sodium chlorine, also in liquid form	*0.05*	*0.04*	*0.03*	*0.03*	*0.02*
2503	Sulfur of any kind, except for sublimated, precipitated and colloidal sulfur	*0.01*	*0.01*	0.00	*0.03*	0.00
2507	Kaolin and other kaolin clays, roasted or not	-0.02	-0.02	-0.01	-0.01	-0.01
2510	Natural calcium phosphates, natural aluminum-calcium phosphates and phosphate chalk	-0.05	-0.02	-0.02	-0.08	-0.02
2519	Magnesium natural carbonate	-0.03	-0.02	-0.02	-0.01	-0.01

	(magnesite), melted or syntherized magnesia, magnesium oxide					
26	*Ores, slag and ashes*	-1.19	-0.86	-0.87	-0.75	-0.22
2601	Iron ores and concentrates, including roasted pyrites	-0.91	-0.68	-0.63	-0.60	-0.22
2606	Aluminum ores and concentrates	-0.20	-0.15	-0.01	-0.01	-0.01
260800	Zinc ores and concentrates	-0.11	-0.19	-0.26	-0.14	-0.02
27	*Fuels and mineral oils; bituminous materials, mineral waxes*	-3.28	-3.49	-3.19	-3.36	-3.44
270111	Anthracite	-0.02	-0.01	-0.02	-0.02	-0.01
270112	Bituminous black coal	-0.97	-0.60	-0.49	-0.51	-0.06
270119	Other black coal	-0.11	-0.09	-0.14	-0.12	-0.15
271121	Natural gas in gaseous form	-2.79	-3.36	-2.06	-2.32	-1.20

Source: Authors' computations on the basis of *Romanian Foreign Trade Statistical Yearbook* 2007-2010, National Institute of Statistics, Bucharest, Romania.

The results are similar to the aforementioned ones, strengthening the conclusion of a very weak specialization of Romania in the export of mining and quarrying industry products (identifiable only in the case of sub-groups *250100 – Salt and pure sodium chlorine* and *2503 – Sulfur of any kind, except for sublimated, precipitated and colloidal sulfur*), although the significant comparative disadvantages registered by some other product sub-groups diminished in 2009, due to the sharp decline in the imports of raw materials.

4. Conclusions

- The *mining and quarrying industry* is one of the industrial sectors with a very low share in the total exports of Romania, but with a significant share in the total imports. The only industries that registered a more important share in the total exports over the last five years were *Metallic ores mining and processing* and *Other mining and quarrying activities*, but both their export amounts and shares in the total exports registered a tendency of sharp decline. Consequently, the trade balance was in deficit for both the mining and quarrying industry as a whole and all its industries, the highest deficit being accounted for by *Crude petroleum extraction and connected activities*, which practically recorded only high import amounts. However, one must mention the decline in imports by nearly a half in 2009 as compared to the previous year, due to the significant reduction in imports of inputs for production determined by the effects of the economic crisis.
- Only a few mining and quarrying industry product groups and sub-groups registered export amounts and export shares in the total exports worth to be mentioned: group *25 – Salt, sulfur, earths and stones, gypsum, lime and cement*, and its sub-group *250100 – Salt and pure sodium chlorine*, and group *26 – Ores, slag and ashes*, and its sub-group *260800 – Zinc ores and concentrates*, but they also registered an increasing dependency on a very small number of export markets.
- No comparative advantage may be identified for any of the mining and quarrying industries; moreover, except for *Other mining and quarrying activities* all the others industries registered practically absolute disadvantages, including the mining and quarrying industry as a whole. However, over the interval 2005-2009, a moderate comparative advantage may be identified in the case of sub-groups *250100 – Salt and pure sodium chlorine* (which also registered relatively significant export amounts) and *2503 – Sulfur of any kind, except for sublimated, precipitated and colloidal sulfur* (which registered relatively constant shares in the total exports, but low export amounts). The specialization of Romania in the export of mining and quarrying products is thus very weak, almost all such product groups and sub-groups recording stronger or weaker comparative disadvantages. Since the mining and quarrying industry products include mostly raw materials, we consider that specialization in certain higher quality (and/or higher price) segments of the same relatively homogenous commodities may prove as a viable growth strategy for increasing the external competitiveness both of the mining and quarrying industry companies and the sector as a whole.

The paper presents some results of the project PN _II, 91_128/octombrie 2008- ALORIFICAREA AVANTAJELOR COMPETITIVE ÎN INDUSTRIA EXTRACTIVĂ DIN ROMÂNIA CA EFECT AL DECIZIILOR BAZATE PE METODE ECONOMETRICE ŞI ANALIZA MULTICRITERIALĂ A

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MUTATIONS IN GLOBAL ECONOMY - A REFERENCE ELEMENT FOR THE EVOLUTION OF YOUTH TRAVEL

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Abstract: *The main objective of this paper is to present the main mutations currently taking place in the global economy that have implications over youth travel. To clarify their impact, we analysed mutations with positive influence over youth travel, such as globalisation, sustainable development, technical progress, the development of the tertiary sector or informatics, as well as mutations with adverse effects, such as the economic and financial crisis and demographic trends.*

Key words: youth travel, mutations, globalisation, tertiary sector, sustainable development

JEL classification: O11, R11, L83.

1. Introduction

Youth travel is a booming market and it's becoming increasingly more important for many countries around the world as a result of the forecasted growth, especially on medium term. The main *arguments* of youth travel development are expressed by: *the obvious need of young people to travel* **-** as a way to develop their personality and steer demand towards new and active destinations or types of vacation; *a relatively low level of investments* in accommodation units due to the fact that young people don't demand luxurious or extremely diversified services (these accommodation units are classified from 1 to 3 stars even in our country); *the average or even high level of the budget* allocated for tourism because they are willing to save money, etc.

At the same time, the advantages of youth travel also act in the direction of positive evolution, particularly the contribution to the capitalization of tourism resources, to economic and social development and, not least, to shaping future generation of adult tourists.

In these circumstances, shaping future national and international tourism can't ignore the developments on the youth travel market, just as the determination of the size of these developments should be linked with the dynamics of global economy and global tourism.

2. Mutations on global economy and their impact on the evolution of youth travel

Dynamism, depth and breadth of the changes in all the areas of economic and social life – as defining features of contemporary evolution – are reflected, among others, in the change of the economic structures, in the re-ranking of the component branches in accordance with the requirements of the scientific and technical progress, with the rational exploitation of the full potential of resources and efficiency growth, with the requirements related to improving quality of life (Minciu, 2004). In this context, tourism acts as a separate component of economy, having a more active presence in the economic and social life, a significant contribution to general progress and being a promoter of globalisation and a factor of sustainable development.

Over the past decades, the evolution of global tourism has followed, with a few exceptions, an upward trend as a result of people's desire to learn and to know more, but also as a result of the opportunities provided by the economic dynamic of fulfilling this desire. Without a doubt, the existence of negative phenomena, such as crises (economic, financial, social), the spread of diseases (SARS, A/H1N1, avian flu), terrorism, etc., have also impacted the evolution of tourists' traffic.

Given the interconnections between the dynamics of global economy and tourism, the analysis of the quantitative and structural mutations within these dynamics, the main faced phenomena, the anticipation of their impact will provide assurance for realistic forecasts of tourism development and, implicitly, of its components, including youth travel.

Among the major phenomena in global economy that leave a mark on tourism, the most important are:

- globalisation
- sustainable development
- the development of the tertiary sector (services), particularly informatics

Special attention should be given to the economic and financial crisis faced currently by most countries and which affects incomes and the opportunities to travel. The evolution of the world's population should also be analysed, on age and regional distribution, because it has a specific role for youth travel.

The *globalisation* process of the world's economy, which began in the mid-80s, acquired new meaning in the 90s and continues to unfold with intensity, represents the strengthening and broadening of the connections between national economies on the global market of goods, services and, especially, capital. Globalisation has become an objective, implacable process that includes all the states of the world and all the sides of the economic life, including tourism.

Economic globalisation has deep consequences at the level of the tourism activity also because it involves movement of people at international level and, therefore, financial transfers between the different states. The international tourism activity is a global activity par excellence. Hotel and restaurant chains, air travel, land transport, sea travel, tour operators and global distribution systems, as well as specialized organisations, are compelling evidence of globalisation in tourism. At its base there are series of economic, technical, social, political, etc. factors, which act simultaneously and interlinked at international, regional and national levels, namely: new technologies of information and communication, the expansion of the modern industrial branches, the rise of the tertiary sector as a whole, the limiting or removal of state borders within the process of unreeling international flows of goods, services, technologies and capital, the tendency to focus tourism activities in five main regions, namely Europe, the American continents, Asia and Pacific, Africa and Middle East, as well as extending the private sector and the market, to open them to the outside.

International tourism is also an argument and expression of globalisation, being a precursor and spearhead of this process (Rotariu, 2004). The trans-national structures play an important role, decisive even, in the development of international tourism. They can't be ignored, just like we can't under appreciate the importance of using the state in the unreeling and development of tourism activities.

One of the consequences of economic globalisation in the area of tourism in general and in the area of youth travel in particular is the improvement of the relations between the developers of this industry in various parts of the world. The development of tourism services in the context of globalisation emphasizes the need to know the trends that characterize international tourism. Any government that adopts a certain policy regarding tourism and any company that wants to conduct its activity on the international tourism market should take into account the main trends that characterize this industry, namely: competition between destinations, competition between producers and between distributors of tourism products, the growing number of multi-national companies in the tourism industry, new forms of tourism that have developed in recent years, including youth travel, etc.

Tourism, as a phenomenon, but also as an activity, is unique in its own way through the dependency that it manifests towards the environment, the social and cultural environment and their values, but because of this dependency it has an undeniable interest in ensuring their *sustainability*. This is why tourism products for youth should be carefully made and marketed so that they don't impact the environment and the unreeling of the tourism activity. At the same time, the development of competitive tourism products improves quality of life and leads to the recovery of disadvantaged areas. Tourism in general and youth travel in particular can make a vital contribution, being a much more sustainable solution than activities such as intensive agriculture, mining exploitations or other activities in the primary and secondary sectors.

The development the tourism has known in the second half in the last century may be partly explained through the *technical progresses* recorded in transports in general and in air travel in particular. Therefore, the most remote tourism destinations are now accessible to young people.

Another major phenomenon that influences the evolution of youth travel worldwide is the *tertiary sector*. Globally, there is growth trend for the services' sector, for the share of the population employed in services and their importance in the economy sector, this being much more obvious in economically developed countries. The development level of services may be considered an index of development for a society. This importance granted to services may be explained through a variety of aspects, their development having a purely economic justification (reflected in the momentum of growth), as well as a social, cultural and natural justification (through activities, in all their forms, geared towards the population, environmental protection and quality of life). Some of the biggest and more interesting services industries converge at global level: financial services, services for various businesses, transports, tourism, health services, entertainment services, infrastructure services.

At global and European level, the economies of services are already a reality, the tertiary sector holding, on average, over half of the employed population and of the global gross domestic product (approximately 60-70% for both indicators), and tourism fills a crucial position in this sector. Tourism is the sector that creates the most jobs; according to W.T.O., currently, at global level, one in eight people depends directly or indirectly on the existence and development of the travel and tourism industry.

The growth of the tertiary sector has positive effects on tourism in general and youth travel in particular, which are reflected in: the development of the general infrastructure with direct impact over tourism activities, the influence of new technologies over tender and tourist traffic, employment and organization of tourism activities.

Currently, with the considerable development recorded by *computer science* in developed countries, there have been some changes in the methods of booking accommodation, travel packages, etc. Even in times of crisis there is a thriving area, namely online sales, the consumers being much more sensible to the price factor, and e-commerce sites, including tourism products, having certain advantages in this regard. The implications of this development over youth travel are vast, including the opening of new markets, the emergence of new opportunities for tourism promotion, as well as the launching of new tourism services and products. Today's young travellers are completely "connected" to the Internet, having considerable trust in this type of communication for all the stages of the travel. As noted, most young people use the Internet as a mean to book tourism services and products. Thanks to informatics, youth can have direct access to a series of information regarding a tourist destination, as well as the possibility to communicate directly with friends and family during the trip. The significant increase in communication speed, especially for international communication, via the Internet leads to a faster and more accurate information about the desired destinations and products.

Given that today we live in a "knowledge society", it may be said that young people manifest an intense desire to continuously improve their knowledge level. If tourism in general is considered an act of culture, some of its forms, including youth travel, have a greater contribution to broadening the horizon of knowledge and to a higher level of training, civilization and education (Minciu, 2004). The participation of young people at various cultural and artistic events, in visiting places connected with history and tradition, in going on vacations to learn a foreign language, in theme camps and cultural exchanges allow the accumulation of knowledge in various fields, ensuring the satisfaction of the spiritual needs of tourists.

Due to its adverse effects on the overall economy, *the economic and financial crisis* leaves its mark on youth travel also, primarily by reducing personal income which implicitly reduces consumption in general and tourism consumption in particular. Amid crisis, global tourism had one of the most difficult years in 2009, registering a decrease of 4.2% in the number of tourists and a 5.7% decrease of the revenues (UNWTO, 2011). In 2010, as a result of improved economic conditions worldwide, the international tourism activity recovered in a much more alert rhythm than expected in the sense that international arrivals grew by 7% over the previous year, reaching 935 million tourists, an increase of 58 million compared to 2009 and 22 million compared to 2008 before the economic crisis. Despite the persistent economic uncertainty on major markets, natural disasters, political and social unrest in various countries, air traffic disruption caused by the eruption of Eyjafjallajokull volcano in Island, difficult meteorological conditions in certain parts of Europe and United Stated that took place in December, 2010 proved to be extremely profitable in terms of tourism, probably because of the growing importance of mega-events – sport, culture and exhibitions (Winter Olympics in Canada, the Shanghai Expo in China, the FIFA World Cup in South Africa and the Commonwealth Games in India) – and their extraordinary ability to attract visitors and to position host countries as attractive tourism destinations.

For 2011, UNWTO predicts a positive trend in international tourism, but at a slower pace, estimating that international arrivals will increase by 4% or 5%, a slightly higher rate than long-term average.

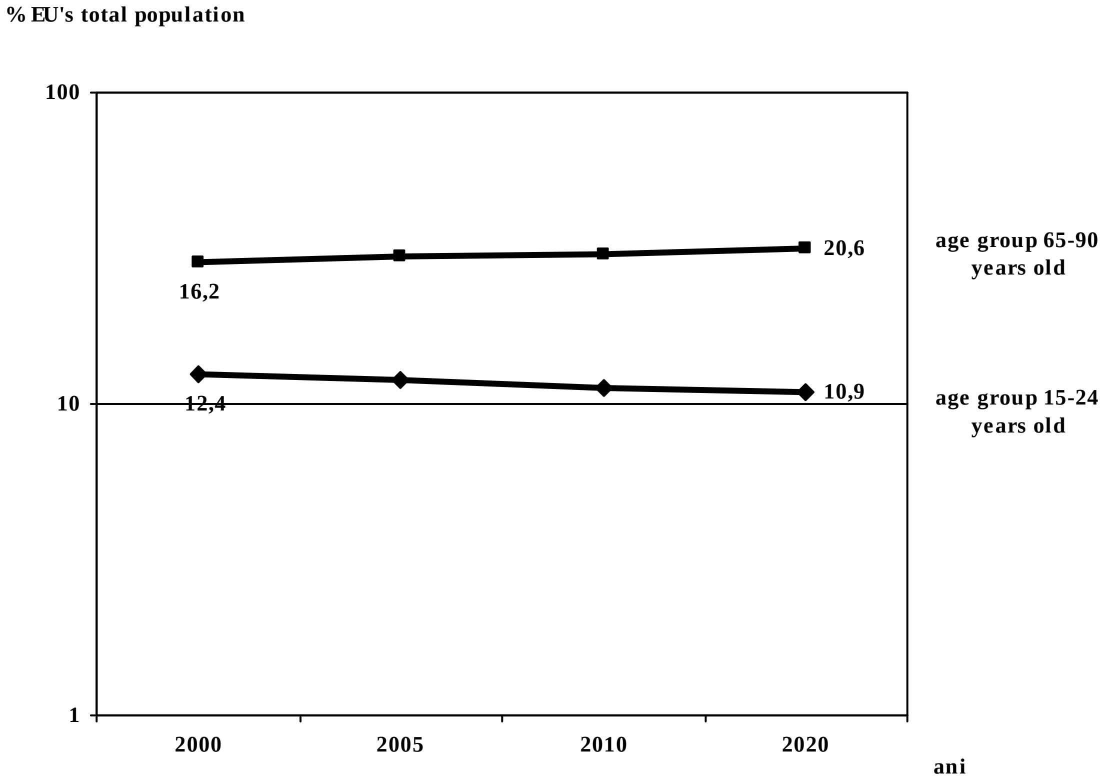
In contrast with these international developments, youth travel has seen a constant evolution, maybe even a slow growth due to the fact that young people manifest a growing propensity towards travel and the share of students worldwide is increasing. Given that most tourist segment in the European Union reduced their vacation budget in 2009 as a result of the economic recession by shortening the trip, by opting for cheaper tourism services and destinations closer to home, by avoiding peak season and giving up certain services, young tourists haven't done the same thing (approximately 52% - The Gallup Organisation, 2009). However, those who chose to do the same thing opted for traditional domestic destinations and cheaper accommodation units.

Considering the real demands of young people, individual or collective needs to increase the standard of living and the diversity of their tourism motivations, the issue at macroeconomic level is linking economic results with ensuring access to vacations for larger categories of population, including young people.

Global *demographic trends* indicate that the younger population is constantly growing and an increasing number of young people show an inclination to travel (partially determined by the unprecedented growth of global communication via the Internet) and have the economic means to do practice tourism. All clues point that young people are travelling more frequently away from home and at a younger age than previous generations.

Currently, young people have a share of 18% of the Earth's population, namely 1.2 billion people aged 15 to 24, and 87% of them live in developing countries (United Nations, 2010). In the next 25 years, it is projected that the young population of the world (with ages below 15) will increase by 6% and the number of children below 5 years old will increase by 5%, while at European level, the number of young people aged 15 to 14 will drop from 12.4% to 10.9% in 2010 (EUROSTAT, 2010), especially in western and central countries of the continent (see figure no.1).

Figure 1: The demographic evolution of the EU between 2000 and 2020



Source: prepared by author, based on processed data from EUROSTAT

Thus, there is a paradox: youth travel within general tourism is recording a stable growth, despite the fact that younger population is declining in developed countries. This evolution is due to the inclination of young people to travel more often and to stay longer in one destination than other categories of tourists. In developing countries, where youth represent a significant proportion of the population, the tourism demand occurs when young people mature and start to travel domestically and internationally.

Of course, the specific problems of Europe associated with the enlargement at 27 members, the Euro zone or the Schengen area have great influence over youth travel at the level of the continent. As in the case of the global approach, new technologies, globalisation and the proliferation of new tourist destinations have changed the competitive environment of European countries with tourist vocation.

3. Conclusions

These structural changes taking place worldwide influence people's travels in general and young people's in particular. If the financial and economic crisis has negatively influenced youth travel in recent years, demography, globalisation, the growing importance of the tertiary sector, sustainable development, computerization or the new direction – "knowledge society" – have a positive impact, leading to its development.

On the other hand, travels and tourism can support macroeconomic actions initiated by governments on long-term, which will help mitigate the impact of the economic crisis in some countries. We're talking about actions that are related to creating and maintaining jobs or transforming the tourism economy into "green" tourism on long term. In most countries, tourism is one of the sectors with most employees, being a quick way to enter the labour market, either directly or through its multiplication effects over related services, such as constructions, maintenance services, commerce or agriculture.

Because the tourism industry holds an important place in the global economic system and it confronts with certain issues (decreased economic growth rate, reduced share of the tourism industry in global commerce, diminishing number of young people at European level, etc.) it's necessary to conduct a deep and multilateral research of future development perspectives and trends of tourism in general and youth travel in particular.

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STUDY ON CONTRIBUTIONS TO THE KNOWLEDGE OF THE FAUNA SIEBENBÜRGER SAXONS OF LEPIDOPTERA IN SIEBENBÜRGER AND AROUND SIBIU, ENTOMOLOGY COLLECTIONS OF THE MUSEUM OF NATURAL HISTORY IN SIBIU

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Abstract: *This paper is part of a broader study on the diversity of Macrolepidoptere entomofauna Grove Sibiu daylight in the protected area. The complex study is the result of a research project in the School Posdoctorale. Study collections of Lepidoptera in the Natural History Museum in Sibiu is one of the objectives to be achieved comparative study with material collected from the same area. Comparative analysis of the materials studied can provide data on changes in pressure due to anthropogenic climate change but also the effects on biocenosis studied*.

Key words: entomological collections, Transylvania, Lepidoptera, Natural History Museum Sibiu

7. Introduction

Transylvania, its geographic location, flora and fauna is a well-defined region, in which, in addition to many elements in common with neighboring areas, there are some characteristic species, which so far continues to maintain its status as "endemic" Previous decades have been very important for the development of research lepidopterists in Sibiu and Transylvania, in the postwar years. The rich fauna of insects and especially the many species of Lepidoptera as of its existing knowledge of this group of insects has aroused the curiosity of many researchers since the mid-century. XIX.Since the establishment of "Transylvanian Society of Natural Sciences" in 1849 Sibiu has become a center of naturalistic research in Transylvania, the Carpathian area and surrounding areas. The company, with its members and network of relationships with institutions and personalities of Natural Sciences in the world, has fostered a cultural exchange and scientific research to develop local and regional naturalist. In the first half of last century entomological research and developed, especially butterfly and beetles because of their species richness and plurality of forms, but also their appearance.

The first studies of the nature in the surroundings of Sibiu began befor 1849, when was founded "The Transsylvanian Society of the Natural Sciences" an so Sibiu became un important centre of the naturalist activities in Transilvania and surroundings areas.

At that time began an intense cultural and scientifical exchange with Institutions of the Natural Sciences and the personalities of the time in this field, from all over the world.

In the first half of the last century exalted the study of Entomology and especially of the Coleopterology and Lepidopterology, because of their appearance and their abundance in species and forms.

Comparative with Central Europe, the Lepidopterological research in our century and in our area of study began relativ late. They are almost 150 years since K. Fuss, priest in Sibiu and teacher of Natural Sciences in Gymnasius, deplored the fact that the fields of the Natural Sciences in Transsylvania are wrapped up in the darkness and "the butterflies fly from one flower to another, in wain and unknown".

In 1850 Karl Fuss, in that time the secretary of the "Transsylvanian Society of the Natural Sciences" published the first list about the butterflies with 969 species collected by Josef Franzenan (1802-1862) from Sacaramb (Nagyag). That collection is preserved in the Zoology Museum of the Cluj Napoca. Currently the entomological collections of Lepidoptera, especially those found in the Heritage Museum of Natural History in Sibiu is of inestimable value in terms of historical, documentary and scientific national and even global.

From a historical value lies in the fact that they are the oldest entomological collections in the country, some even dating from 1827 (Pascu M., Schneider E., 1998). Documentary and scientific value is quite exceptional because these collections of Lepidoptera show biogeographic character of Transylvania in general and particularly of its lands.

2. Sections

Among the existing collections of Lepidoptera in the Museum of Natural Sciences in Sibiu include: Dr. Daniel Czekelius, Dr. Eugen Worell, Viktor Weindel, Heinrich von Hannenheim, Rolf Weyrauch, W. Weber (Stancă-Moise Cristina, 2002).

Dr. Daniel Czekelius (1857-1938)

Daniel Czekelius (1857-1937)

Dr. Daniel Czekelius is considered the best butterfly researcher and expert in Transylvania, even though he was a doctor, hospital director in Sibiu. Still young, he showed a great attraction to the wonderful world of butterflies, which he gradually devoted all his spare time. Become a member of the "Transylvanian Society of Natural Sciences' Department of Entomology and helping organize and prepare Lepidoptera collection of the Museum Society, this collection is striving to develop more complete and contain as much as possible, all species so far reported Transylvania

In 1892 he published a paper on Macrolepidoptera of Sibiu and its surroundings, the paper published in the journal Museum (Czekelius, 1897) which included a total of 457 sp. data collection, date and place, and sometimes biological data on the length of the stern, which leads to the conclusion that he grew himself some species and observed their development precisely. 5 years later came the first catalog of wildlife with the title "Critical Overview of butterfly in Transylvania" (Czekelius, 1897) which included a total of 1141 species of butterflies. The second and last time in the same general list of butterfly known from Transylvania, appears under the modest title of "Contributions to the fauna of Lepidoptera of Transylvania" (Czekelius, 1917). This includes 2114 species of Macro-and microlepidoptere, given the first records for Transylvania each species. In subsequent work Contribution to the Lepidoptera fauna of Transylvania "(Czekelius, 1900) add new species so that in his (Czekelius, 1935/1936) in his report on the Company whose collections lepidopterists became curator said:" Our collection comprises nearly 2,000 species, yet it must be said that this is not full, as are known about Transylvania. 2200 species. Our collection activity must be continued so that, in comparison with well-studied areas, to increase knowledge of the number of species-living species in our area from 2800-3000 "

As a summary of the activity conducted under a Department of Entomology Society during the 50 years from 1935 to 1936 in volume, Dr. D. Czekelius publishes "Overview of the Company's collection of butterflies' in dealing with the origin of the Lepidoptera fauna of Transylvania. His work is embodied in lepidopterologiei in 18 papers published in the Journal of the Society. On 22 August 1938 at age 81, died leaving a vivid memory embodied by the beautiful collection of macro-and microlepidoptere he made it in the Transylvanian Society Museum of Natural Sciences of Sibiu. This collection consists of two separate parts: 1. A special collection of butterfly Transylvanian comprising exclusively material comes from Transylvania (about 7162 copies. 2100 species).2. A general collection that includes material palearctic Transylvania near the material obtained from the exchange relations (with 6929 copies).Check lepidopterists research in Transylvania (Czekelius, 1935) includes all "our fauna has over 2,400 species determined with certainty with many varieties, forms and aberrations. The bricks have been collected, has been the cornerstone of building plans at least in large part was recognized.

Eugen Worell (1884-1961)

Dr. Eugene Worell (1884-1961)

Dr. Eugene Worell was born on 15 October 1884 at Râşnov. After graduating High School in Kosice (where his father was a military doctor) falls to law school in Vienna, shortly after it entered the medical school and continuing her family tradition (Ungar, 1981). In 1908, the doctor is called the Adriatic port of Pula. As a physician has the opportunity to travel, where they return with a rich and lepidopterists entomological material. In 1919 Sibiu comes to the Military Hospital where he is appointed director, and since 1920 active member of the Transylvanian Society of Natural Sciences, was appointed curator of the entomological collections of beetles and Lepidoptera, is considered one of the largest collectors and hobbyists entomologists the country during the two world wars. The material is collected across the country, and collected from Transylvania Sibiu and its surroundings. The "Collection of Dr. Eugene Worell Lepidoptera" is not only the great number of copies of which contribute to the knowledge instead of collecting a large number of species spread, but also that it includes rare, less known but also new scientists from all over Transylvania. The collection was donated to the Museum of Natural Sciences of Sibiu in 1958. Part of the entomological collection is also at the Natural History Museum "Grigore Antipa"in Bucharest and one in Ploiesti.

Table 1: Lepidoptera a collection of Dr. Eugen Worell

Superfamily	Family	. Number of species	Number of copies
MACROLEPIDOPTERA			
BOMBYCOIDEA	Endromidae	1	3
	Lasiocampidae	17	100
	Lemoniidae	3	9
	Attacidae	6	28
DREPANOIDEA	Drepanidae	7	29
	Thyatiridae	7	26
GEOMETROIDEA	Geometridae	314	3334
SPHINGOIDEA	Sphingidae	21	201
NOTODONTOIDEA	Notodontidae	29	154
	Dilobidae	1	10
	Thaumetopoeidae	3	7
NOCTUOIDEA	Lymantriidae	17	124
	Arctiidae	46	380
	Ctenuchidae	3	42
	Nolidae	5	7
	Noctuidae	395	1997
HESPERIOIDEA	Hesperiidae	20	174
PAPILIONOIDEA	Riodinidae	1	21

DR. VIKTOR WEINDEL (3.XI.1887-27.V.1966)

Viktor Weindel (1887-1966)

Dr. Viktor Weindel is closely linked to the history of medicine in Sibiu. He had an extremely varied activities such as doctor and the Society of Natural Sciences. Born in Sibiu, graduated from secondary school here after studying the Gospel of the Faculty of Medicine in Cluj-Napoca, Budapest, Munich was chosen as a doctor, especially secondary to Franz-Joseph hospital since. He took part in the war of 1914-1918 until the last day of the first practitioners of the band while continuing the activity at the hospital. For 9 years he worked in the department of medicine of the Transylvanian Society of Natural Sciences in the period 1942-1945 was one of the last members. As lepidopterists collector began as a child, the oldest specimens in his collection are from the beginning. Although not a large collection was born in Sibiu, however, contains copies of a period of 60 years and in many places the collection of more distant surroundings of Sibiu, in Transylvania south and east, from Turnu Rosu and the hills. In a note entitled "The origin of my butterfly says:" The cardinal points of the collection of my work are: Sibiu, Gusterita Vineyards Sibiu Cisnădioara, Forest Grove Sibiu, Sadu, Cisnădie, Păltiniş Cisnadiei Magura. After his retirement, due to his serious illness, the ordering of the collection and processing was not done. Thus came to the Museum in a less ordered state. Here, they were ordered 4322 copies of Macro-and microlepidoptere were collected between

1900-1959 in Transylvania (Sibiu and around Sibiu) but also in other geographical areas of Romania and published a list (Schneider, 1984). Over 42 papers are given a list Weindel his writing hand. It is almost exclusively medical issues, securities not listed on the Lepidoptera, only the 80-year anniversary of his Czekelius (Weindel 1935/1936) and his obituary (Weindel, 1937/1938). This collection includes rare and very interesting in terms of collection biogeographic areas. Wait microlepidoptere collection, processing, updating and publication.

Table 2: Lepidoptera a collection of DrViktor Weindel

Superfamily	*Family*	**. Number of species**	**Number of copies.**
MACROLEPIDOPTERA			
BOMBYCOIDEA	Lasiocampidae	11	62
	Lemoniidae	1	9
	Saturnidae	3	9
DREPANOIDEA	Drepanidae	3	12
	Thyatridae	4	9
GEOMETROIDEA	Geometridae	170	773
SPHINGOIDEA	Sphingidae	19	52
NOTODONTOIDEA	Notodontidae	17	49
	Dilobidae	1	1
	Thaumatopoeidae	1	2
NOCTUIDEA	Lymantriidae	10	62
	Arctiidae	26	102
	Ctenuchidae	2	16
	Nolidae	1	2
	Noctuidae	178	634
HESPERIOIDEA	Hesperiidae	12	117
PAPILIONOIDEA	Papilionidae	6	88
	Pieridae	13	307
	Nymphalidae	38	420
	Satyridae	22	359
	Riodinidae	1	12
	Lycaenidae	34	393
TOTAL		***573***	***3490***

Heinrich Hann von Hannenheim

1. HEINRICH HANN von Hannenheim (29.VII.1895-29.V.1971)

Data on life can be found in the manuscript of "Pictures of family-fam. Hannenheim "which is in the possession of relatives and whose author is himself. From here we took and I presented data that are unified by his brother Alfred von Hann Hannenheim. He was born in 1895 into a family priest, spent childhood years in the beautiful courtyard and Slimnic priest to Avrig Holzmenger. He finished gymnasium in 1941 in Sibiu, attended two semesters at Schemnitz Forest Academy, and in May 1915 he enlisted in the army. Years of war has led to November 1918 in Italy, Southern Alps. In 1921 he found a job at the Insurance Company "Transsilvania" Savings and general of Sibiu.

In his free time and relax in the mountains due to the war years spent in the mountains has gained the confidence to mountain hazards and will appear for 14 years as a member of Salva-Mont in Sibiu. In the early 50's entomological collection resumed work, begun in his youth. The result is a collection of insects with representatives from various orders, about 5700 copies, of which 1,500 butterflies.

They come from near the Carpathians mountain massifs where he tours his company with much pleasure, but also the close surroundings of Sibiu. His collection was consulted regularly by specialists, AL butterflies seen. Popescu-Gorj Antipa Museum. This collection comes in 1964 in possession of the Natural History Museum in Sibiu, where they are today.

Lepidoptera collection are unpublished data, even if the data contains many important wildlife. After a thorough check was made a Product E. Schneider in 1982. The study found numerous examples of material collected in the collections of Hannenheim Worell Czekelius and between the two world wars, when he did not have its own collection. Is worth remembering that he was concerned Hannenheim long years of work on the ice age in Transylvania and the Carpathians. A comprehensive manuscript on this subject has remained unfinished.

Table 3: Lepidoptera a collection of Heinrich Hann von Hannenheim

Superfamily	Family	Number of species	Number of copies
MACROLEPIDOPTERE		365	1348
BOMBYCOIDEA	Lasiocampidae	3	8
	Attacidae	2	5
DREPANOIDEA	Drepanidae	4	5
	Thyatiridae	2	7
GEOMETROIDEA	Geometridae	99	285
SPHINGOIDEA	Sphingidae	8	13
NOTODONTOIDEA	Notodontidae	9	14
	Dilobidae	1	3
NOCTUIDEA	Lymantriidae	8	33
	Arctiidae	17	42
	Ctenuchidae	1	4
	Nolidae	1	2
	Noctuidae	105	307
HESPERIOIDEA	Hesperiidae	7	42
PAPILIONOIDEA	Riodinidae	1	7
	Lycaenidae	27	173
	Satyridae	23	153
	Libytheidae	1	1
	Nymphalidae	30	150
	Papilionidae	50	16
	Pieridae	11	78
MICROLEPIDOPTERE		23	375
Hepialidae		1	5
Cossidae		4	7
Psychidae		1	1
Sesiidae		6	9
Zygaenidae		10	50
Thyridae		1	3
TOTAL		**388**	**1723**

ROLF WEYRAUCH (13.XII.1906-5.XII.1984)

Rolf Weyrauch (1906-1984)

Weyrauch priest is the son of Georg and his wife Dorothea, born in Agnita Piringer, Hârtibaci Valley. From the age of 3 years to 12 years his family lived in Alba Iulia and Câlnic. After completing secondary school in Sibiu studied German in Berlin, in Paris the French and Romanian from Cluj-Napoca, where he took the diploma in 1931. From 1931 to 1944 he taught at German school in Bucharest. During the move to Câlnic in Ploiesti in 1944 during the bombing of the entire house and lost valuable collection of ethnography. In January 1945 he was deported to Russia and many others. After returning home in 1948 he taught elementary school for two years in the Upper Apold, Sibiu County where he began to collect insects varied landscape there. From 1950 until retirement he taught French at secondary school in Sibiu, sometimes biology preferred material (which has not studied it) which could be excited about his students. During holidays he went on trips with his class at school, in different parts of Southern and Eastern Carpathians, which is not only an opportunity to collect butterflies and beetles, but also an opportunity to awaken in its students a sense of beauty and a closer knowledge of plant and animal world. In the 20 years of his period of Sibiu arose its very different collections. These include a wide range of ethno-cultural issues and cultural-historical. Transylvanian Saxon pottery and rustic furniture, lace peasant stamps with themes of science, rare and beautiful beetles, butterflies and other insects have always been the focal point of activities and interests outside his profession. Flute player, took part in the band not only secondary school Brukental Sibiu, but sang and smaller circles of friends of intellectuals in Sibiu.

Table 4: : Lepidoptera a collection of Rolf Weyrauch

2. **SUPERFAMILY**	3. **FAMILY**	4. **NUMBER OF SPECIES**	5. **NUMBER OF COPIES**
6. Macrolepidoptera		7. 728	8. 5188
9. BOMBYCOIDEA	10. ENDROMIDAE	11. 1	12. 1
	13. LASIOCAMPIDAE	14. 15	15. 72
	16. LEMONIIDAE	17. 2	18. 3
	19. ATTACIDAE	20. 3	21. 26
22. drepanoidea	Drepanidae	23. 5	24. 32
	Thyatiridae	25. 6	26. 37
27. geometroidea	Geometridae	28. 177	29. 830
30. sphingoidea	Sphingidae	31. 18	32. 115
33. notodontoidea	Notodontidae	34. 25	35. 187
	Dilobidae	36. 1	37. 14
	Thaumetopoeidae	38. 1	39. 2
40. noctuidea	Lymantriidae	41. 12	42. 107
	Arctiidae	43. 28	44. 278
	Ctenuchidae	45. 3	46. 34
	Nolidae	47. 1	48. 2
	Noctuidae	49. 272	50. 1441
51. hesperioidea	Hesperiidae	52. 15	53. 119
54. papilionoidea	Riodinidae	55. 1	56. 11
	Lycaenidae	57. 40	58. 398
	Satyridae	59. 36	60. 527
	Libytheidae	61. 1	62. 9
	Nymphalidae	63. 40	64. 476
	Papilionidae	65. 6	66. 129
	Pieridae	67. 19	68. 338
69. Microlepidoptere		70. 160	71. 855
72. HEPIALIDAE		73. 3	74. 24
75. INCURVARIIDAE		76. 4	77. 5
78. COSSIDAE		79. 6	80. 59
81. PSYCHIDAE		82. 6	83. 15
84. TINEIDAE		85. 1	86. 5
87. ETHMIIDAE		88. 3	89. 6
90. OECOPHORIDAE		91. 1	92. 4
93. MOMPHIDAE		94. 1	95. 1
96. CARPOSINIDAE		97. 1	98. 3
99. YPONOMEUTIDAE		100. 2	101. 8
102. SESIIDAE		103. 17	104. 77
105. TORTRICIDAE		106. 9	107. 20
108. COCHYLIDAE		109. 3	110. 19
111. ZYGAENIDAE		112. 19	113. 223
114. ALUCITIDAE		115. 1	116. 2
117. LIMACODIDAE		118. 1	119. 15
120. PYRALIDAE		121. 74	122. 322
123. THYRIDIDAE		124. 1	125. 21
126. PTEROPHORIDAE		127. 7	128. 26
129. TOTAL		**130. 888**	**131. 6043**

Thus, collections of insects, especially butterflies are imbued with the aesthetic. That are distinguished by the dominant forms and special colors, rare and endemic that were searched during research trips. Of microlepidoptere, determined and hard to see, there are relatively few copies (Schneider, 1996).

Collection used for summer vacations and school trips almost every year in the Southern and Eastern Carpathians, as do holidays in Herculane in Dobrogea, Danube Delta or the Ore Mountains in Transylvania. Numerous collecting trips were made during weekends and public holidays, in close and distant surroundings of Sibiu, Guşteriței Hill, Hill Slimnicului, Magura Cisnadiei, Cisnădioara, Forest Grove, Turnu Red Mountain and tails, where climate is Mediterranean influences.

In June 1979 he moved with his family in West Germany. Its collections of insects, about rich and valuable. 16,000 copies are left in storage by the Natural History Museum in Sibiu where are today. The analysis of his collections that I personally found it off his passion for all that is beautiful, both the collection of butterflies and beetles. It impresses with its impeccable preparation and accurate labeling of specimens. In addition to labeled specimens staff, it also contains a number of species obtained by exchange with specialists in the country and abroad.

Although much material in the collection is very interesting in terms of fauna, which is often mentioned experts, however, his findings and the collection remained unpublished. Catalog of his collection of butterflies was arranged in 1982 by E. Schneider a former student of his. Lepidoptera collection of Prof. Rolf Weyrauch, microlepidoptere includes 278 species, 14 specimens of Lepidoptera species of exotic and macrolepidoptere 5369. Recovery of data can lead to spread knowledge of butterfly species in the surroundings of Sibiu, in Transylvania and neighboring areas.

Lepidoptera collection of the pharmacist W. Weber, is relatively small, comprising 348 specimens of butterflies purchased Natural History Museum in Sibiu in 1971. The butterflies in this collection belong to different taxonomic units, exotic and Holarctic species, excluding foreign country. The material was obtained by direct exchange links, from foreign collectors and by their growth from eggs received by the exchange. Most of the material in the collection, was collected in baked state even in the countries of origin. In making the collection the author has focused coverage of the complex as representatives of families as particularly attractive: Papilionidele, and Saturnidele Morphidele. These families include the most spectacular species as regards their form and color. The central place in the collection you have papilionide species in eastern Asia, Australia, Indo-Malaysian region and tropical America. Each series has its zoogeographical region species and its specific forms.

Table 5: : Lepidoptera a collection of Dr. W. Weber

Family	**Number of copies**
Papilionidae	108
Pieridae	25
Danaidae	17
Heliconidae	24
Uranidae	6
Nymphalidae	60
Sphyngidae	20
Saturnidae	88
TOTAL	**348**

Finally, do not be forgotten the great contribution that they had a Transylvanian Society members in making these valuable collections of Lepidoptera. So I'm paraphrasing our great LEPIDOPTERISTS Al. Popescu-Gorj, which stated: "It is noteworthy that all were amateur naturalists, the everyday life of those working in different fields of natural sciences, many of whom are doctors, pharmacists, school teachers, lawyers, engineers, manufacturers of various types, etc.. but working for years to complete their collections, diligently and passionately squeezing everything interesting clasând with aesthetic sense and following scientific rules have gradually become good enough knowledge of the group of insects had collected, even world-renowned specialists, publishing and many valuable works (Popescu-Gorj, 1970).

3.Conclusions

As a conclusion of collections and collectors mentioned above can be done following assessment: In the years after the 2nd World War there is a growing collection of butterflies from 30 396 copies, so the overall number of this order of insects has increased by two thirds and now includes 37,916 specimens as follows:

Collector	Shelf Life	Activity lepidopterists	Specimens collection
Dr. Daniel CZEKELIUS	**1857-1938**	**1880-1938**	**14.000**
Dr. Eugen WORELL	**1884-1961**	**1900-1958**	**11.651**
Dr. Victor WEINDEL	**1887-1966**	**1903-1964**	**4.322**
Heinrich von HANNENHEIM	**1895-1971**	**1922-1964**	**1.900**
Rolf WEYRAUCH	**1906-1984**	**1949-1978**	**6.043**
Creştere generală în perioada 1945-1985			**30.434**
Situația colecțiilor în prezent			**37.916**

As shown in the data collection of existing specimens in collections, most of the material comes from closer or more distant surroundings of Sibiu, in the tertiary hills of Transylvania and the Carpathian neighboring Southern. A rich material but comes from other areas outside Transylvania. In terms of number of species in the Museum's collections can not be accurately given only after a total processing of the whole material. Contrary to the rich material found in the collections of the Natural History Museum in Sibiu, is one of the few collectors own publications. It may, however, stressed that information about their collections are in the works of other authors who have treated such as taxonomic groups:Capusa, 1968, Niculescu, 1961 Niculescu & Koning 1970; Popescu-Gorj, 1951, Popescu-Gorj AND . a., 1958, etc.. You must remember once again that the vast majority of thousands of data collection in these collections are published. For these collections to preserve the value of scientific and cultural documentary following requirements are necessary: - Preserve and ensure inventory collections: it is known that collections of insects are highly susceptible to disturbance and requires a carefully neîtreruptă observation and conservation. - Recovery of safety data and information content: deciphering and interpretation of most labels are written in German dialect spoken in Sibiu exactly Saxons and other data collector and processing the material; - Processing of data by mapping, lists, catalogs, photo documentation; - Recovery daters publications, maps, data dissemination and integration of fauna-zoogeographical synthesis papers, regional and supraregional.

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THE ROLE OF MARKETING AND IMPORTANCE OF CONSUMER BEHAVIOUR KNOWLEDGE IN TIMES OF ECONOMIC DOWNTURN

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Abstract: *The downturn started in 2008, taking as its starting point the U.S. has spread rapidly worldwide, affecting default and the European economy. In these circumstances, the business environment was forced to adapt to changes, trying to identify the most effective ways to resist the impact of this decline.*

Trying to clarify the characteristic features that distinguish the recession from the crisis, the article aims to present a view on the essential contribution they can make marketing and consumer behaviour essential tools to support organizations in their attempt to survive the economic downturn and to build the foundations of future revival.

Key Words: marketing, consumer behaviour, recession, crisis

JEL classification: M21, M31.

1. Introduction

At the beginning of economic decline, policy makers and representatives of European businesses

have paid special attention to stabilizing the financial sector bank. Although, initially, decreasing exports and investment was the main driver of economic contraction, now the consumer can play a critical role in determining the duration and intensity of the period of economic decline.

In this context, the article will present the main reasons why a sustained marketing activity, based on appropriate strategies can maintain an economic organization in the market, justifying why they are so vital knowledge of how consumers think and find appropriate answers to their needs influenced largely by the characteristics of the period of economic decline.

2. Methodology

Preparing this research article was undertaken based on relevant sources of specialists works and literature.

1. Europe's economy, crisis or recession?

Taking as its tarting point the U.S. economic crisis triggered in 2008 has spread quickly in Europe and affected most of the region, some countries with economies in recession already.Global economic situation was and is the subject of many debates and controversies, involving both the fund and its characteristic form, including references to the term of recession, as well as the economic crisis.

The difference between the two terms is not, in general, very well explained and understood, because there is no general agreement on their definition. Standard definition, that we can talk about economic recession when there is a decrease in gross domestic product (GDP) over a period of at least two consecutive semesters, is objectionable, in the opinion of some economists, at least two reasons:

- **a.** It does not take into account changes in the evolution of other variables such as unemployment and consumer confidence;
- **b.** Using quarterly data creates difficulties in delimiting the beginning and end time of recession. Thus, a recession that lasts ten months or less may be undetectable.

Because of these divergent views, are used and other ways of determining the existence of periods of recession, one of which is used by the Business Cycle Dating Commitee, the National Bureau of Economic Research (USA). According to this method, determine the volume of business activity by analyzing employment, industrial production, real income and wholesale sales and retail. As a result, the recession is defined as the period of time in which business activity has peaked and starts to decrease and when this activity reaches the lower limit.

Before the economic crisis of the '30s, any decline in economic activity was referred to the crisis, but then began to be used the term recession to differentiate periods of economic decline less pronounced.As a result, economic crisis can be considered a recession that lasts longer and is characterized by a more pronounced decline in activity throughout the economy, a way of identifying the specific decline in the fall of gross national product (GNP) by more than real 10 percent.

The European economy entered its first recession in 15 years in the third quarter of 2008, which paved the way for one of the deepest financial crisis, fueled by significant decreases in interest rates and tax hikes. In the fourth quarter of 2008, was registered in the euro area, a record decline of 5.7% of GDP, which contributed mostly lower net exports (61%), followed by reduced investment (40%) and reduce consumer spending (33%). After a very difficult time for both companies and consumers, marked by the contraction of GDP and a significant decrease in sales and profits at the beginning of 2010 there appeared some signs of recovery in the European economy. Thus, the first three months of 2010 compared with fourth quarter of 2009, the European Union and the euro area recorded a GDP growth of 0.2%. In the fourth quarter of 2009, the EU economy and the euro area rose by 0.1 percent, respectively, zero percent, according to Eurostat.

3. Marketing and recession

It is a fact widely acknowledged that the recession has a dramatic impact on business, resulting in a logical and predictable stopping innovation programs, delaying the launch campaigns for new products and reduce costs where possible, until the recession ends.As a result, recession requires marketing managers to review and change marketing strategies and initiating actions to enable companies to remain profitable while satisfying customer needs. In general, this involves adapting the marketing mix's existing economic conditions and / or marketing objectives change.

3.1. Approaches to marketing activity during periods of economic recession

Marketing decision makers in response to changes characteristic of the recession depends on how they perceive their significance and the impact they have on business. Recession, measured and determined at national level can affect companies of different sizes a lesser or greater, which requires that marketing managers to adopt strategic and tactical, with which can alleviate the negative impact of changes in economic environment or can exploit these changes.A key issue that companies need to address in times of recession is to reduce costs, and often the first affected by this measure is the marketing budget.

As they showed a series of studies undertaken since 1948 until present, regarding the opinions about role of marketing in economic downturn periods, such an approach is unproductive and dangerous reality by showing that companies that increased volume of marketing expenses during the recession were recovered three times faster than those who maintained or have diminished these expenses.

The effects last long after the recession and can be measured in sales, market share and profits. The latter is significant since maintaining profit margins is often cited as a reason to cut marketing budgets. The data clearly shows that reducing the marketing budget during a recession is a decision that is not based on facts.

They concluded that businesses that maintain aggressive marketing programs during a recession outperform companies that rely on cost cutting measures. During an economic downturn, a strong marketing effort enables a firm to solidify its customer base, take business away from less aggressive competitors, and position itself for future growth during the recovery. The main conclusions of the studies highlights:

a. Show aggressive marketing in a recession does result in positive performance measures after recovery.

b. Firms do not have to wait until a recession is over to realize the benefits from marketing during a recession.

c. Revealed that cost-cutting measures had no effect on performance and did not serve as a differentiator in achieving superior performance.

d. Proved that firms placing a strategic emphasis on marketing were more likely maintain or increase marketing during a recession. A strategic emphasis means that these firms already had programs in place to help them get value from their marketing, e.g., well recognized brands, differentiated products, targeted communications, good customer service, etc.

There are several reasons why companies that survive the recession are those who continue to invest in marketing. First, consumers do not stop buying in downturns of the economy, but more cautious in planning and making purchases.

Reducing marketing costs result in a loss of competitiveness of a trademark in periods of economic recovery. Studies have confirmed that the best long-term strategy is to increase marketing spending in economic downturns. An analysis of database Profit Impact of Marketing Strategies, IPA presented at the conference in March 2008, compares the performance of companies that increased, maintained or reduced marketing costs during the recession.

The index used for comparison was obtained on the basis of equity income (Return on Capital Employed - ROCA), during the recession in the first two years of economic recovery and change in market share in the same period of recovery (Chapman, 2009, p .44).

While companies have reduced their marketing expenditure had a higher index ROCA during the recession, but lower values were obtained after the recession ended, companies that have maintained or increased these expenses were recorded during the period of economic recovery increases significant revenue on capital employed and gained 13 percentage points in market share.One of the factors behind this development is the relationship between market share and brand share of advertising exposure. The higher the share of brand advertising exposure compared with current market share, the more likely market share of the brand in the coming years. As a result, increased investment in marketing a company, while competitors are reducing their marketing costs, causes a substantial increase brand visibility, which will result in obtaining a competitive advantage can be maintained over a long period.Another factor is the relationship between awareness and the importance of brand and profit margins. Because the benefit of the reputation and capital they hold, their strong brands dominate the less-known, leading to repeat purchase and faster recovery of investment in marketing.One can mention in this context that a new product may have a greater impact during recessions, one of the reasons being that if the product is better than similar ones, can be promoted at lower costs because average rates are lower in those periods.

Thus, companies that maintain or increase their marketing expenses are able to concentrate on innovation and boost consumer confidence, so they make sure they take the right decision.At the same time, it is vital to effective communication with customers during the recession, as they have all necessary information, otherwise, they are likely to form a wrong impression and believe that silence is a sign of problems facing a company and thus its products and brands.

Special attention should be paid during a recession to prevent the loss of clients and their migration to the competition, highlighting the need for this purpose is more pronounced differentiation from own brand products and those from competitors.

Companies must adapt quickly to changing markets and consumer needs, also trying to avoid solutions that may solve some short-term problems but long-term adverse effects, such as large price reductions that may result in increased sales immediate future, but then causes a devaluation of the mark and a decline in profits.

.2.Marketing strategies in times of economic downturn Although it does not change the fundamental principles of marketing in times of recession needs and actions of marketers have a fast dynamics, depending on the evolution of the demand, causing some changes in the practical aspects of marketing. According to marketing specialists (Chapman,2009, p 42), essential differences between the normal economic times and those recession can be summarized in the following table.

Table 1. Essential differences between normal periods and marketing and the economic decline

	Marketing in bad times
Long-term focus	Short-term focus
Maximising profits	Minimising cost
Marketing seen as an investment	Marketing seen as an expense
Benefits-driven	Cost-driven
Opportunities-driven	Sales-driven
Proactive	Reactive

Source: Chapman, J. Effective Marketing Strategies for a Recession, p. 42

Both research and practice have shown that there is a general strategy applicable and appropriate measures that generate results for a company may be totally ineffective for another. There are a number of factors that influence the effectiveness of certain marketing strategies for a company such as overall business goals, the human and financial resources available to implement the strategy, the degree of inertia of the market and demand for products or services.

A common objective and consider all the important marketing strategies is to recover costs and profit, while being pursued to achieve short term, if companies struggling to survive the recession.

Recession marketing strategies can be classified according to both the expected recovery time and costs to obtain a profit (starting from the immediate gains and leading to the long-term profit maximization), as well as in the degree difficulty of implementation (Chapman, 2009, p.45-46).Strategies are turning to fast gains, are generally related to price, reducing it as a way of maintaining and possibly increasing market share of the company. In this context we must consider the fact that an increase in market share during recessions does not necessarily mean an increase in sales since it is possible that the total market size to be reduced. Thus, a low price strategy can be successful in the short term by increasing sales, but short and medium term effects are not satisfactory, both in terms of profits sustained as obtaining and maintaining a proper position of the mark.

A similar strategy is the strategy of increasing the price, which may be also a temporary positive effect, causing long-term, usually a decrease in market share during recessions. The success of such a strategy depends on how strong the brand and how many people need the product.Another marketing strategy used in times of economic downturn act in synergy with the company's management strategy, based on low-cost leadership, which involves the restructuring and development of a new business model. This strategy does not result in obtaining quick gains, but rather a long-term profit maximization.

Strategies based on price should have in mind a very important element, namely the elasticity of demand, which depends on a number of factors (if the product is perceived as being different, if the price is an indicator of quality, market inertia, availability of substitutes, etc.).Research shows that the most effective strategy in times of recession is the so-called marketing strategy of value, relatively simple to implement and achieve a medium term gain. Capitalizing on the benefits of this strategy is that marketers need to know how to change consumer perceptions and expectations about the value and extent that their needs are met profitably.

Value based marketing is a vital option in times of recession, to ensure the maintenance of profits, short-term survival and essential long-term growth.Whatever the marketing strategy is adopted, executives must understand the importance of investment in marketing, in periods of recession and do not reduce costs of marketing activities, as this will negatively affect the long term.

Evolution of consumer behaviour in recession

Since the period of recession which is still facing the European economy is different from previous ones, it outlines a series of possible scenarios of future economic development (McKinsey Global Institute, 2009, p.7), which require a period of recession between 2 and 5 years. What actually happens will depend fundamentally on the extent to which government policies will succeed in reinvigorating global capital

markets and economy in general. A key role in determining the European economy will have on consumers, given that during 2002-2007, private consumption accounted for 57% of euro area GDP was the most important factor of e conomic growth during the period. For this reason, companies should focus on analyzing the evolution of consumer attitudes and behaviour if they want to survive the recession and to be able to revive the economy. An important task is to anticipate the company will have impact on their business downturn, relying primarily on knowledge of how past recessions have affected consumer decisions.

4.1. The importance of changes in consumer behaviour in times of recession

Based on studies undertaken, it was shown that in periods of economic growth, consumption evolves according to its long-term trend and can be easily predicted. During periods of recession, consumption quickly deviates from the long-term trend is for slower growth at above, even after starting growth.

Companies operating in the European market must examine the current situation to determine both reduce consumption and categories of products affected by this process. Results of research by Performics in 2009 (Kahn, 2009, p. 1) outlined a number of issues relevant to

analyze changes in consumer behaviour:

a. consumers reduce their overall expenses, but certain industries are more affected than others;

b. at least one in five consumers have cancelled summer vacations;

c. about half of those surveyed have cut spending to improve housing;

d. more than two thirds of respondents reported cost savings associated with buying luxury goods and leisure;

e. more than half of respondents reported reducing expenditures and durable goods for personal care.

In a situation in which consumers anticipate further economic problems, can react in two ways: reduce the total costs or change their buying behaviour. Among the most important factors underlying the cost-cutting reasons, it highlights the reduction of non-essential spending, lower income, unemployment and lack of confidence in economic developments.

To analyze the new structure of consumer priorities, it is necessary to study consumer reaction to the consequences of the recession, embodied in the adoption of tactics are aimed at reducing costs or to increase the volume of savings.The most common tactic is to control spending, which means trying to protect European consumers from the threats of an uncertain future. Other tactics were to:1. replacement of goods only when strictly necessary;2. shift towards products "do it yourself " and extending this option to other categories of products other than those established (for arranging furniture and home);3. looking for value, consumers are under pressure from lower income pay more attention to product features that it intends to acquire;4. identifying opportunities for prices, consumers can buy the products they consider appropriate for their needs, but become more interested in price reductions offered by the sales promotion campaigns;

5. Keeping to a budget set and control impulsive purchase.Taking into account the possible reactions of consumers, it is important and useful research on the changes in consumer behavior to analyze these changes from a dimensional perspective (contextual, motivational and specific actions), on how consumers spend in times of downturn.Research context involves a number of issues relating to long-term value of the mark, the relevance of the message conveyed to consumers and how it is perceived in the existing economic climate and the extent to which marketing strategies and tactics are tailored to consumers' purchasing behavior change. Motivational analysis is to reveal the causes that motivate them or consumers to buy certain products, in periods of recession and whether or not to retain the amount of a particular brand image.

Also relevant to consumers is how they operate and know their opinion about the price of key products and other factors, on the increase or decrease the frequency of purchase and on changing the average value of purchase.Marketers who know and understand consumer attitudes and behavior, especially during periods of conomic instability, can adapt quickly to new requirements in order to maintain market position.

4.2. The main changes in consumer behavior during the recession and possibilities to adapt the marketing activity

Although economic practice demonstrates that, in many cases, the recession is a period favorableaggressive marketing, each company must consider and decide according to the specific factual situation. Adopting the most appropriate strategy (offensive or defensive) depends on several factors, such as the nature of the activity, size, consumer characteristics, brand strength relative to competitors, as well as actions and reactions expected from competition

The consequences of the economic downturn are felt differently by traders mainly depending on the products and services they offer. Potential customers are willing to postpone the purchase of durable goods, and those who decide to buy such products spend more time studying the various alternatives. Buying food is influenced in a much higher price, while some categories of services such as telecommunications which are based on long-term contracts are less affected by recession. Consumer characteristics and how they react influence the success of certain strategies. In the acquisition of certain product categories and especially in times of recession, potential customers want to be sure that

they have taken a correct decision, when buying a particular product. Studies show that, on average, 10% of consumers are influenced by price and even if that number doubles during a recession, the impact of which is oriented according to the price is relatively low. Consumers loyal to certain brands will seek further ways to acquire the trademark, identifying various opportunities in the market. Consequently, during a recession, it is appropriate to remind consumers of certain brands, which are its advantages compared to competing brands, because if the price is within acceptable limits, people tend to buy the product they know and the trust, to a similar product cheaper.In this context, an important factor to be taken into account in trying to adapt to changes in corporate behavior in times of recession is the consumer brand strength. May be adopted different strategies, depending on the current status of the mark:

Consequently, during a recession, it is appropriate to remind consumers of certain brands, which are its advantages compared to competing brands, because if the price is within acceptable limits, people tend to

- buy the product they know and the trust, to a similar product cheaper.In this context, an important factor to be taken into account in trying to adapt to changes in corporate behavior in times of recession is the consumer brand strength. May be adopted different strategies, depending on the current status of the mark:
- reduced binding marks must find the most effective way to survive difficult times. If you can not mark a fresh start, a desirable alternative would be to protect existing market share by focusing on the most
- valued and loyal customers;

b. small niche brands might resist focusing on highlighting their distinctive elements, the "core" brand;

c. strong brands can gain benefits as a result of the coverage, especially if it offers the prospect of development.

Knowing and anticipating the reactions of consumers to financial constraints imposed by the recession, companies can adapt to changes in their behavior and can be strategically positioned to recover as quickly when the recession ended.

For European companies, and for those that operate globally, the methods of survival in the recession and contributing to economic recovery, including, as I described above, knowledge of changes in consumer behavior and the adaptation of marketing strategies . An essential tool for achieving this goal is the market research, on which one can identify new opportunities offered by changing economic environment, which determines on a reanalysis of their specific products and services.

A special role it had during the recession and business campaigns that show solidarity with their customers, while striving to encourage them to maintain the highest possible level of consumption.A very important aspect of marketing managers need to consider is to avoid devaluation of the mark, by reductions in prices, because customers buy not only what is cheap in times of recession, but pay more

attention to the characteristics of these products.Other factors that contribute to maintaining an acceptable level of economic activity, allowing more rapid recovery after the recession are keeping existing customers (which implies a lower cost than attracting new customers) and to encourage creative thinking in defensive over the alternative.

4. Managerial Implications

The research gives managers some useful guidelines and outlines ways to ensure companies they run a certain stability in periods of economic recession. It is also highlighted an important aspect that should not be limited marketing budget in economic downturns, and in terms of advertising spending, it is recommended that they be supplemented, where possible, as this could provide, in future, a rapid return

on investment and market share gains.

5. Limits and opportunities for further research

In order to deepen the research issues addressed in qualitative research can be a form of depth interviews with decision makers from some representative companies to learn their views regarding economic developments in the near future, and key measures they deem effective to overcome the recession.

6. Conclusions

The European economy is facing its first recession in the last fifteen years. Economic organizations have different views on how to survive in this period, choosing the preferred solution to reduce costs. Economic practice demonstrates that, in terms of marketing budget, this option has the opposite effect intended, as full beneficial use of the marketing arsenal to maintain and preserve the image already formed "visibility" on the market.Changes in consumer behaviour shaping a new perspective of the European economy, and companies that know their customers and how they intend to cope with the recession will be most likely to resist "the storm" and identify new opportunities, both in current period and the stage of economic recovery will follow.

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CHANGES IN CONSUMERS' BEHAVIOUR IN CONDITIONS OF RISK AND UNCERTAINTY

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Abstract: *Nowadays, reserchers' attention is drawn to consumers’ behavior on global market and to their capacity to withstand shocks, especially in periods of crisis and recession, characterized by increased risk and uncertainty. But, individuals behavior varies from country to country, outlining this way the opposite phenomenon of globalization at consumers’ level, especially in terms of information’s impact on purchasing decisions . Thereby, if the information is expected, the consumers can adapt quickly to changes in the economic environment. Instead, if information is unexpected, the impact will be translated into a shock and the group will undergo major changes trying to cope.*

Key words: crisis, consumer behaviour, risk and uncertanty

1. Risk and uncertanty in the new era of globalization

Uncertainty about future events is an inevitable part of consumers’ decision. Therefore, consumers weigh risks constantly, try to create possible scenarios on the future of the economy and make decisions whose results are uncertain. Thereby, Frank Knight (1921) in his work *Risk, Uncertainty and Profit*, gives an insight into the difference between risk and uncertainty. Uncertainty must be understood in a totally different sense of the familiar notion of risk, from which was never properly separated. The risk is, in some cases, an amount likely to be measured, while uncertainty is associated with unquantifiable statements(Knight, 2005).

The risk is not a current problem, but it has intensified in recent years along with the deepening of economic and financial globalization. Currently, the access to information is made in real-time, which draws reactions and rapid changes in market behavior. Economic climate and markets may be affected instantaneously by changes in exchange rates, interest rates and commodity prices. As a result, for the consumers is very important to identify and manage risks properly.

According to Slovic (2000) and Moore (1983), the concept of risk is perceived differently by different people, and that reflects in different ways, depending on what area they are working in. More, S. French and Y. Liang (1993), state that “risk is a much overused word; indeed, it has been used in so many senses as to become virtually meaningless.”

Riabacke (2006) studies the problematic of attitudes toward risk and says that most decision-makers are in the realms of decision-making under either:

- Certainty, where each action is known to lead invariably to a specific outcome.
- Risk, where each action leads to one of a set of possible specific outcomes, each outcome occurring with a known probability.
- Uncertainty, where actions may lead to a set of consequences, but where the probabilities of these outcomes are completely unknown.

Taking that into consideration, risk means a a situation where the outcome is unknown to the decision-maker that has no certainty which outcome will occur. This uncertainty often leads to bad choices.

2. Consumer behavior in terms of decision making

What is happening today is the result of some historical behavioral changes. Addressing the subject of behavioral changes require a retrospective analysis of events, being able to trace the consequences that they have trained.

For starters,things are very simple: the historical information have proven us that people are very different, one could only say even dramatically different from person to person, both in skills and needs.

Since primitive times, when the social organization meant clans, nations or tribes, economic behavior was modeled after the way they use the existence of individuals.

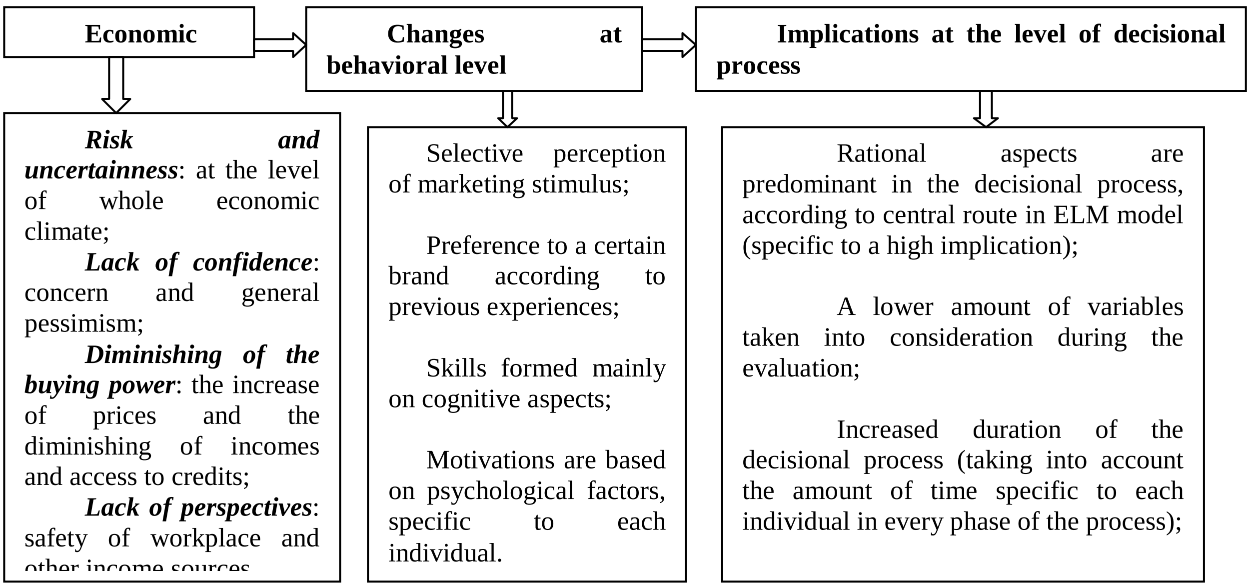
The term *behavior* comes from the Latin portare ("to bear"), accompanied by the preposition "how" ("with"), and reflects the visible act of a being, the reaction expressed in certain circumstances, determined both by environmental and individual personality. Psychologically, the behavior has several components: intellectual, structural, emotional and intentional (Dobrescu, 2006). As Henri Louis Charles Piéron (1881-1964) - one of the founders of scientific psychology in France -, says, *behavior* means how to be and how to act, representing an objective manifestation of all human activities. Claude Levi-Strauss (1908-2009), the father of modern anthropology, says that "people do not act according to what everyone feels like individuals; every human feels depending on how he is allowed or prescribed to behave" .

The behavior, which depends on both the individual and the environment, especially economic environment, has always a sense. It corresponds to seeking a solution or an object capable of reducing the needs of the individual. In economic literature, classical and neoclassical theories described man as rational and able to make the best decisions. This "perfect man" was named Homo oeconomicus. Over time research has determined homo oeconomicus "to change their lifestyle, leading to the abolition of assumption of a rational homo economicus. the change in style was supported by the development of limited rationality problem and by the publication of ***John Maynard Smith***'s work – *Evolution and The Theory of Games* (1982), evolutionary models finally providing economists with clear tools for strategic modeling of human interaction.

In the conditions of risk and incertitude, specific to periods of economic crisis, the involvement of the individual in the process of taking decisions about a brand is higher, while the stake and the consequences of his decisions on short, medium and long time are greater. In a hostile economic environment, full of constraints and incertitude, the comparison with the others around you, the belonging to group behavior starts to lose its relevance. The individual is oriented more and more toward himself and his family, towards his interests and values. The decisions taken under risk conditions(Solomon R. M. (2007)) generate the number of variables taken into consideration that provides a greater amount of time spent with the evaluation of the alternatives(Schiffman L.G. & Kanuk L.L.(2007)) and the decision of acquisition, because on these decisions depends the welfare, or better yet, its survival throughout the period.

Under conditions of economic crisis it is obvious that the impact of the communication of brands on the behaviour of the consumer is lower. The credibility of the communication, of the individual's opening in order to try brands or new variables of these diminishes dramatically, most often being limited to repetitive shopping, to brands already experimented and to products of strict necessity.

Figure 1 - The impact of economic crisis on consumer behaviour and on the decisional process of acquiring a certain brand



Source: Nicolau I., TobosaruI., Stanoiu M. - *The impact of the world financial crisis on the romanian advertising market*, paper presented at the *4th international symposium on economic theory, policy and applications*, Athens, Greece, 2009

Shopping to an impulse, for own „pamper" from curiosity or determined by the ludic spirit of some promotional mechanisms dissappear in the same way as concepts of shopping mania, shopping experience or shopaholic. Although recently entered in the vocabulary of the Romanians once with the rapid growth of the incomes after 2000, significantly accentuated within 2005-2008 (once with the boom of real estate and goods credits), these phenomena, seen as tendencies so far, had been replaced over night by a dark climate and by the fear of going back to the years of severe poverty experienced by the Romanians under communism (Nicolau, Tobosaru, Stănoiu, 2009).

The main changes at the level of the behavior as their impact in the decisional process of acquisition during the crisis can be analyzed in the **Figure 1**.

This background created “crisis reflexes”, stopping the consume and taking a behavior exclusively rational, to be felt very rapidly, the economic crisis affecting Romania, for example, in November 2008, being exclusively a psychological crisis at that time in our country.

3. The contagion effect of the economic crisis on consumers on the Single european market

Generally, the economic and financial contagion is defined as a movement of prices in a market that occurred as a result of a shock in another market. Contagion theory developed by Kogid Mori and Kok Sook Ching in 2009 shows that no country in the region can avoid the contagion effect of such a profound economic crisis(Mori Kogid, Kok Sook Ching, 2009).

The crisis has been a characteristic feature of the financial "landscape" for hundreds of years . The crisis phenomenon in the financial markets manifests when the two phenomena - adverse selection and moral hazard - occur and act together, to the point where markets do not direct the available capital to entities that are the best investitional options (Mionel O. , 2010). The risk of moral hazard is caused by the uncertainty arising from the fact that some economic operators could transmit (discreetly) false signals to get profits based on the difference between the real value of the title and the market price, influenced by these signals.

The risk of moral hazard is the main theme of a new theory with general character: ***Signal Theory***, developed by the American economists ***Sanford Grossman and Joseph Stiglitz*** in - *Comparative Price Information System* - 1976, ***Santanu Bhattacharya*** - *Imperfect Information, Dividend Policy and the <Bird in the Hand> Fallacy* - 1979 and **Stephen Ross** - *The Determination of Financial Structure: the Incentive Signalling Approach* - 1979. Adverse selection risk arises from the behavior of speculative market players.

The current geo-economic financial crisis which involved the entire globe, has U.S. origin:

- the importance of american geopolitics is recognized all over the world (the unique position of the United States of America in the international hierarchy is now widely recognized. Even the Russians, who, for reasons of nostalgia, have been most reluctant in recognizing the extent of American power and influence, accepted that, for a time, the United States will remain the most important global actor (Brzezinski, 2005)),
- the current crisis of commercial and investment banks (market mortgage loans with high risk - subprime crisis)
- the dollar exchange rate crisis.

The financial crisis in the United States could not be put in quarantine and thus "infected" many countries worldwide. From a trade weakened to a credit crisis, from the collapse of the overheated real estate markets to volatile stock, this contagious disease continued to spread (Mionel O. V. Mionel, 2009).

In Europe for example, more precisely in Spain, the recession had as main causes the real estate ‚boom’, artificially supported especially by the demographic policies insufficiently founded on reality, which lead to the impossibility of governmental refinancing once the issuance of bonds gave no significant results, and also to the repopulation of the country with immigrants who speak Spanish.

In Britain, the problems were based most on the financial instability generated by the strong links between financial markets in London and New York. As for Germany and France, it seems that, despite some harsh conditions and major difficulties (such as, for example, sudden declines in acquisitions on the auto market and other industries), the two countries were not forced to compensate high levels of toxic assets and were able to join the American tendency to return quickly. That’s why it is expected that some highly industrialized European countries, countries with stable economies in Central and Eastern Europe, to enter a symmetrically trend, similar to that of the U.S.

According to *World economic outlook report*, recent data from Europe suggest that the pace of economies’ decline slowed. In the second quarter of 2009, Eurozone GDP fell less than expected, France and Germany have reported positive growth rates, and the United Kingdom registered a more moderate decreasing.

Although the decreasing is still low in most of the developing countries in the European Union, Poland was the only one which recorded a positive growth in both the first and second quarter. The decline throughout the region was based on a decrease in demand - especially in the investment sector- and trade; the economies of member states have suffered especially by imbalances they had before the crisis emerged. The whole Europe was strongly affected by the decline in capital inflows. This led to major contractions in the economies of the Baltic countries, such as Bulgaria and Romania, although the exchange rate mechanism acted as a shock absorber for economies with flexible regimes.

Hungary, Latvia, Romania and Serbia have turned to the IMF aid, while Poland has access to a flexible credit line with the IMF to maintain investors’ confidence in the market. Lately, the pace of decline has slowed down quite a lot in most countries of the region, recording even a rebound in risk appetite and an acceleration of exports, although credit is still low and unemployment is rising. The policies on the labor market continue to focus on protecting people in the EU, often failing to account, for example, migrant workers

Many advanced economies have allocated substantial budgetary resources to support the financial sector, in particular by guarantees. So far, capital injections and asset purchases were generally limited, excepting Austria, Belgium, Ireland, Netherlands and The United Kingdom.

A number of countries, including Germany, Spain and the UK, introduced discretionary incentives to support the economy more broadly, in addition to the considerable support that it provides the economic stabilizers. At the same time, countries with limited economic policy at the onset of recession, such as Greece, Italy and most emerging economies, have not been able to introduce such major incentives. In addition, most developing countries in Europe were also threatened by withdrawals of foreign capital (or risk their withdrawal), some being forced to tighten their monetary position and to strengthen fiscal policy, especially in those economies with fixed exchange rates. Moreover, the financial support of European consumer-banking financial products to come up with innovative measures, stress tests are being introduced under the EU's largest banks. However, these steps must be followed by a bank recapitalization in order to restore confidence in the financial system and, especially, restoring the lending capacity.

Measures have also been taken to meet the challenges of the crisis in emerging economies which have been hardly hit, including by supporting cross-border banking flows, but the reality is that a common strategy and a support framework to assist most of the affected countries and to resolve the problem of debt accumulation, is still missing.

Currently, according to a Nielsen study, things began to change. Thus, in the first quarter of 2010, an increase has been noticed in consumption in most European countries, characterized primarily by volume. So, France has registered an increase of 2.4% compared to 2009 at face value, while growth in Portugal and Spain (4% and 3%) can be attributed to a decline in deflation.

Also, the shopping trips fell in the first quarter in Italy and Germany and costs per trip have stagnated in the first five European countries: Germany, Italy, France, Britain and Spain.

But is it true that Eastern Europe was hit by the crisis with a delay of 12 months from the point of triggering – the United States. In late 2009, these markets were deeply affected, registerring significant decreases in volume in terms of acquisitions. Thus, Latvia, Lithuania, Serbia, Ukraine and Romania have got acquainted with the adverse effects of the crisis.

4. Conclusions

These changes, at least in the phase of economic recession, are about to make the effects of the crisis even more serious: lower degree of expenses and consume, meaning the diminishing of the request level of goods and services, the rapid deterioration of the performances of economic agents obliged to seek survival strategies or even to leave the market. This fact has as an effect the loss of new jobs and the diminishing of the income of the population, the main vector of the request.

The economic crisis has left obvious traces in the behavior of every category of consumers and also on their perception of risk and uncertainty.

Thus, the changes of the market are based also on those of the consumer, who will evaluate and decide in an unfavorable and unpredictable economic environment, having lower and lower incomes, with major limitations to credits, overwhelmed by the lack of a projection of his financial status even on short term (the safety of tomorrow).

Communicating the new dimensions of positioning, supported by a fair price-quality bid is crucial in ensuring the sustainability on the market in the future.

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OPINIONS REGARDING THE INFLUENCE OF DESCENTRALIZATION OVER THE FINANCING OF THE DEVELOPMENT OF LOCAL COMMUNITIES IN ROMANIA

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Abstract:

The administrative and territorial decentralization is not a purpose in itself. It is part of the national strategy of decentralization and is meant to create a system of local public administration which is organized, administrated and financed according to the European in what concerns ensuring the quality of the local public services which must allow free, equal and whole access to all the members of the community to the decision-making act, in accordance with the interests and needs of the direct and indirect beneficiaries. Actually, the pattern of decentralization promotes free access to the equity and quality of public services. The efficiency of decentralization must be mirrored in the added value of the services of public interest, in the capacity to provide these services at a high quality standard and with costs as low as possible.

Key word: descentralization, autonomy, decision, administration, local development

JEL Classification: H70

A short review of the issues discussed here show the fact that until 1990 Romania had one of the most centralized forms of public administration. The decisions were mainly taken by the central administration and the fundamental decisions which referred to the life and development of the local communities were completely decided by the central administration.

After 1990, along with the democratic changes going on in Romania, new attributions and responsibilities began to be passed on to the local communities, especially the management of public issues at the level of a particular city or department.

In this context, the process of decentralization began in Romania at the end of the '90s and accentuated after the year 2000. This was due on one hand to the necessity of fulfilling certain stipulations regarding the community acquis, especially those in the chapter regarding regional and rural development and those related to justice, administration and internal affairs, but it was also due to a series of chapters such as those regarding social protection, environment, etc.

On the other hand, local communities and the central authority as well noted that and it was requested of them to adopt certain measures which would comply with the need of compatibility with the

European local public administration. Romanian local authorities would not have been able to be partners in various projects with European financing if they hadn't owned the patrimony of schools and hospitals, if they hadn't had the complete management of the issues related to child protection, etc. Also, they could not have been co-participants in the implementation of certain national projects such as sport halls, ANL dwellings, etc.

Furthermore, Romania adopted Law 199/1997 "The European Chart of local autonomy" which states that "the authorities of the local public administration represent one of the main fundaments of any democratic regime" and that by through them "the right of the citizens to participate in the solving of public issues can be exerted in the most direct manner".

This supposes the existence of a series of local public administration authorities endowed with decisional bodies, constituted democratically and benefiting from an extended autonomy in what concerns the areas of competence, the manners to exert these and the necessary means to accomplish their mission.

To this purpose, the European Chart defines local autonomy as "the actual right and capacity of the local public administration authorities to solve and manage, within the legal stipulations, and under their own authority and in the interest of the local populations, a significant part of the public issues" considering that "the exercising of he public responsibilities must, in general and preferably, pertain to those authorities closest to the citizens".

Observing these principles, a series of regulations were elaborated in our country regarding the decentralization and the passing on towards the local public administration of certain attributions but also of a financial support in order to sustain these.

One by one, the attributions regarding the pre-school and pre-university education (first the patrimony and then the expenses with the didactic and non-didactic staff), health, child protection, social protection (including the minimum guaranteed income), the electronic records of the population, the community police, etc., became the responsibility of the local public administration.

Although every time there were doubts concerning the institutional capacity of the local public administration to efficiently manage these responsibilities, it must be noted that every time this transfer proved to be a success.

Of course, there were certain problems emerging on the way, problems characteristic to any new beginning. Most of these emerged as a result of the fact that the central administration always refused to carry out in whole the decentralization, in one field or the other.

In this manner, the process started generally in all fields, but was finalized in none. Education, health and the social field are in a stage of partial decentralization within which we encounter both attributions belonging exclusively to the local public administration and attributions divided with the central administration and even delegated attributions which that leads, in some of the fields, to an overlapping of authority but also to fields lacking regulations, especially where financing is concerned.

It is true that by means of Emergency Government Order no. 45/2003, as well as Law no. 273/2006, the legal stipulations regarding local public finances a decentralization was achieved in a series of procedures, so that now we can speak for the first time about an area of predictability, however limited, of the financial resources which pertain to the local administration. But the extent of these resources allocated to the local administration compared to the allocated attributions have determined and will continue determining a very tense situation at the level of the local public administration, a permanent dissatisfaction in what concerns the request of satisfying the needs of the community compared to the services which local authorities should offer citizens, maintaining and deepening the dependency of the local administration to the central administration.

The administrative and territorial decentralization supposes the redistribution of the responsibilities, of the decision making authority and of the public responsibility for the characteristic functions from the central level towards the local level.

The decentralization supposes the participation of the representatives of the civil society in the decision-making process (local partners, the business community, NGOs, etc.).

The administrative and territorial decentralization represents the process of transferring of the decision-making competencies from the central level towards the local and/or organizational level, in order to bring the decision closer to the beneficiaries of the local public services. The decentralization also supposes the participation in the decision-making process of the non-administrative factors.

In my opinion, the administrative and territorial decentralization represents the transfer of authority, responsibility and resources in what concerns decision-making and the general and financial management towards the authorities of the local communities.

The administrative and territorial decentralization is not a purpose in itself. It is part of the national strategy of decentralization and is meant to create a system of local public administration which is organized, administrated and financed according to the European in what concerns ensuring the quality of the local public services which must allow free, equal and whole access to all the members of the community to the decision-making act, in accordance with the interests and needs of the direct and indirect beneficiaries. Actually, the pattern of decentralization promotes free access to the equity and quality of public services.

The efficiency of the administrative and territorial decentralization must be mirrored in the added value of the services of public interest, in the capacity to provide these services at a high quality standard and with costs as low as possible.

Decentralization should not produce unbalances and distortions in the organization, the management and the support at a national level of the public services. This process will ensure the clear, equilibrated and well-individualized repartition of the decisional power between the bodies and institutions representative for the local and regional communities on the one hand and at a national level on the other hand.

Also, the decentralization of the decision making does not include but implies the development of the monitoring, control and evaluation system, both from the part of the local communities but also from the part of the specialized government institutions and bodies.

From the perspective of the durable development and globalization, in order to create the premises necessary to ensure the quality of the public services and the efficient utilization of resources, the administrative and territorial decentralization represents a dynamic initiative which supposes implication and taking responsibility on the one hand and strategic thinking and control on the other hand.

Government actions initiated and implemented between 1997 and 2007 with the purpose of modernizing the local public administration and bringing it to a state of compatibility with the European public administration materialized, among others, in the adoption and the applying of a set of normative acts which partially ensured the transfer from the central level to the level of the local councils of some responsibilities and attributions regarding the contents and structure of the processes in the local public administration, regarding the financing and administration of the pre-university educational institutions and regarding the policies in the field of human resources.

The transfer of the decisional process from a central level to a local level went on in various rhythms, within a legislative frame in which contradictory stipulations persist, thus generating some incoherencies and malfunctions within the system.

The expected results of the process of administrative and territorial decentralization in our country targeted the following:

- *The efficiency of the activity and an increase in the performance of the local communities*. At a central level, the target was a discharge of the current administration tasks and a greater concentration on the elaboration and monitoring of the implementation of the policies for the economic and social development, whereas at a local level the aim was to increase the degree of responsibility of the local communities by consolidating the autonomy and the ability to manage financial and human resources;
- *The democratization of the public administration system by consulting*/ involving the community and the other beneficiaries of the administrative act in the decision-making process and in ensuring the quality based on self-evaluation, external evaluation and public responsibility. The decisional and consultation mechanisms will involve both the structures of the public administration system and the external partners or the beneficiaries of the local public services;
- *Ensuring transparency and non-discrimination in decision-making and the management of the public funds*;
- *Ensuring access and equity within the administrative process* by allocating funds based on social costs. The administrative and territorial decentralization will allow a greater closeness to the situations and the characteristic context of each community, it will stimulate interventions focused on local issues, that is the cultural and ethnic diversity, an increase in the participation in the decisional act, the inclusive approaches, the social and economic discrepancies;
- *An increase in the relevance and the consistency of the public service offer* by making possible a better correlation with the local needs, with the various situations and problems of communities, with the individual needs and interests of the citizens;
- *Stimulating innovation, professional responsibility and public sense of responsibility* at the level of local communities by transferring towards a local level the decisional power regarding the budgetary execution and human resources policies. A greater closeness of the financial, administrative, educational and human resources decision to the needs and interests of the beneficiaries will lead to a better allocation of the financial resources, stimulation of the public-private partnership and to a greater diversity of the functions characteristic for the local public administration.

The implementation of the administrative and territorial decentralization process must be based on the following principles which should function as the foundation stone of the organization and the functioning of the public local administration:

- *Public responsibility*. All institutions and organizations participating in the implementation of the public services, regardless of their legal statute, must publicly take responsibility for the quality of the provided services in the same proportion as functions and responsibilities pertain to them;
- *The autonomy of local communities***.** The administrative and territorial decentralization will aim to develop the autonomy of the local communities, to develop their capacity in responsibly taking pertinent and efficient decisions meant to solve the individual needs and interests of the citizens;
- *Nearing the decisional centre towards the place of the administrative act* in order to confer consistency and relevance to decisions and to make the actors at a local level take responsibility;
- *The transparency of the decisional act,* based both on the access of the citizens to public information and their participation in the decision-making process.

- *Valorising human resources.* The human resource must be acknowledged as an essential factor in the economical and social communities, which is why a particular attention must be lent to the initial and continuous formation as well as to the professional development of the public servants;
- *The subsidiary character,* which supposes a complementarity in the transfer and the owning of the decisional responsibility at a local level, in order to bring the decision closer to those who are directly influenced/interested in this;
- *Cultural and ethnic diversity;* the expression of the identity elements of the various social and cultural groups co-existing in that particular community will be stimulated at the level of local communities;
- *The ethical approach to public services,* by adopting and applying deontological codes on the personnel responsible with the promotion of the public services, as well as for the control, quality ensuring and management systems;
- *The cost and quality standards* in providing decentralized public services and public utility services are set by the ministries and other specialized bodies of the central public administration. It must be noted that the legal stipulation states clearly that “local public authorities are responsible for fulfilling the quality and cost standards in providing decentralized public services and services of public utility”. It must be noted that, central authorities set these standards in a unitary fashion, without taking into account the diversity and specificity of the existing situations and the multitude of problems with which the local administration confronts, especially in ensuring the necessary financial resources.

Also, several studies pointed out that territorial and administrative decentralization has certain advantages for the evolution of economic development of the local communities (M. Oroveanu, 1994):

a) ensures favorable climate for local interests to develop naturally, in accordance with local customs and in line with their actual requirements;

b) generates a sense of individual initiative, while reducing the role of centralization;

c) generates a feeling of local interest freedom, which determines a development of human communities and the value of the whole nation;

d) stimulates the enhancement of the traditions and potentials for development and employment of local labor.

The analysis of the current situation of the decentralization process in Romania highlighted the following things:

- achieving a partial decentralization by transferring the responsibility to local communities of the operating costs of school education, child protection and the people in need and other public services or public utilities, but without the development decisions. In most cases this was done without allocating the necessary funds or allocations during or at the end of the year after created a tension in that area;

- implementation of a deconcentration process then a decentralization process. In this since we can mention the existence of several programs run by various ministers, rather than the local authorities (sports, social housing, child protection, etc.)
- although local communities responsibilities have increased substantially, employment in local authorities has not increased. This was a result of limiting employment particularly by blocking positions on the basis of measures taken at central level. Obviously, this can be debatable whether, in principle, the central authority can afford to block stations the local government, under increasing workload;

All in all, this process has several advantages and disadvantages. It is clear that local problems are much better known by the local authorities and can be better priorities and solved. In this way public services offered to the citizens have a better quality and the public spendings will be more effective and more efficient. Also, it is possible an increase of the capacity to negotiate and association, and the availability of local government to make various types of partnership with various public and private partners.

Therefore, we consider that the future of the administrative and territorial decentralization is primarily related to the political will expressed at all levels in line with citizens' needs and the availability of all stakeholders in the process of effectively participating with the progress. We believe that this can be done starting with a realistic analysis of the objectives, strengths, weaknesses and opportunities.

The main question remains the following: where we are and where do we want to go? This is very important in order to identify the goals and the methods for achieving them.

Obviously this is not a simple process, nor an easy process to manage, but it needs to get developed in order for local communities to meet its responsibilities under the best conditions, and to provide high quality services to the community.

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STUDY ON ECOLOGICAL PRODUCTS OF TRADITIONAL AREA IN SIBIU COUNTY FOOD MARKET AND THEIR PROMOTE

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Abstract: *This paper is part of the Postdoctoral School project which has the theme: Promoting organic products obtained from milk of Turcana race in Sibiu area, based on the* ***ECOSANOGENEZA*** *principles. The project aims to promote the traditional organic products, obtained specifically from ewe's milk. An essential aspect is respecting the objectives and principles of organic agriculture in the technological process of obtaining products out of ewe's milk, to identify and to reduce the real and potential risks in terms of Food Saftey.*

Key words: traditional products, organic products, sheep breeders, organic agriculture

1. Introduction

In the context of transition to market economy, of reorganizing and making the private sector profitable, of insufficient production in order to fulfill the consumption needs of the population, in the recent years Romania has become a country importing agricultural products of vegetable and animal origin. Continuous drop in agricultural production in Romania is due to the dramatic decrease of livestock on one hand, land fragmentation and lack of proper management of agricultural exploitations due to lack of training in the private sector, on the other hand.

Based on these issues, we think that it is necessary to concentrate the specialized research on the private sector, and more specific on the peasant farms, which currently own sheep populations and work the land, in order to transform them in private agricultural, self sustainable farms, which should function based on market economy principles, following European standards.

Under current circumstances when loosing biodiversity is an issue, the climate changes and more recently the new food crisis - organic agriculture can offer a model for a future comprehensive approach of what is vegetal-animal-food or fodder.

This sector of agriculture, the organic one, generates new solutions for durable utilization of resources. This is why we focus our attention towards obtaining and promoting organing products of highest quality, made out of ewe's milk, from sheep that are bred in the ecological area of Sibiu. This is why we find it important that with the topic addressed within the project to bring our contribution in promoting the organic products, making the population aware of the value of these products comparing to conventional products on the market.

Raising sheep in Sibiu area focused on White Turcana, Sibiu ecotype, as a breed of sheep which inhabited this area since Dacian times. Sheep in the Sibiu area came to the attention of specialists from France even if France has one of the most evolved agricultures in Europe. They found that our sheep breeds have a high tolerance to the environmental conditions and at the same time less demanding compared to French sheep, with a lower productive potential. Romania was ranked in the top EU countries in terms of sheep breeding, but there is the need to improve the genetic potential by using selective breeding from mating improver breeds or crosses with local breeders to improve milk production (Friza and Lancome).

Processing of milk into cottage cheese, cas, jinta, urda, dairy products with a widespread reputation earned over time, is a well known tradition for the sheep breeders in Sibiu and Hartibaciu Surroundings.

Sibiu Surroundings is an area famous in Romania for the traditional products, but in recent years, following the example of people in Sibiu Surroundings, other sheep breeders have decided to merge and form an association. Seeing the benefits that the association brings, they realized that in the future, consumers will become more demanding in terms of nutrition, will want to consume organic products that meet their culinary demands. This is how the Ecomiorita Association was born and it includes 26 sheep breeders from Hartibaci Valley.

2. Materials and methods

In order to promote the traditional products made out of ewe's milk on the agro-food market, we started the process of identifying the sheep farms and individual breeders that produce and deliver traditional ewe's milk or products, an operation that is ongoing. We traveled to two areas of Sibiu County and

Hartibaciului Valley in order to identify sheep breeders in different villages of the County. (Table 1) The surveys and discussions held with breeders can conclude the following: the fact that milk has always been a source of health due to its composition, because of high nutritional value and high degree of assimilation, milk is recommended to be consumed mainly by children, elderly and the convalescent. Given the limited period of validity as well as some considerations about the physiology of milk products (seasonal production) with large herds of sheep breeders have preferred to sign contracts for sale of milk processors. In this way seasonal overproduction of milk may be transformed in dairy products with a longer shelf life, while maintaining nutrient properties, digestibility and food value degree closer to its natural form.

Through the discussions held with breeders I wanted to make them aware of the fact that the processing of milk and dairy products are an objective necessity related to organic milk production in correlation with the need for switching to the production of organic dairy dictated by the county and country population consumption.

For the milk they deliver, breeders get a price of 2,15 Lei / litre from the processor, the milk having a 6,5% fat standard. The value of milk differs depending on lactation period, because the fat percent in milk rises from May to September when it gets to about 9,5 – 10%, making the acquisition price to rise depending on the percentage of fat in the milk.

Some of the famous traditional products obtained by processing ewe's milk in Sibiu area are: pot cheese, cottage cheese, kneaded cheese, bellows cheese, smoked cheese, cheese in fir bark, wholesale milk.

Pot Cheese is a traditional product made out of ewe's milk. It can be used as such, in form of fresh pot cheese or it can be preserved in brine – pot cheese slices. It can be smoked or used in preparing the kneaded cheese. Raw milk is filter and than heated to $30/32^0$C in the process of making pot cheese. The required quantity of rennet is added, stirred well and then let it clog (about 45 minutes). The resulted clot is cut longitudinally and transversely with a big knife, resulting in square section columns, approximately 4 cm per side. The chopped clot gathers on the bottom of the container, it needs to be gently rubbed by hand and then it is passed through a double layer gauze, the ends are bind and then it is let to dry until next day at temperatures of about $12\text{-}16^0$C. After this, it is ready to be consumed as fresh pot cheese. It needs to be stored in a refrigerator at temperatures of about $4\text{-}6^0$C.

Cottage cheese is made by processing ewe's milk in individual households or sheepfold, from quantitys in amount of 50-100 liters of milk. In order to produce cottage cheese, the processor needs to have a minimum technological endowment as required by the food safety regulations and obtaining organic products regulations. The milk is stirred and heated to about $30\text{-}32^0$C and the rennet is added. In the case of organic products, the rennet is required to be of animal origin and it is obtained out of veal or lamb stomach. The clotting period is 60-70 minutes. The resulted clot slices are placed in overlapping rows (fish scales) and then, the clot is cut in equal sizes strips 3-4 cm wide, and then the four corners of the gauze are tide diagonally. It is let to drain for 10-15 minutes, it is cut again, then it is let to drain again for 10-15 minutes, the edges which are colder are torn and placed on top and then the cloth is tighten if form of an envelope. A wooden lid that weights 1/3 the weight of milk that was clotted is placed on top. After finishing pressing the cheese block for 30-60 minutes, it is cut into blocks with the side of 10-12 cm and placed on a vase (crinta) for another 15 minutes. The salting of the cottage cheese needs to be done in concentrations of 20-22%. On the free surface 8-10 grams of salt are sprinkled on each piece.

Jinta is a traditional dairy milk product made out of ewe's milk, obtained from the whey resulted from processing the ewe's milk into pot cheese (cas) or cotton cheese (telemea). Right after obtaining it, the whey is placed in a container and heated gradually stirring with a wooden spoon up to $80\text{-}85^0$C. Lactalbumin precipitates and rises to the surface. The soft cheese (urda) along with the whey is picked up with a "Caus", and put in another container to cool. Enough whey is taken as along with the albumin to form a homogeneous mixture. After it cooled down to $40\text{-}45^0$C it is poured into a wooden vessel that was previously used to make Jinta, and is left at room temperature for 24 hours for acidification after which it can be stored at 10- 12^0C. Jinta has a similar consistence to the sour milk with a pleasant characteristic acid taste.

Ridden Cheese (Branza Framantata) is the cheese obtained by kneading the pot cheese (casul) made out of ewe's milk. After curing, the crumbled cheese, now in form of a paste mixed with salt, can be put in various packaging. Bellows (Burdufuri), fir bark, wood container leaving them to mature further. It is shipped in the packaging in which the cheese matured.

Branza de burduf comes from the name of the packaging in which the cheese is packed. The preparation of this kind of cheese consists in two phases: preparing of pot cheese (cas) and obtaining the fermented cheese. The pot cheese is obtained as described previously. Pot cheese is stored at $12\text{-}15^0$C for fermentation and it is turned every two days to paste evenly while fermenting for 5-8 days. End of fermentation is marked by the pot cheese colour which turns white-yellowish, and not too big oval holes can be noticed in the cheese section. The taste is pleasant and slightly acid. This fermented pot cheese is cleaned, cut into slices and passed through a mincing machine. The shredded cheese is put in a vessel, 2,5-3% salt is added and then it is stirred until a fine paste is resulted, which is then packed in a “burduf”, firmly pressed to remove air. The “Burduf” is sewn with raffia and pricked in a few places to allow draining of whey. It is left to mature for 12-15 days at temperatures of 12-16^{0}C. The cheese texture is soft with a specific pleasant taste. It is storred at 5-8^{0}C.

Table 1. Sheep Breeders

Fancier Name	**City**	**Number of sheep**	**Recovery of production**
Dragomir Florin	Vurpar	1000	Contract for sale to processors Baraolt
Bara Toma	Vurpar	300	Contract for sale to processors Baraolt
Giurgiu Ioan	Vurpar	700	Contract for sale to processors Baraolt
Banea Toma	Vurpar	700	Contract for sale to processors Baraolt
Banea Mihai	Vurpar	700	Contract for sale to processors Baraolt
Stupu Ionita	Vurpar	250	Contract for sale to processors Baraolt
Giurgiu Traian	Vurpar	300	Contract for sale to processors Baraolt
Lienerth Michail	Vurpar	500	Contract for sale to processors Baraolt
Olariu Toma	Vurpar	300	Contract for sale to processors Baraolt
Dobrin Gheorghe	Vurpar	500	Contract for sale to processors Baraolt
Mohoi Virgil	Vurpar	300	Contract for sale to processors Baraolt
Bores Mitica	Vurpar	400	Contract for sale to processors Baraolt
Carstea Ioan	Cornatel	1000	Contract for sale to processors Baraolt
Aldea Toma	Nou	500	Contract for sale to processors Baraolt
Musoaie Adrian	Fofeldea	350	Contract for sale to processors Baraolt
Musoaie Pavel	Fofeldea	400	Contract for sale to processors Baraolt
Barbu Nicolae	Tichindeal	300	Contract for sale to processors Baraolt
Dragomir Nicolae	Nocrich	300	Contract for sale to processors Baraolt
Bogdan Mioara	Rasinari	250	Traditional products with direct sales
Ciorogaru Dumitru	Tilisca	600	Traditional products with direct sales
Ciorogaru Ioan	Tilisca	500	Traditional products with direct sales
Barbosa Lucian	Talacel	90	Traditional products with direct sales
Bara Bucur	Rasinari	300	Traditional products with direct sales
Bratu Ioan	Rasinari	500	Traditional products with direct sales
Mihai Ioan	Marpod	300	Traditional products with direct sales

3. Conclusions

Under current conditions, of Romania becoming part of the European Union, the agrarian structures in our country need to align to the communitarian acquis to become compatible with community partners to act in the same conditions on a competitive single market.

Right now in Sibiu county, agriculture practiced by the inhabitants of villages and communes in Sibiu is one of subsistence farming, growing and operating technology of breeding sheep as well as the plant cultivation technology is similar to the ones practiced before 1989. Few are those who have reached the level of knowledge in the field of agriculture practiced in other European countries, where the farms provide the income for the family by processing raw materials on the site or by selling products of animal or vegetal origin.

Through the founding of the proposed topic in the Postdoctoral Shcool project, I intend to bring a significant contribution to the development of technical knowledge and operation of livestock and sheep breeding, and also to processing of ewe’s milk and obtaining of traditional organic products, through the training that I will provide in villages and communes in Sibiu after a preliminary analysis of the current situation.

Therefore, the sheep breeders that are operating large herds of sheep and agricultural land, and processors that have as their object of activity processing of animal products, need to align with the communitarian acquis, which requires European conditions in breeding and exploitation of animals and agricultural land, resulting in an economic activity of production without degrading the environmental factors (air, water, soil) and how to be organized and produce in the conditions of genuine democracy.

In order to train sheep breeders from Outskirts of Sibiu and Hartibaci Valley to respect such requirenments, it is mandatory to organize as many training events as possible. The training should focus on tranfering of technikal skills and knowledge to the breeders, so that they can get used to good practices in breeding and exploitation of sheep and also in processing of milk in order to obtain organic traditional products as it is done in other countries in the European Union.

Through everything it set out to acchieve, this project completely serves the bennefit of sheep breeders. The social impact derives from the objectives that the current project sets out to acchieve and which are related to updating the knowledge of breeders in Sibiu County, which right now are practicing an outdated subsistence agriculture, by training and updating their knowledge related to current technology in breeding animals, which requires an adequate feeding, conditions of shelter and personal hygiene, modern technologies of processing milk and of obtaining organic products that meet European standards.

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THE SPECIAL RESPONSIBILITY OF DOMINANT COMPANIES

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Abstract: *The European Union's competition law stipulates that all practices that prevent, restrict or distort competition are forbidden. The main objective of the competition policy is to protect consumers welfare. These article is mainly focused on the 82 Article of the Treaty of Rome, explaining in a detailed manner, all possible actions of a dominant company and when is it falling on the incidence of these law, because these type of companies have indeed a special responsibility to the customers and also to their business rivals.*

Key words: *dominant company, refusals to supply, tying, bundling, predatory prices.*

Jel classification: M38

1. Introduction

European Union competition policy has a lot of constrains regarding mainly the behavior of companies.

As the European Union's founders predicted, the integration of the European markets has indeed produced a restructure of both, private and public sector.

The anti - competitive practices regarding the European market are described for the first time in the Treaty of Rome and they rely on both articles 81 and 82. Article 81 provides clear guidelines for any company and stipulates that practices that prevent, restrict or distort competition are forbidden, unless the Commission decides otherwise. It mainly refers to horizontal or vertical anticompetitive agreements. The horizontal ones are referring to forming cartels or making arrangements about exclusive territories, between competitors that are commercializing similar products. The arrangements between the company and its suppliers or distributors, forcing the last ones for example to sell at a minimum price or conditioning the purchase of a product with another with no obvious connection.

2. Sections

The article 81 describes as prohibited, as they are incompatible with the principles of the common market, the following: „all agreements between undertakings, decisions by associations of undertakings and concerted practices which may affect trade between Member States and which have as their object or effect the prevention, restriction or distortion of competition within the common market, and in particular those which: directly or indirectly fix purchase or selling prices or any other trading conditions; limit or control production, markets, technical development, or investment; share markets or sources of supply; apply dissimilar conditions to equivalent transactions with other trading parties, thereby placing them at a competitive disadvantage; make the conclusion of contracts subject to acceptance by the other parties of supplementary obligations which, by their nature or according to commercial usage, have no connection with the subject of such contracts." The second paragraph is making the stipulations from the first paragraph even more permanent.

However, the third paragraph is all about grating exceptions from the rules, such as: „any agreement or category of agreements between undertakings, any decisions or category of decisions by associations of undertakings, any concerted practice or category of concerted practices, which contributes to improving the production or distribution of goods or to promoting technical or economic progress, while allowing consumers a fair share of the resulting benefit, and which does not: impose on the undertakings concerned restrictions which are not indispensable to the attainment of these objectives and afford such undertakings the possibility of eliminating competition in respect of a substantial part of the products in question".

In article 82 regulates the markets selection mechanism (meaning that more efficient companies are replacing the less efficient ones). Companies are also obliged to have respect for the customer's choice, offering a large variety of products, qualities, prices.

Article 82 contains the second major set of restrictions concerning the abuse of a dominant company. A dominant position has often a larger meaning then the monopoly. However, both of them depend on the company's market share. If a company has a market share above 75% this situation is considered a monopoly. A company can be accused of dominant position in some cases even with a market share of 40 - 50 %. Only market shares lower than 25% are not taken into consideration for dominant position.

We must understand that having a dominant position is not illegal, but only the abuse, when the company's decisions are affecting both other competitors and clients. For example, in the European pharmaceutical sector, two mega-mergers have been brought to the Commissions' attention. It is the case of Sanofi and Synthelabo, and on another side Pfizer and Pharmacia fusion. The Commission has seen immediately the negative impact for some market segments, by limiting the customer choice, but also made a remark that the positive effects are more numerous. By these fusions a lot of efficiency will be gained, so the mergers were accepted under some conditions, such as the obligation for Sanofi/Synthelabo to sell certain antibiotics, hypnotics and sedatives.

Another case regards a domestic merger in France, between TotalFina and Elf Aquitane, the main petroleum companies. By making these union, the two companies would have a major impact on the price of liquid petroleum gas, the customers having access to these product at lower prices. However, the power of these two company united reached 60% of the service stations on French motorways. The Commission decided to allow this merger, but with the condition that TotalFina/Elf Aquitane sell of a big part of their operations. In these case, the companies have sold 70% of the motorway service stations in France to their competitors.

The article 82 stipulates that „any abuse by one or more undertakings of dominant position within the common market or in a substantial part of it shall be prohibited as incompatible with the common market insofar as it may affect trade between Member States." In particular, this type of abuse, consists in „directly or indirectly imposing unfair purchase or selling prices or other unfair trading conditions, limiting production, markets or technical development to the prejudice of consumers, applying dissimilar conditions to equivalent transactions with other trading parties, thereby placing them at a competitive disadvantage, making the conclusion of contracts subject to acceptance by the other parties of supplementary obligations which, by their nature or according to commercial usage, have no connection with the subject of such contracts."

This article is sustained buy explicit rules that are all compressed into the „Merger Regulation", no. 139/2004. This law comes to elucidate what is not clear about merger control, especially the horizontal ones.

The Merger Regulation refers to an anti-competitive behavior as being „A concentration which would significantly impede effective competition, in the common market or in a substantial part of it, in particular by the creation or strengthening of a dominate position" and therefore they will be declared incompatible with the EU legislation.

Not all mergers are accepted or all denied. They can be accepted with conditions.

Article 82 rejects the unilateral conduct of a company with market power, that is using that power to restrict competition on the market. This article is meant to focus on competition real problems, such as companies behavior that has actual or likely restrictive effects on the market, harming the consumers. So Enforcement Agencies are preoccupied in only intervening on the market if they have real evidence that is not functioning well, and also buy not having unlimited resources at their disposal, their effort must be focused where it is really needed.

Any investigation, on a dominant company, that is suspected to conduct anti-competition businesses, must begin with proving the existing of the dominant position, meaning a substantial market power. Therefore a detailed analysis of key issues must be conducted, in order to obtain results such as the market position of the company, the market position of competitors, barriers to expansion on entry and the market position of buyers (if on a market there is a producer with dominant power and only one buyer, their position compensate itself).

High market share is not sufficient to prove the existence of an abuse of a dominant position.

The purpose of the 82 Article is the protection of competition on the market, ensuring the consumers welfare and efficiency in allocation of resources.

2.1. Forms of the abuse of a dominant company

The abuse of a dominant company can be divided into two major categories: exclusionary abuses (refers to different business practices used by a dominant company in order to prevent a real competition on the market) and exploitative abuses (refers to the situation when a company in a dominant position is using much higher prices than the competition, being able to gain higher profits because of their position on the market).

It is desired to take into consideration not only short term harm of the anti-competitive practices, but especially medium and long term damaging effects.

Exclusionary abuses may be based on a price or not.

2.1.1. Not-based on the price practices are: contractual tying, refusals to supply and single branding obligations. The authorities must check individual cases, meaning verifying the impact of a certain practice on the market competition.

2.1.1.1. Tying refers to obliging the customers when they want to by a product (the tying product), to also purchase another (the tied one). The difference between tying and bundling is that in case of tying, the customer may buy the tied product individually, but never the tying product, when in pure bundling, neither of products are available alone. Both tying and bundling care occur to products that are complementary, or substitutes or even when the products have no link whatsoever.

This is an anti-competitive practice when it can be proven that by linking two products together, the tied products market is affected, meaning that competition is severely disturbed. Bu tying two products together, the customers really needing and wanting to by the tying product, it can be artificially raised consume for the tied product. Also, if customers want to by also a similar product like the tied one, by already purchasing them from tying, they will never choose another one from the competition. By the tying action, a dominant company is eliminating its competitors form the tied products market.

On short-term it can have a positive effect such as obtaining both products at a smaller price. If they are investigated by consumers protection authorities, companies may reply that this is a move meant to improve efficiency, so ones again it has to be proven that the dominant companies actions have negative impact on the market.

A tying is justified in the case of complementary product, and in that case, consumers might benefit from these action, having access at smaller prices to both products they are interested in.

In the case of franchising, the franchiser may use tying contracts, obliging the franchisees to use the same suppliers, just to make sure that the quality is at the best standards. This case justifies such an action, but it is yet to be seen if there are any negative effects in particular cases.

A case of anti-competition behavior is for instance when a cable company is obliging its customer to by also internet and telephone services, tying them together. Even offering for free fixed telephony services, the competition in these area is disturbed.

2.1.1.2. Refusal to supply is the case when a vertically integrated dominant company refuses a valid offer from another company to purchase a raw material that is used to manufacture a commercialized product. The company must have or will achieve soon a dominant position on both markets - of the raw material and the final product.

It will not aply in the case that the competitor is making an offer to buy the raw material below the companies costs.

Refusals to deal can take several forms: the dominant company refuses to provide an essential good, it may charge an outrages high price, it may use tying or bundling (linking the row material with another product), or may sign a contract based on exclusive dealing with one company, excluding the other competitors from the market.

A famous case is Aspen (1985) when a dominant company (a tree mountain ski resort) refused to make lift tickets for a company that owned a one-mountain ski resort.

Also in these case the authorities must first check the efficiency of the dominant company (it must not sell under fixed costs) and then possible negative effects primarily for the customers.

2.1.1.3. Single branding obligation is an agreement between the dominant company and a supplier/distributor to sell, manufacture, purchase or resell only products mention in the contract or in some cases, the exclusivity can reach the limit of 80%.

A recent case is the Serbian Competition Authority that investigated a sport federation, the Karate Federation of Serbia, because its athletes used a single brand of wear (from BMA Tranding company).

2.1.2. The **exclusionary abuses based on the price** are: very high prices for individual products, compared to a very low bundled price, combining a high upstream price with a low downstream price, becoming in this case refusal to supply to competitors, high rebates given on condition of single branding, predatory prices.

Price discrimination refers to the situation when the dominant company is charging with different prices to different customers. There are however cases when this discrimination is explicit, in the sense that the company can offer price discounts for age reasons (children or seniors), or on other reasons such as discounts for students and other example. Making these offers, the company is not losing any money, because due to the high volume of transactions with these segments of population, in the end they earn money. The question is whether by making these deals, the other customers are affected when they are obliged to pay a higher price.

The competition policy do not evaluates the actions in terms of fair or unfair but in terms of pro-competitive and anti-competitive. Here the discussion is entering in the field of socially responsible marketing, by supporting a segment of population that is either poor (children and seniors) or in the stage in attempting to receive an education (in highschool or university). The example above cannot be considered as anti-competitive. However an anti-competitive practice is when a dominant company is offering price reduction for a customer that is switching from their competitor (for instance a mobile phone company would offer big reduction if a customer is leaving its rival firm and becomes a subscriber). Its strategy is to attack its competitors client base. This type of action may backfire when the older customers of the dominant company turn to the competition because they do not benefit from tempting offers as the new clients. A company may also be forced by its customers to extend the reduction to the old customer, that is good for the clients but it may generate costs for the dominant company.

An interesting discussion is that sometimes even if the companies mean bad, they can end up doing good for everybody.

2.1.2.1. Bundling represents the case when the company provides two products, A and B together, the buyers having no option of purchasing them separately. In most cases one of the products is the result of a monopoly. In practice there are many cases of bundling. Even a pen, that is sold only together with the ink refill, can be seen as a bundle. This form is known in theory as pure bundling and interferes with the competition law.

Another form of bundling is called mixed bundling and represents the case when two products, A and B are commercialized together at a lower price. If the customers buys them separately, he can do so, but at a higher price.

The mixed bundling offers the most various price choices for customer, tying is in the middle and pure bundling is the strictest of them all.

Unfortunately, there have been many debates on the subject of a justified combination of products, that ended with no real result. A case of unsatisfied companies accused of bundling is Microsoft, because of the commercialization of Windows and Media Player. The Microsoft company argued that the two products can be compared with the shoes and shoelaces. The law is not specific about prohibiting any type of bundling, but is analyzing cases of abuse especially concerning companies that have dominant position on a market.

2.1.2.2. Combining a high upstream price with a low downstream price represents the case when a company has a dominant position on the row commodities, is producing the final product at low prices, but when other companies are trying to buy their needed supply the first company is imposing very high prices in order to make them disappear from the market.

2.1.2.3. Rebates can be offered by the dominate company in various ways.

One kind of rebates is when the company gives price reduction when a certain threshold is exceeded. This form of discounts is based o a scheme of progressive discounts.

Another type is the case of mixed bundling, meaning that the customer agrees to buy another product together with the initial one.

Also, if the company that is buying from a dominant company, is purchasing only by this company (using it as their exclusive supplier), it may benefit from a rebate.

Also a company can offer a price reduction to a long-lasting customer in order to repay its loyalty.

In most cases, rebates can be considered discriminatory, but not in all cases are they anti-competitive.

Rebates are considered an anti-competitive behavior in the following cases:

a) Rebates that are offered to a customer, that is likely to switch to a new entrant on a market, as the dominant company is threaten from it, constitutes an anti-competitive behavior harming the new company.

b) The dominant company is offering incentives to its retailers in exchange of an potential exclusivity in products distribution. Competitors have no more access to distribution channels, being forced to leave the market. This case clearly calls for authorities attention.

c) The last but not the least important is the case when a dominant company together with the main product is offering another product, from an adjacent market, at a lower price, affecting the competition mainly on the market of the second product.

However, rebates can have a positive effect. First of all, on short term, by making price reduction, the customers are satisfied. The company must be careful when is establishing the rebates strategy, in order to obtain profit, despite all these discounts. First, they have to establish the fixed costs as high as possible, taking into consideration not only the expenses for the actually creating the product, but also R&D expenses. If by giving rebates, they still manage to obtain profit, then it means that the company is efficient and it is good for everybody. Selling lower than its costs means trouble for everybody.

The authorities investigating cases of anti-competitive behavior should ask themselves, in such cases, if the competitor kept out of the market, by actions of the dominant company, such as giving incentives to its retailers to promote mainly their product, were indeed efficient, and their market failure is caused only by these actions. They also have to prove a negative externality, such as, if the consumer is buying the dominant companies products as a result of its own decisions, or because feels that he has no other choice.

2.1.2.4. Predatory prices is the dominant companies strategy to first use predatory prices and then move to recoupment phase.

In the first phase of the predatory process contains a short-term strategy that includes a massive price reduction that only has the purpose of eliminating or even seriously weakening its competitors. After their elimination of its rivals, the dominant company can set as a long-term strategy, a high price for its product in order to obtain as much profit as it can.

Proving a predatory behavior from a dominant company is very hard to do by the authorities, as one of the objectives of the competition policy is to ensure competitive prices for the customers.

2.2. Forms of exclusions

By ensuring a normal competition, the European Union's authorities mean first of all free access to markets for companies that are new entrants.

2.2.1. **Exclusion within one market** represents the exclusion of a competitor from the market that the first company is primarily active. The exclusion can happen by forcing the competitor to exit or preventing its entrance in the first place.

In this case, the anticompetitive behavior have a time dimension, as following: the initial phase (the companies actions are meant to reduce the profitability of the targeted competitor by using: predatory pricing, offering rebates in order to cut the rivals demand and determine losses for it, tying its products, exclusive dealing contract, invest in a high level of quality or a great variety of products in order to exit the competitor from the market, using low price - high volume strategy, investing in big advertising effort, forcing the competitor to spend money as well), the middle faze (the company is experiencing losing money as well as the competitor, having instead an improvement in the consumers welfare on short-term basis; the long-term effects are dramatic since the rival is alienated and the company with dominant power can impose high prices to reduce initial losses) and the final faze (when the competitor is forced out of the market and the dominant company can begin to work on making big profits).

There is a discussion about whether in all cases can we presume that the dominant company can afford a price war. In any case of initiating a financial predation strategy, the dominant company must obtain important information's about the new entered in the market concerning its finances. It is not a wise decision to enter in a price war with a prepared competitor that can weaken the dominant firm, making it vulnerable.

2.2.2. Exclusion in adjacent markets

The actions of a dominant company can have effects also in the adjacent market (that is horizontally related to the primary market), caused by the fact that the competitive conditions in both markets are linked. The connection between these two markets is made especially trough bundling. In order to be classified as anti-competitive, an action made by the dominant company must be proven to cause competitive harm to the customers. In case of bundling, for instance, some customers may be happy, but a lot others can be negatively affected by these business practice.

2.2.3. Exclusion in vertically related markets

This type of competitive harm happens when a dominant company is trying to eliminate a competitor from a market vertically related to the home market. The dominant company controls the supply of a product that is needed either upstream or downstream to fulfill their activities.

As example, a dominant company that controls rail tracks or port facilities can deny total access to a certain competitor, favorite others or pretend very high prices for their services. The absence of a good access to infrastructure for some competitors can mean failure on the market and for customers these action has negative impact as well.

Also in these case the authorities must first check the efficiency of the dominant company (it must not sell under fixed costs) and then possible negative effects primarily for the customers.

3. Conclusions

The European competition law is based on the United States Sherman's law, meaning that the actual form of it represents the early beginning of the American law. In present, in the United States competition law, a lot of changes have been made, such as putting accent on efficiency rather than the number of competitors on a market, the possibility of initiating a lawsuit against a company suspected for illegal actions, by almost anybody and other differences.

There are still occurring a lot of debates on these very complex theme and the most important aspect is that is always focusing on the customer, to provide a good and healthy market environment for it. The authorities have the very important job to identify the real threats for the market and to analyze very careful each case individually.

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CREATIVE TOURISM AND CREATIVE INDUSTRIES - SOLUTIONS TO REDUCE THE EFFECTS OF THE ECONOMIC CRISIS

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Abstract: ‘*Creative tourism’, ‘creative industries’, ‘creative clusters’ are the concepts of the moment in many economies of the world. Culture and human creativity should be the tools employed to overcome the economic crisis. The aim of this paper is to define these concepts, and also to present the Opinion of the European Economic and Social Committee on Unlocking the potential of cultural and creative industries (Green Paper) COM (2010) 183 final.*

It is evident that a number of governments have identified the cultural and creative industries as playing an important role in the regeneration of urban environments and the stimulation of tourism development.

Key words: creative tourism, creative industries, creative clusters

JEL classification: L83

1. Introduction

Creativity is the ability to generate something new. It means the production by one or more people of ideas and inventions that are personal, original and meaningful (Howkins, pp. IX, 2001). Creativity and creative acts are therefore studied across several disciplines: psychology, cognitive science, education, philosophy (particularly philosophy of science), technology, theology, sociology, linguistics, business studies, and economics. As a result, there is a multitude of definitions and approaches.

Today, creativity forms the core activity of a growing section of the global economy — the so-called "creative industries" — capitalistically generating (generally non-tangible) wealth through the creation and exploitation of intellectual property or through the provision of creative services. The creative professional workforce is becoming a more integral part of industrialized nations' economies.

Creative professions include writing, art, design, theater, television, radio, motion pictures, related crafts, as well as marketing, strategy, some aspects of scientific research and development, product development, some types of teaching and curriculum design, and more. Since many creative professionals (actors and writers, for example) are also employed in secondary professions, estimates of creative professionals are often inaccurate. By some estimates, approximately 10 million US workers are creative professionals; depending upon the depth and breadth of the definition, this estimate may be double.

Various definitions on what activities to include in the creative industries have been suggested (Howkins 2001, pp. 88–117) (UNCTAD 2008, pp. 11–12) and even the name itself is a contested issue - there being significant differences and overlap between the terms 'creative industries', 'cultural industries' and 'creative economy' (UNCTAD 2008, p. 12).

Howkins' creative economy comprises advertising, architecture, art, crafts, design, fashion, film, music, performing arts, publishing, R&D, software, toys and games, TV and radio, and video games(Howkins 2001, pp. 88–117).

There is often a question about the boundaries between creative industries and the similar term of ‘cultural industries’. Cultural industries are best described as an adjunct-sector of the creative industries. Cultural industries include industries that focus on cultural tourism and heritage, museums and libraries, sports and outdoor activities, and a variety of 'way of life' activities that arguably range from local pet shows to a host of hobbyist concerns. Thus cultural industries are more concerned about delivering other kinds of value — including cultural wealth and social wealth — rather than primarily providing monetary value. However, the raw material of cultural industries is human creativity (Bratu, Ioan, 2005).

2. Creative tourism — a definition

Creative tourism is a form of cultural tourism (Ohridska-Olson, 2010). More specifically it is “travel directed toward an engaged and authentic experience, with participative learning in the arts, heritage, or special character of a place, and it provides a connection with those who reside in this place and create this living culture” (UNESCO, 2006).

Creative tourism was first introduced to the field of tourism by Greg Richards and Crispin Raymond (2000) as to define the trend of “tourism which offers visitors the opportunity to develop their creativity potential through active participation in courses and learning experiences which are characteristic of the holiday destination where they are undertaken”.

This definition reflects the growing interest among individuals to creatively construct their own „narrative of the self" as to personally develop themselves (Giddens, 1990).

The application of creativity in the process to reorient cultural tourism can be achieved in various ways as Richards and Wilson (2006) depict:

- creative spectacles: the production of merely creative experiences for passive consumption by tourists
- creative space: the development of a spatially demarcated creative „enclave" populated by creatives to attract visitors.
- creative tourism: a more active involvement of tourists, not just spectating or „being there" but reflexive interaction.

Creative tourism thus refers to activities undertaken during holidays in which often both the tourist and the host community participate or better said, co-create the tourism experience. Besides, it could be a great resource for the creation environments in which various actors of the tourism experience network (virtually) meet.

But where and when does creativity in tourism experiences actually occur? Is it at destination, during some of the cultural tourism activities undertaken? Or does it start previously in the home environment before the actual travel? Does it then stop after returning to the home environment or does it continue somehow?

Creative tourists are no longer satisfied with pure observation of cultural spectacles but look for active participation – they travel to Argentina to learn to dance tango, to Russia to paint icons, to France to cook traditional Provencal dishes.

Although creative tourism is generally perceived as a form of cultural tourism it is essentially different from the mainstream cultural tourism. While traditional cultural tourism is based on "viewing", "seeing" and "contemplating" (e.g. visiting museums, art galleries, concerts, ballet performances and the like), creative tourism is based on "experiencing" (Pine and Gilmore, 1999), "participating" and "learning" (e.g. not only observing icons or icon painting but taking courses in icon painting in the destination). This puts creative tourism as the next generation of cultural tourism that satisfies the higher level need of self-actualization with a primary focus of active skill development. Furthermore, creative tourism is not so place-bound as cultural tourism in general is, because creative tourism utilizes tourist resources that are processes in essence – like dances, singing, crafts, painting, festivals (Prentice and Andersen, 2003) – and is, therefore, more sustainable in nature than traditional cultural tourism based on the consumption of built environments (Richards and Wilson, 2006) and contributes to the development of the destination (Lindroth, Ritalahti and Soisalon-Soininen, 2007).

Several pan-European programs encourage this interaction, especially in skills learning and travel for creative and cultural exchange (Geser 2007). Such programs and organizations are: European Association of Historic Towns and Regions, The Cultural Routes Program of the European Council, European Institute of Cultural Routes, European Cultural Tourism Network and many others.

3. What are the cultural and creative industries (CCIs)?

Creative industries have been considered an important factor in the development of tourism and, as recognized by the EU 2020 strategy, the cultural and creative industries play a central role in growth, competitiveness and the future of the EU and its citizens. By their very nature, they create innovation and jobs, and act as an interface between various branches of industry. In addition, they are generators of comparative advantage that cannot be reproduced elsewhere, factors for local development and drivers of industrial change.

Although reference is generally made to CCIs, a distinction should nevertheless be maintained between culture and creativity. While culture is generally understood as the set of knowledge, customs and levels of artistic and scientific development that defines an era or social group, the term creativity is specifically interpreted as the capacity to think in an innovative way, or to produce new ideas that bring together existing elements in a new way (be they processes, objects, knowledge, etc.). This, in turn, should not be confused with the term innovation which refers more generally to processes and products developed from knowledge, techniques and tools.

This is a crucial distinction because, on the one hand, it isolates separate concepts that are often blurred in current language; on the other, it highlights the deep interconnections between culture, creativity and innovation (see also the Council conclusions on the contribution of culture to local and regional development of 29 April 2010).

4. "Physical spaces" for creativity, clusters, and their role in territorial development

One aspect of the debate highlighted in the Green Paper is the issue of "new spaces for experimentation, innovation and entrepreneurship in the cultural and creative sector" and the role played by the new ICT. In practice, this means creating meeting places for interdisciplinary collaboration, suitable for pioneering the creative industry's most innovative solutions and exploring with the public/users new language and forms of expression such as, for example, digital artistic content as a multi-sensory experience (future and/or business centers for creative-industry products and services, virtual reality and multimedia parks).

These physical places, marked by the "pursuit of change", could also act as a stimulus to counter the marginality of certain regions relative to the main urban centers of creativity. The principal clusters of European creativity are generally considered to be the main urban centers, such as the Île-de-France, inner London, Milan, Amsterdam, Madrid, etc. (see the Priority Sector Report: Creative and Cultural Industries by the European Cluster Observatory).

There are many factors that contribute to the development of creative industrial clusters such as the economic development of cities and regions; the development of the knowledge economy; creative tourism; the efficiency of production chains; the spill-over effects of innovation, etc. Drawing on this know-how, specific projects should be introduced to encourage the expansion of these clusters and their extension throughout EU territory, and to create Europe-wide networks.

This ties in with (see Council conclusions of 29 April 2010) the central role of the creative industries – and their networks and clusters – as a driver of regional development. The Priority Sector Report: Creative and Cultural Industries drawn up by the European Cluster Observatory provides empirical evidence of a direct link between the location of creative industries and regional development. The problem lies in choosing the most suitable forms of cooperation for fostering the integration of CCIs into strategic regional development.

A prominent feature of cultural and creative clusters is their dependence, especially in the start-up phase, on public support and the need for positive integration initiatives that can draw in all regional actors: public administration, the business sector, the training and university system, cultural operators, the intellectual professions and civil society. The strong link between such clusters and their local communities of origin should certainly not be underestimated. These clusters spring from the "shared knowledge" of the local area and are inextricably tied in with a favorable environment which cannot be reproduced elsewhere, fostering innovation and change (see case studies such as Bilbao, Valencia, Amsterdam, the Ruhr, etc.).

Local authorities (municipalities, regions, etc.), in cooperation with other territorial bodies (universities, banks, associations, public and/or private content providers, etc.) therefore play a key role in mainstreaming CCIs into regional development, geared to attaining the sector's strategic objectives. EU cohesion policy has recognized, for example, the CCIs' multiple contribution to its strategic objectives (convergence; competitiveness and employment, territorial cooperation and the inclusion of the most vulnerable sectors of society), although it is difficult to determine its specific impact.

Among practical examples of bringing cultures and forms of creativity together outside the major urban centers, often in disadvantaged and/or cross-border areas, and in addition to the consolidated experience of Valencia, the EESC points to the recent experiment with the Puglia Region's "urban laboratories", in which disused buildings, including former schools, historic buildings, monasteries, markets and barracks across the region are renovated and equipped to become, with the region's support, fully-fledged cultural and creative "containers" for young people.

The project – Carpathian Tourism Cluster Romania

Carpathian Tourism Cluster is Romania's innovative network of regional and national stakeholders in the tourism industry. They promote sustainable tourism and **create added value** for the tourism industry in the region of the Carpathian Mountains.

Tourism cluster means accumulation of tourist resources and attractions, infrastructures, equipments, service companies, other supporting sectors and administrative organism whose integrated and coordinated activities allow providing the customers with the experience they expect from the destination they choose to visit (*Eulogio Bordas* President of THR International Tourism Consultants). Carpathian Tourism Cluster is an organized network of tourism stakeholders in the central regions of the Carpathian Mountains in Romania. Carpathian Tourism Cluster has been founded in 2010 based on the initiative of the *Tourism Association Brasov* (Asociatia pentru Promovarea si Dezvoltarea Turismului din județul Brasov (APDT) and the *Tourism Association Monteoru Renaissance* (Monteoru Renaissance-Asociatia pentru dezvoltare regionala durabila in turism – Judetul Buzau). Carpathian Tourism Cluster is an independent network of regional and national tourism stakeholders and Romania´s first supra-regional tourism cluster of national interest. It doesn’t represent individual interests; it works on the optimization of the tourism value chain in the regions of the Carpathian Mountains.

Carpathian Tourism Cluster Romania has the following objectives:

- **Innovation and diversification:** Development of innovative touristic offer and services to attract new tourists to the area of the Carpathian Mountains
- **Rise of competitiveness:** optimize the value chain in the local tourism industry
- **Quality:** improve the quality of the touristic services (European standards)
- **Cooperation:** exchange of ideas and joint projects between the touristic regions of the Carpathian Mountains ans international tourism destination
- **Promotion:** promote the Romanian Carpathian Mountains as “destination of excellence” within the national tourism promotion strategy “Romania – explore the Carpathian Garden”
- **Regional tourism development:** contribute to sustainable regional growth and prosperity

Figure.1: The tourism cluster focuses on the Carpathian and Subcarpathian tourism regions in the center of the Carpathian arc.

Source http://tourism-cluster-romania.com/wp-content/uploads/2010/10/tourism_region.jpg

5. A "European space" for creativity: the regulatory framework

Another important factor in counteracting marginality is the mobility of artists and creative practitioners. Indeed, there is an ongoing need to exchange best practice in order to open up new perspectives and challenge the people of Europe to better know and understand each other's cultures.

However, there are numerous obstacles to mobility, mainly linked to visa regulations, tax systems and the varying regulatory environments applicable to the creative industries across the Member States, and often also to differing regional administrations.

Practical proposals to foster mobility include: promoting European co-productions and/or the exchange of experience and skills, in both the production and design phases, and both within and between sectors; allocating funding for translation into less-spoken and non-EU languages; promoting specific measures for the mutual recognition of activities, skills and qualifications; and reaching agreements to prevent double taxation. The intellectual professions contribute to a "creative cultural economy"; they can help create a network pilot project capable of attracting creative contributions originating from beyond the European Union too.

Here, ICT can provide new opportunities both in terms of producing creative products and in their distribution and use by end users. In May 2010 the European Commission presented an ambitious Digital Agenda for Europe (the first of the seven flagship initiatives of the Europe 2020 strategy). Among the seven objectives forming its core, the Agenda advocates a new single market to deliver the benefits of the digital area, a significant increase in options for fast and ultrafast internet access for European citizens, and the aim of providing all European citizens with digital skills and accessible on-line services.

The main obstacle to the industry's digital potential is, however, the absence of a regulatory framework safeguarding intellectual property rights pertaining to cultural and creative content in digital form (the current rules are often geared solely towards the needs of large operators), and the right of access to that content for users/the public and SMEs, particularly those located in disadvantaged areas (often bound by unjustifiably restrictive access rules).

The issue of intellectual property rights should be viewed in conjunction with the problem of piracy and counterfeiting. In 2008 alone the EU's creative industries (film, TV series, recorded music and software) experienced estimated retail revenue losses of EUR 10 billion and losses of more than 185 000 jobs due to piracy (see the TERA study on Building a Digital Economy: The Importance of Saving Jobs in the EU’s Creative Industries). Digital piracy is a criminal offence that is damaging to both large and small companies and requires more robust and coordinated measures at European level to boost consumer protection and tackle illicit productions on a larger scale.

The potential offered by the open source and Wikinomics models is worth assessing here, given their specific capacity to harness the work of small players, marked by fragmented production processes, highly individual creative contributions, variable production cycles and limited financial resources.

The CReATE project report on ICT and CCIs identifies four key future trends through which ICT can drive the economic development of CCIs: digital distribution to facilitate the sharing of online content; enhancement of visual experiences; breaking down barriers and developing sustainable entrepreneurship, especially in disadvantaged areas of the EU; capacity to adapt work organization to the resources that are spread out across regions and brought together simply by technology and by content providers under Participatory Public-Private Partnerships (PPPPs).

A second question posed by the Commission concerns fostering partnerships between art and design schools and businesses, especially craft enterprises, and developing e-skills, particularly where they are lacking or still fragile. The manifesto issued during the European Year of Creativity and Innovation (2009) stressed the need to reinvent education so that it prepares people for the learning society. There is a specific problem here, however, in the lack of integration between education and business, particularly as regards fostering creativity and the so-called e-skills and, more generally the capacity to adapt human resources to the extraordinary development of the sector.

Some practical proposals in this regard include:

a) fostering greater knowledge of the creative industries in school curricula; promoting creative entrepreneurship, not least by providing more opportunities for cooperation between schools and art and design institutes (for example internships and seminars);

b) introducing competitions and awards for young talent and for institutions that foster young people's skills;

c) fostering artistic and cultural education and, more generally, an interest in the work and products of the creative industry during primary and secondary education;

d) support measures for recent graduates in the sector by means of financial facilities either directly for the graduate or for the companies employing them;

e) employability support through lifelong learning and European recognition of qualifications;

f) the development of IT and technological know-how among the students of art and design schools;

g) launching partnerships with craft and SME associations, with the aim of making an effective contribution to the process of passing on know-how, entrepreneurship and all the "immaterial" values that underpin creative development

6. The role of the cultural and creative industries in urban regeneration

It is evident that a number of governments have identified the cultural and creative industries as playing an important role in the regeneration of urban environments and the stimulation of tourism development. This is particularly true of the UK. For example, in the 1980s, the Greater London Council (GLC) under the Leadership of Ken Livingstone (the current Major of London) developed a ‘Cultural industries strategy’ for London. This included the performing arts, sports, the music industry, advertising, broadcasting, the film, video, printing and publishing.

One of the principal aims was to increase the range and choice of jobs open to Londoners, and to stimulate investment in both manufacturing and services.

Although the strategy appeared to be more important for conceptual innovations than practical achievements, the cultural industries were shown to be a significant generator of employment and economic benefits (Smith, Melanie, p.72-73)

R. Kennedy suggests that the abolition of the GLC in 1986 led to a fragmentation of cultural policy-making in London which contributed to the relative decline in the city’s image as an international centre for cultural and economic innovation. However, it was recognized that the cultural industries were central London’s economy, and its external image, both as a world city and a tourism destination:

Not only do cultural activities create wealth and jobs and enhance the quality of life of the city's inhabitants, but they also play a significant role in presenting the depth and diversity of London's culture to the world. In short, culture and entertainment add value and can be profitable.

6.1. Sibiu – The European Cultural Capital

The European City of Culture initiative was launched in 1985 as a means of bringing European citizens closer together, simultaneously recognizing a common history and heritage, whilst celebrating a contemporary cultural diversity. Since then, the initiative has become more successful and high profile. The motivations for wanting to host the event are many and varied. For example, the event can be used as a means of raising the profile of a city, putting it on the map or enhancing its image, furthering cultural development and providing a forum for artistic expression; developing cultural tourism; or for cultural regeneration purposes (Smith, Melanie, p.76).

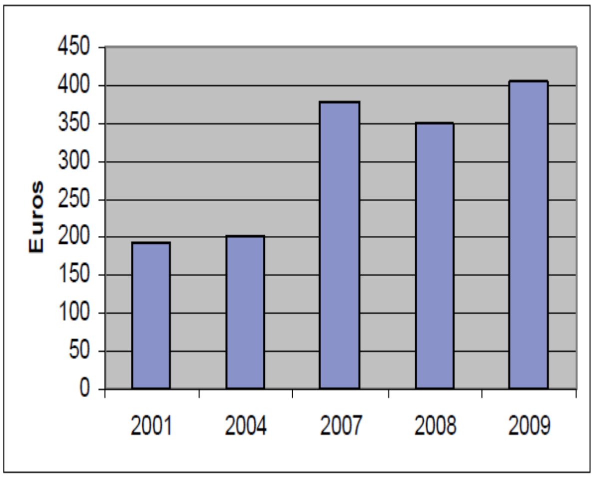
The European Capital of Culture staged in Sibiu during 2007 was a unique event. It was the first European Capital of Culture (ECOC) to be staged in one of the post-2004 EU accession countries, and it represented a major challenge in being staged just as Romania was joining the EU. The main aims of the 2007 ECOC in Sibiu were:

- Raising the international profile of Sibiu
- Long term cultural development
- Attracting international visitors
- Enhancing feelings of pride and self-confidence
- Growing and expanding the local audience for culture
- Improving social cohesion and creating an economic downstream
- Improving cultural and non cultural infrastructure
- Developing relationships with other
- European cities/regions and promoting
- European cultural cooperation
- Promoting creativity and innovation

An important aspect of the ECOC is the economic impact that it can have on the host city. The bulk of the economic impact of the ECOC usually comes from visitor spending, because visitors inject new money into the local economy. In 2007 we estimated that the total economic impact directly attributable to staying visitors to the ECOC was €19.35million. It is difficult to compare this figure directly with other years, because the ECOC as a direct visit motivation is no longer there.

However, the figures on average visitor spending show that spend levels have increased since 2007. The average visitor to Sibiu now spends almost twice as much as the average visitor before 2007. Again, this underlines the structural change in the nature of the tourist market.

Figure: 2 Average total visitor spend



Source: Greg Richards, Ilie Rotariu.2009**.** "Trends in tourism development after a European cultural capital programme"

6.2. Sibiu linking western and eastern cultural routes

European Institute of Cultural Routes, established 13 years ago, opened its first subsidy outside the office, located in Luxembourg. The office in Sibiu, which opened in the presence of Minister of Culture of

Luxembourg, Octavia Modert, and other European officials, is like a tourist hub linking Europe and western cultural routes in Romania, in south-eastern and southern Caucasus. The main mission of this institute is to promote cultural tourism, to bring out the routes on which only the locals know. "It's a way to bring people closer. Especially in such a period of economic crisis is the time to invest in culture," said Octavie Modert. They are due to the acceptance and Sibiu as European Cultural Capital together with Luxembourg, in 2007.

European Institute for cultural itineraries (IEIC) was established 13 years ago in Luxembourg, under the tutelage of the Council of Europe. "It is a unique opportunity for those less familiar cultural routes. The office in Sibiu will be a liaison point between the western and south-east along the Caucasus, "complete Erna Hennicot-Schoepges, president at the European Institute. After 13 years IEIC representatives have decided to expand their business."This institute was renamed Sibiu partners simply Luxembourg - antenna. We hope that this antenna from Sibiu to and absorb, but also to deliver, "said the mayor of Sibiu Klaus Johannis.

Currently, the network link IEIC coordinated more than 900 routes in different communities across Europe. To put the wheels of the Institute headquarters in Sibiu, the Europeans have chosen as partners Mioritics NGO representatives from Romania. Mihai Dragomir Sibiu IEIC manager has already announced the first project he is working. "It's fortified churches itinerary. There are dozens of such localities, little known, but have an impressive cultural value," said Dragomir. Institute headquarters in Sibiu was created in the Small House of Luxembourg City, the Grand Duchy of Luxembourg donated property in 2000.

7. UNESCO's view on creative cities

UNESCO has a program for creative cities. Creative clusters that "feed on diversity and change and so thrive in busy, multi-cultural urban settings that have their own local distinctiveness but are also connected to the world"

(UNESCO 2006 – 2) as well as the creative routes are often branded by the type of art or activity in the creative industry: music, dance, wine-making rituals, etc.

The UNESCO Creative Cities Network was launched by UNESCO in October 2004. The network is designed to promote the social, economic, and cultural development of cities in both the developed and the developing world. The cities that apply to the network seek to promote their local creative industries; they share interest in UNESCO's mission towards cultural diversity.

Once a city is appointed to the network, it can share experiences and create new opportunities for itself and others on a global platform. One such activity is based on the notion of creative tourism.

A key ingredient is the creation of public/private partnerships that help unlock the entrepreneurial and creative potential of small enterprises, which play an important role in the new economy. To underpin their development, small creative businesses also need innovative talent, and therefore cities with strong contemporary art, fashion, craft, music and design schools are most likely to flourish.

Why cities? Cities are increasingly playing a vital role in harnessing creativity for economic and social development:

- Cities harbor the entire range of cultural actors throughout the creative industry chain, from the creative act to production and distribution.
- As breeding grounds for creative clusters, cities have great potential to harness creativity, and connecting cities can mobilize this potential for global impact.
- Cities are small enough to affect local cultural industries but also large enough to serve as gateways to international markets.

Currently, more than half of the world's population lives in cities. The concept of 'Creative Cities' is based on the belief that culture can play an important role in urban renewal. Policy makers are increasingly taking account of the role of creativity when planning economic policy.

UNESCO's Creative Cities Network is developing a fundamental concept of 'Creative Economy' and 'Creative Industries' which the UK Government Department for Culture, Media and Sport (DCMS) defines as "those industries which have their origin in individual creativity skill and talent and which, have a potential for wealth and job creation through the generation and utilization of intellectual property".

As creative industries contribute to a city's social fabric, cultural diversity, and enhance the quality of life, they also strengthen a sense of community and help define a shared identity.

7.1. Iaşi – Creative City

British Council launched in 2005 the *"Creative Cities"* program, with *"Creative Industries"* as its theme. This is an international program, implemented at city level, which promotes creative ideas and offers a model of economic and social revival through the creative industries. The Creative Industries are a relatively new concept that includes various areas such as design, painting/visual arts, the web and the new communication technologies, advertising, theatre, film, music, radio/TV, urban architecture/regeneration. It's those areas of creation and technological development which generate profit and visibility in a community and rethink culture as a driving force for regional and national development.

One of the first steps in British Council's *"Creative Cities* „program was to choose a representative city. For Romania, following the presentations given by the representatives of Bucharest, Cluj, Iaşi and Timişoara, the chosen city was Iaşi. Using the success stories previously identified here, British Council's project mapped the local creative industries.

8. Conclusions

It is clear that a number of European cities, even Sibiu and Iaşi, have successfully used culture and tourism to boost their economies, enhance their image, and put themselves on the map.

One of the objectives set by the EESC is to foster the involvement of every part of the EU's territory in developing the potential of the creative industry, *and not only in large urban centers*, which are often considered being the sole promoters of creative development processes. In this setting, local and regional communities can play a key role in making the CCIs part of regional development (applying the "think small first" principle contained in the European Small Business Act).

The CCIs nevertheless offer considerable potential for growth and employment in the EU. Creativity is universally seen as an engine for sustainable, smart and inclusive growth, and culture plays a fundamental role in developing an information and knowledge-based society. Moreover, both of these, as well as being tools for more competitive and better organized supply, serve to stimulate demand for content, provide education for cultural diversity and at the same time help to combat social exclusion and discrimination.

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THE ETHICAL CODE, AN INSTRUMENT FOR THE IMPLEMENTATION OF A SOCIALLY RESPONSIBLE ATTITUDE TO THE COMMERCIAL COMPANIES IN ROMANIA

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Abstract: *The values promoted through the ethical codes adopted by the commercial companies overlap over most of the values promoted by the corporate social responsibility. For this reason, we state that these instruments, if assimilated by the commercial companies, can significantly contribute to adopting a socially responsible behaviour by the companies.*

Key words: Ethical code, socially responsible attitude, commercial companies, marketing research.

JEL classification: M31, A13, K31

1. Introduction to corporate social responsibility

The Romanian explanatory dictionary (DEX On Line. Romanian Dictionary) defines responsibility as a conscious attitude, a sense of liability for the social obligations; or a task, liability which somebody takes.

Other authors (Ciutacu C. et al., 2005) state the definition given to the social responsibility by the European Commission and underline the fact that the social responsibility is that behavior through which companies decide, without them being imposed to, to integrate several ecological or social objectives among their preoccupations, thus creating a new type of relation or partnerships with several groups of interests within the company.

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 vision, 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. et al., 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 human rights and that they want to participate in the social progress.

It can be stated that the social responsibility of the commercial companies is a moral liability regarding the interaction of their activity with: clients/consumers, own employees and community in their whole. The interests of the community imply, besides other social aspects, the environment protection.

At present, the social responsibility of the commercial companies must be regarded from a complex perspective. We consider that the social responsibility of the commercial companies is what the community expects from a commercial company ecologically, economically, legally, ethically and philanthropically. (Mureşan L. et al., 2010c)

In our opinion, the social responsibility includes all these types of responsibilities: ecological responsibility, economic responsibility, legal responsibility and philanthropic responsibility. (Mureșan L., 2010d).

The corporate social responsibility is a moral responsibility, focusing on the voluntary nature of this responsibility of the respective commercial companies regarding the interaction of their own activity with the environment, employees, but especially with their own clients/consumers.

The commercial companies have several socio-professional groups, named stakeholders. The stakeholders are divided (Racolța-Paina N. D. et al., 2006) into two main categories: internal - employees, shareholders and managers/owners – and external – business partners, suppliers, consumers, local communities, natural environment, future generations. Starting from the two categories of stakeholders, without excluding the interest and impact of several social responsibility practices on all categories of stakeholders, the social responsibility can be: internal (ISR) or external (ESR).

The social responsibility is known as a commercial company theory regarding the stakeholders, i.e. "the respective commercial company must give attention to all those who have an interest (stake) in the development of its activity". (Frederick C. W., 2006)

Adopting a socially responsible attitude towards their own stakeholders - employees, environment or consumers - commercial companies shall have a lot to gain. (Mureşan L. et al., 2008)

A socially responsible attitude brings a series of benefits:

- In the field of implementing and complying with the law;
- In the field of applying the business ethics;
- In developing business in a transparent manner;
- In seriously taking into account the interests and rights of the stakeholders (including the employees).

The compliance with the legal responsibility, component of the corporate social responsibility, is very important. As for the implementation and compliance with the law, a socially responsible attitude implies the observance, on their own initiative, from the commercial companies, of the legislation in force, irrespective of the control exerted by the public organisms in this respect.

The compliance with the ethical responsibility, component of the corporate social responsibility, implies the compliance with the moral rights of the stakeholders of the commercial companies. The supplementation of the legal rights with the moral rights of the employees, consumers, etc. can help create a secure climate for stakeholders, facilitating the development of business.

The transparency of the commercial activity performed by the commercial companies is beneficial to all the categories of stakeholders; we could state 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. (Mureşan L. et al., 2011)

2. The ethical code, an instrument of the implementation of the CSR

From a legal pespective, the relations between the commercial company (employer) and their employees are reflected in an individual labour contract, legally regulated by the Labour Code – Law no. 53/2003.

The labour code defines the individual labour contract as the contract based on which a natural person called employee obliges himself/herself to provide his/her work for and under the authority of an employer, a natural or legal person, in exchange of a remuneration, called salary. The priority function offered by this contract is the protection granted by the norms of the labour law to those who sign this type of contract, to the employees and commercial companies which hire them. (Mureşan L., 2007)

The labour code stipulates and regulates the rights and obligations of the parties who sign the individual labour contract. Between the employee and employer, the relation is synalagmatic, i.e. what is an obligation for one of the contracting parties is at the same time a right for the other party. A part of these rights and obligations result implicitly/automatically once the individual labour contract is signed, and are regulated by the labour law legislation. A part of these rights and obligations must expressly be stipulated within the individual labour contract, i.e. they must be provided in the contractual clauses.

We believe that certain important aspects which should be included in the ethical codes receive legal regulation through the legal institution of the Internal Regulations of the commercial company.

In the case of the commercial companies, the ethical codes are, most of the times, conceived by the general management, and are rarely the result of an *a priori* agreement. These internal regulations are also prepared by the employer.

The labour code in Romania includes the obligation to prepare the Internal Regulations by the employer in agreement with the representative trade unions or the representatives of the employees.

The Internal Regulations must legally include (Art. 258, Labour Code, Law no. 53/2003) at least the following stipulations:

- Rules regarding the protection, hygiene and work security in the commercial companies;
- Rules regarding the observance of the non-discrimination principle and removal of any form of infringement upon dignity;
- The rights and obligations of the employer and employees;
- The procedure of solving the requests or individual claims of the employees;
- Actual rules regarding the labour discipline in the unit;
- The infractions of discipline and applicable sanctions;

- Rules regarding the disciplinary procedure;
- Ways of implementing other specific legal or contractual stipulations.

The internal regulations must be brought to the notice of the employees by the leader of the unit. The regulations produce their effects to the employees as soon as they are brought to their notice. (Voiculescu N., 2007).

Of course, the ethical codes can exceed the legal provisions regarding the Internal Regulations. However, an ethical code which is too ample can disorientate and overload the employees of a commercial company with too many obligations. (Mureşan L., 2010a)

An ethical code must be prepared according to the needs and specific features of the respective commercial company, practically reflecting the values promoted within it. The ethical codes include certain objective-values and a set of rules or principles for attaining these values.

The preparation of the ethical codes must comply with certain specific features. The ethical codes must be rigorous, must not be used in their own interest, must protect the general interest and that of those who are attended to, must be specific and honest. The ethical codes must also provide punishments. (Ţigu G., 2005)

As it can easily be noticed, the values promoted through the ethical codes adopted by the commercial companies overlap over most of the values promoted by the corporate social responsibility. For this reason, we state that these instruments, if assimilated by the commercial companies, can significantly contribute to adopting a socially responsible behaviour by the companies.

The provisions of the ethical codes develop an essential component of the CSR, i.e. the ethical responsibility, by preparing and observing the ethical norms implied by the commercial activity. The ethical norms included in the ethical code refer to both the relations existing within the commercial company – between the employees and the company's management – and also the relations outside the commercial company – with the clients or collaborators of the company.

In preparing the ethical codes, an essential part is played by the deontologists and the Ethics Committee.

Certain commercial companies revise the code periodically or whenever needed. The revision system is rarely provided by the document. It varies depending on the experience of the commercial company in the ethical practice.

The specialty literature (Crăciun D. et al, 2005) considers that the employees welcome the document the more so as they have been involved in its preparation. This practice implies a democratic process. The better the manager imposes this process through his personal example, the stronger the culture of the commercial company is.

Among the benefits of the ethical codes, the American authors (Crane A. et al, 2008) mention, first of all the flexibility of these documents. The flexibility implies adapting the ethical codes to each commercial company, depending on the activity performed by it, the legislative provisions in the respective field, but also the requirements of the social partners. The flexibility of the ethical codes allows for innovative solutions to complex social and environmental issues to be found. The flexibility also allows for a rapid change of priorities of the commercial company to occur, in order to observe the ever-changing claims of the market, commercial company and stakeholders.

Another benefit is the low costs for the preparation, implementation, administration, monitoring and imposing of the ethical codes as compared to the law. Moreover, if the provisions included in the ethical codes are observed by a rather large percentage of commercial companies, the need to include those provisions in the legislations disappears, and thus no more money and time is spent for adopting and implementing new normative acts. And if the respective provisions refer to the stakeholders' protection, their observance can prevent the negative advertising or the consumers' boycott.

A third benefit is the transparency that the respective commercial companies can offer in relation to their social partners, providing trust in the activity which these commercial companies perform.

Moreover, the ethical codes can also bring economic benefits to the commercial companies by increasing the number of clients, their loyalty, reputation and trust in the respective commercial companies.

The ethical code highlights the state of mind of a commercial company. It can become an important management instrument as soon as the general agreement, mutual trust, president's example in its preparation are visible, but it must not be considered a wonder-instrument which would solve all social conflicts occurring within the commercial company.

However, the ethical codes can also have a series of disadvantages. The codes which are too general disorientate the personnel, who do not see their utility and consider them as a series of objectives for the external communication of the commercial company.

The weaknesses of the codification consist in difficulties in editing and implementation. (Crăciun D. et al, 2005)

Difficulties in editing the ethical code appear in the following situations:

- The codes are imprecise and meaningless,
- The codes are the expression of a vague idealism, without any practical implementation,
- The codes are exterior and prohibitive,
- The virtues cannot be legislated.

The following situations are motivations through which the ethical codes do not provide the expected efficiency:

- The codes do not meet the real expectations in the commercial company, but are prepared in order to improve the image of the commercial company,
- The codes are a neurotic security measure, in order to simplify the personal decision,
- The codes are a competitive weapon for the inefficient commercial companies,
- The preparation of a code creates a suspicious attitude from the public considering that, before preparing the code, the commercial company has not been moral.

Difficulties in implementing the code appear in the following situations:

- If it is considered that the opponents of ethics can be converted by simply reading a code,
- If it is considered that these can reduce the violent practices in situations of tough competition,
- If that ethical code is impossible to control.

Once prepared, it would be distributed to all those directly linked to the commercial company or only to the personnel. The importance of this operation consists in conditioning the impact of the document on the employees. In most commercial companies, the human resources department is responsible for the distribution, but sometimes the communication department or legal department do the same. The distribution of the document is hierarchically performed most of the times. Under the circumstances of the current globalization process of the commercial companies with branches abroad or foreign commercial companies, the code can be translated into the required languages. The translation facilitates the understanding of the content of this ethical document, understanding which is very important for its assimilation both intellectually and especially for the assimilation of the moral habits: to be honest, responsible, conscientious, diligent, perseverant, etc.

The distribution of the code is only a first necessary step for the awareness of each person on the ethical aspects of their activity but not sufficient in order to always generate only certain moral benefits. Although people know the moral good, they choose to behave badly, a reason for which the distribution of the code must be accompanied by a briefing, usually performed by a person who has been involved in its preparation. The same briefing is usually integrated to the first day of work, while the code is also attached to the labour contract.

Usually restrictive, the observance of this ethical charter implies the determination of the control means. According to the organization of the commercial company, the control is to be performed by the accounting department, the quality assurance department, legal department or a department or an executive designated by the general management. The important companies also have a deontologist, not only an ethics committee.

Globally, an aspect of the economic responsibility is organizing departments in charge of the relations with the consumers by several commercial companies, aiming at correctly (ethically) treating their own consumers by the employees of these commercial companies, state the American authors. (Peter P. J. et al, 1987) Other commercial companies have developed an even better image in their relation to their own consumers by implementing the social responsibility strategies in their own marketing strategies, by creating social responsibility departments.

In order to notice the reasons preventing the adoption of an ethical code by the commercial companies, we shall relate to a number of two marketing researches. The former marketing research is a quality marketing research of the Braşov managers' attitude regarding several aspects of the corporate social responsibility. The latter marketing research is a quantity research of the Braşov citizens' attitude regarding the socially responsible behaviour of the Brasov commercial companies. Thus, we shall analyse the opinion related to the reasons restricting the adoption of an ethical code from two antagonistic perspectives: the managers' perspective and the citizens' perspective. (Mureşan L., 2010d)

Table 1: The reasons for which a commercial company would not get involved in the preparation of their own ethical code

Reasons	Responses		
	N	Percentage	Percentage of Cases
Its preparation takes too much time	3	18.8%	33.3%
Its preparation requires competent persons	4	25.0%	44.4%
No sufficient pressure is exerted from the consumers and employees of the commercial company	2	12.5%	22.2%
Another reason	7	43.8%	77.8%
Total	16	100.0%	177.8%

As it can be noticed from Table no. 1, the interviewed managers from Braşov consider that the lack of persons competent in preparing an ethical code is the main reason for which a commercial company would not use this social responsibility instrument for the companies in Romania. In this respect, we consider that a large commercial company has better chances at preparing and implementing an ethical code, as it has financial resources for hiring specialized persons.

The second reason, as far as importance is concerned, for which a commercial company would not use this instrument which could determine a socially responsible behavior is the time involved by the preparation and implementation of an ethical code.

The lack of pressure from the consumers and employees of the commercial company is the last reason for which a commercial company would not use an ethical code.

The quantity marketing research regarding the promotion of the social responsibility by the Romanian commercial companies evaluates the citizens' opinion. This marketing research has analysed 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.

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., 2010d) the opinion of the citizens living in Braşov municipality regarding the reasons restricting the adoption of an ethical code has been analysed.

Table 2: Reasons preventing the preparation of an ethical code

Reasons	Responses		
	N	Percentage	Percentage of Cases
Its preparation takes too much time	12	23.5%	29.3%
Its preparation requires competent persons	23	45.1%	56.1%
No sufficient pressure is exerted from the consumers and employees of the commercial company	15	29.4%	36.6%
Another reason	1	2.0%	2.4%
Total	51	100.0%	124.4%

Among the reasons for which a commercial company would not get involved in the preparation of its own ethical code, nominated by the interviewed respondents, 23 of these (56.1% of the cases) have nominated the fact that "its preparation requires competent persons", while the fact that "no sufficient pressure is exerted from the consumers and employees of the commercial company" has been the reason which has gathered 15 nominations (36.6% of the cases). Because "its preparation takes too much time" has been the reason which gathered 12 nominations (29.3% of the cases).

3. Conclusions

In order to notice the reasons preventing the adoption of an ethical code by the commercial companies, we shall relate to a number of two marketing researches. The former marketing research is a quality marketing research of the Braşov managers' attitude regarding several aspects of the corporate social responsibility. The latter marketing research is a quantity research of the Braşov citizens' attitude regarding the socially responsible behaviour of the Brasov commercial companies. Thus, we shall analyse opinion related to the reasons restricting the adoption of an ethical code from two antagonistic perspectives: the managers' perspective and the citizens' perspective. (Mureşan L., 2010d)

The interviewed managers from Braşov consider that the lack of persons competent in preparing an ethical code is the main reason for which a commercial company would not use this social responsibility instrument for the companies in Romania. In this respect, we consider that a large commercial company has better chances at preparing and implementing an ethical code, as it has financial resources for hiring specialized persons.

However, the legal stipulations prepared by the European Commission support the implementation of the social responsibility to the small and medium commercial companies from the member states of the European Union. Thus, Romania, member state of the European Union, could search for strategies of stimulating the adoption of the ethical codes by an increasing number of commercial companies performing their activity on the territory of our country. In the case in which the most important reason, for the interviewed managers, is the lack of specialized personnel, creating specialized institutions with a consultative role in adopting ethical codes could be a solution.

The second reason, as far as importance is concerned, for which a commercial company would not use this instrument which could determine a socially responsible behavior is the time involved by the preparation and implementation of an ethical code. This reason could also be counteracted by the involvement of the state in the preparation process of the ethical codes.

The lack of pressure from the consumers and employees of the commercial company is the last reason for which a commercial company would not use an ethical code. For the annihilation of this reason, we consider the implication of the employees and consumers, development of the civil sense, their education by the legally competent public institutions.

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Comparing the options of the Brasov citizens, it can be noticed that "the need to involve competent persons" is also considered the main reason preventing the preparation of the ethical codes. The lack of specialists in the preparation of ethical codes is noticed both by the interviewed managers, and the questioned citizens from the Braşov municipality.

As for the following reasons, it can be noticed that the opinion of the managers and the opinion of the citizens do not coincide. The options of the managers and the options of the citizens related to the reason placed on the second position, as far as importance is concerned, in restricting the use of the ethical code are different.

The interviewed Brasov managers consider that the lack of time required for the preparation and implementation of the ethical code is the next reason preventing them from using this instrument of the corporate social responsibility.

The values promoted through the ethical codes adopted by the commercial companies overlap over most of the values promoted by the corporate social responsibility. For this reason, we state that these instruments, if assimilated by the commercial companies, can significantly contribute to adopting a socially responsible behaviour by the companies.

The provisions of the ethical codes develop an essential component of the CSR, i.e. the ethical responsibility, by preparing and observing the ethical norms implied by the commercial activity. The ethical norms included in the ethical code refer to both the relations existing within the commercial company – between the employees and the company's management – and also the relations outside the commercial company – with the clients or collaborators of the company.

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EVALUATING THE DEGREE OF UNDERSTANDING OF THE CONCEPT OF "TOURIST ECO-GUESTHOUSE"AND "GREEN VILLAGE"

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Abstract: *The eco-economical principles are essential elements when deciding to transform an agro-tourist pension into an eco-tourist pension.*

Evaluating the preliminary conditions for accrediting the pensions as eco-pensions is doing by field investigation and surveys. Promoting the concept of eco-pension and the highlighting of the profitability in time of this activity offers the advantages of experiencing a new model of tourist activity.

Evaluating and directing the activities from the field of tourism in relation to the ecotourism criteria will allow the exploitation of local natural and economic resources through the certification of eco-tourist products and that of destinations and accommodation structures, in order to guarantee the eco-tourist quality.

Keywords: ecotourism, rural eco-economy, eco-pension, sustainable development.

JEL classification: Q01, L83

1. Introduction

Developing a rural eco-economy depends on the global vision of the natural resources and on a broad understanding of the restructuring of economic notions and concepts needed to realize this vision. What we suggest in this paper is to harmonize the existing Romanian system with international models in order to adapt the methods and techniques of implementing an eco-pension to the local ecotourism, by taking into account the character and traditions of the Romanian tourist village.

Evaluating the preliminary conditions for accrediting the pensions in Sibiel as eco-pensions is doing by field investigation and surveys. The results obtained are formulating some proposals for issuing a series of methodological norms of classifying the reception structures with the function of tourist accommodation of the type of eco-pensions. What we monitor is the quantitative and qualitative analysis of the eco-tourist potential of the natural capital, clean technologies, ecological agriculture, the exploitation of non-polluting natural resources, the evaluation of the ecological impact and strategic eco-marketing, in order to identify those pensions that have an eco-tourist potential.

Promoting the concept of eco-pension among the administrators of the pensions which are selected as having eco-tourist potential and the highlighting of the profitability in time of this activity offers the advantages of experiencing a new model of tourist activity, the only one viable, and we are counting on the perceptiveness of the administrators of pensions in Sibiel, which will in this way be able to keep Sibiel on the top of rural tourist destinations. Evaluating and directing the activities from the field of tourism in relation to the ecotourism criteria will allow the exploitation of local natural and economic resources through the certification of eco-tourist products and that of destinations and accommodation structures, in order to guarantee the eco-tourist quality.

The eco-economical principles are essential elements when deciding to transform an agro-tourist pension into an eco-tourist pension. European Ecotourism Labelling Standard (EETLS) based on the European and global experience in the field, would assure comparable standards of service to Ecotourism clients across Europe, at least in relation to a core group of baseline quality criteria. EETLS shares all of GSTC as they are all highly applicable to Ecotourism. Currently EETLS is made up of 40 specific criteria divided into the four pillars of sustainable tourism, in line with GSTC: demonstrate effective sustainable management, maximise social and economic benefits to the local community and minimise negative impacts, maximise benefits to cultural heritage and minimise negative impacts, maximise benefits to the environment and minimise negative impacts (Proposal for an International Program for Sustainable Tourism and Ecotourism, Mohonk Agreement, 2006).

The European Ecotourism Labelling Standard shares also the same description of criteria with The Global Sustainable Tourism Criteria. This ensures high compatibility with GSTC; and a clear understanding of what sustainable tourism is. But there are several differences between a sustainable tourism system and an Ecotourism one, especially when focusing on Romanian ecotourism. The criteria apply to various aspects of the management system of an Ecotourism business in Romania, requiring the implementation of a long-term sustainability management plan and the business's compliance with all relevant national or local regulations and legislation. Developing a Romanian Ecotourism label mince to create, promote and implement a system of accreditation for ecotourism, for eco-business (touroperators), eco-destinations (protected areas, rural communities) and eco-lodging (rural pensions).This problem determinate many changes like:

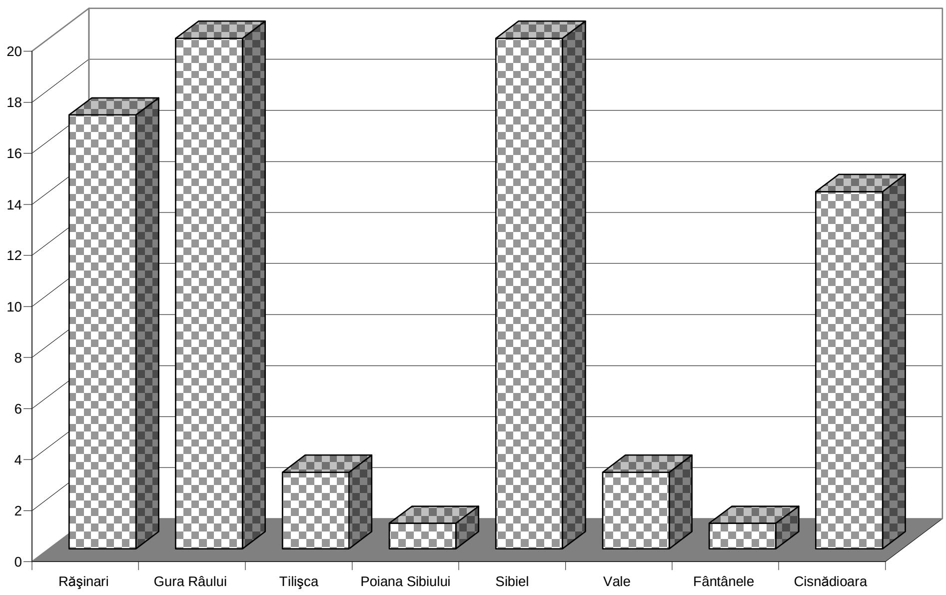
- to will be implemented practical mechanisms for nature conservation and sustainable local development (including financial mechanisms) at destinations level;
- to will change the mentality of the business sector regarding the environmental protection and local communities;
- to increase the quality of the ecotourism services;
- to promote at the international level only certified tour operators and eco-destinations;
- to increase the number of foreign tourists and to develop rural areas;
- to identify new eco-destinations.

The scope of developing a standard for Ecotourism practice derives from the need to harmonise existing European ecotourism labelling systems and strengthen the position of labelled businesses in the tourism market. The harmonisation effort is based on an integrated concept of ecotourism, which brings together the different services offered to the tourist, i.e. accommodation, food, travel and nature-based outdoor activities. Each of the service-components of Ecotourism may come under different quality labels. Labelling standard would assure the baseline quality of the tourism product and harmonise existing labels while recognizing their specific experiences and background (Proposal for an International Program for Sustainable Tourism and Ecotourism, Mohonk Agreement, 2006)..

Evaluating and directing the activities from the field of tourism in relation to the ecotourism criteria will allow the exploitation of local natural and economic resources through the certification of eco-tourist products A realistic way for the evaluating the degree of understanding of the concept of "tourist eco-guesthouse"and "green village" is the questionnaire.

The questionnaire was distributed in a number of 78 rural agro-tourist or tourist guesthouses from the following villages of Mărginimea Sibiului:

Figure 1: Rural agro-tourist or tourist guesthouses from the villages of Mărginimea Sibiului



Most guesthouses are included in the 2 flowers (daisies) category - 37 of them, then a total of 22 guesthouses have 3 flowers (daisies), and 5 guesthouses are 4 flowers (daisies) ones. A number of 14 are classified as rural tourist guesthouses of 2 or 3 stars.

Of the total surveyed guesthouses, 28 are members of the National Association of Rural, Ecological, and Cultural Tourism (ANTREC - Romanian language), most having no registered employees (i.e. 56,4% from the total number of guesthouses), and a great number of guesthouse administrators not being able to understand what the term "employee" refers to, since they hold the guesthouse as a Family Association.

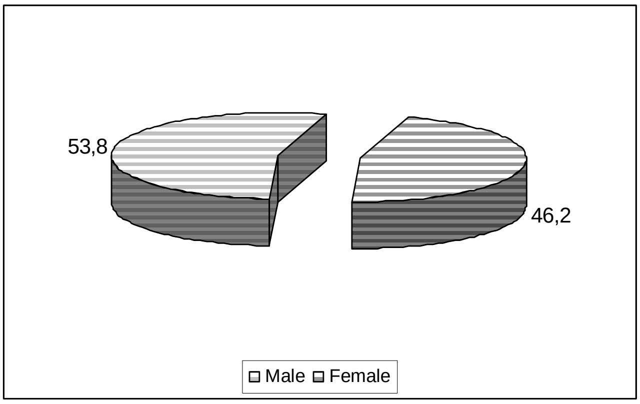
100% of the guesthouses offer accommodation services, 51.3% offer accommodation and food services, and a 53.8% percent provide recreation and animation activities.

It is worth underlining that a great number of the respondents does not mention from the beginning of the questionnaire that they also provide food services for fear of the authorities (many carry out food-related activities without the necessary approvals, as it is difficult to meet the legislation criteria), but then, a bit later, at one of the questions regarding the criteria that they currently meet in terms of being able to fall in the category of "eco-guesthouses" they mention that presently they offer organic menus.

Many guesthouse administrators carry out collateral activities such as: painting on glass, pottery, wood carving, carpentry, and so on.

The graphic from below show that 53.8% of guesthouse administrators are male and 43.2% are female.

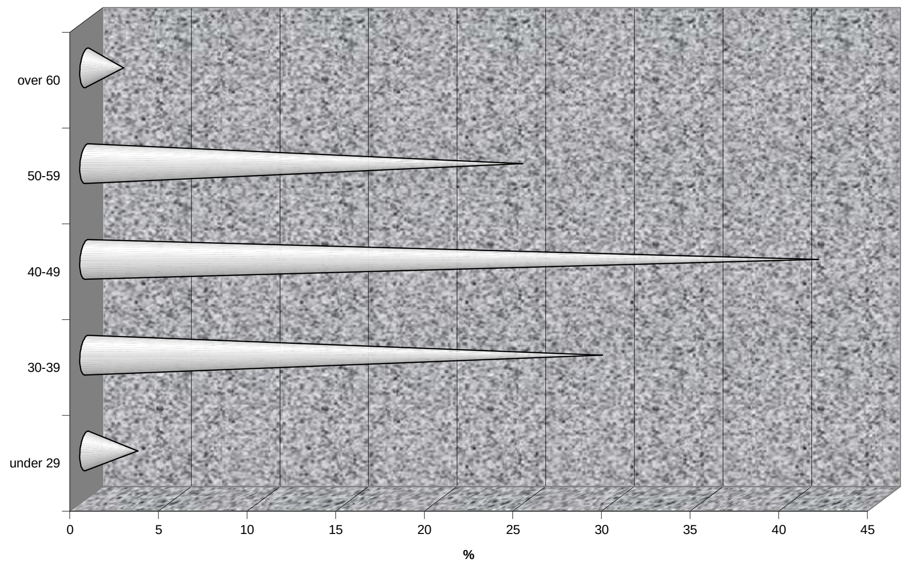
Figure 2 : Structure of guesthouse administrators according to their sex



Regarding the degree of professional training (level of their studies), out of all the respondents 44.8% graduated from high school, 10.4% have specialized high school studies, 44.8% graduated from the university, and 55.2.% have completed a course of "Guesthouse Administrator" through CCIA Sibiu, or a course in hygiene, cooking, sales.

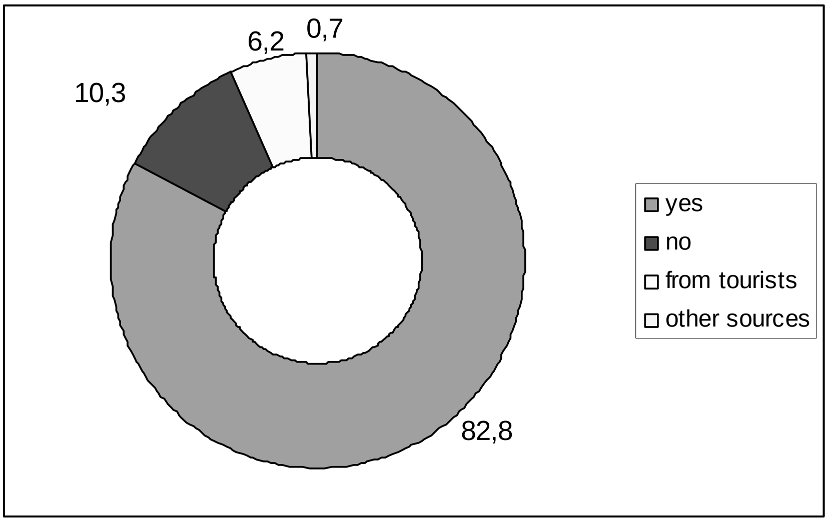
Regarding the structure by age groups, 2.9% are under the age of 29,1% are between 30-39, 41.3% are between 40-49, 24.6% are between 50-59, and 2.1 % are over 60. The most significant percentage is that of the category of administrators having the age between 40- 49.

Figure 3 : Structure of the respondent guesthouse administrators by age groups



When asked "Are you familiar with the concept of eco-guesthouse" 82.8% of respondents said "yes", from mass media, and 6.2.% from tourists, while 10.3% have not heard of "eco-guesthouses", and an insignificant percentage 0.7% learned about it from other sources.

Figure 4 : The degree to which the guesthouse administrators are familiar with the concept of "eco-guesthouses"



When asked "Do you think that currently the eco-guesthouse, through the opportunities it offers, represents for your guesthouse: a threat? a variant that is of no interest to you?, a competition?, an opportunity?, " 86.2% of the respondents indicated that this concept represents an opportunity , and only 13.8 % see it as an option that shows little interest, at least for now.

When asked "Which of the following criteria do you consider as being closer to the concept of eco-guesthouse?", 58.6.% of the questioned administrators answered: "A guesthouse where the menu consists of organic products", 48.2% "A guesthouse where the environmental pollution is reduced", 24.1% "A guesthouse in which heating is based on clean technologies", 31% "A guesthouse in which the construction materials are ecological ones", 34.5% "A guesthouse in which waste is sorted and recycled", 31% "A guesthouse that meets at least half of the criteria listed above", and 41.4% "A guesthouse that meets all the criteria listed above".

When asked "Are you familiar with the concept of "green village"? ", 37.9% of the respondents said "yes, but I would like to know more", 17.2% answered "yes, to a large extent", while 31% replied with "no, but I would be interested to learn more".

When asked if they are interested to participate in a workshop in the village of Sibiel, in Sibiu county, in order to learn more about the possibility of shifting from an agro-tourist guesthouse to an eco-guesthouse and about the concept of "green tourism", 72.4% said "yes, to the extent that this is possible", 16.3% said "no, because I do not think that these concepts can be successful in Romania". Interestingly enough, the administrators from Gura Râului, but also from other villages, would like it for this meeting to take place in their village, and not in Sibiel, considering that many see in the village of Sibiel a competitor in attracting tourists.

2. The eco-touristic activity

Evaluating the preliminary conditions for accrediting the pensions in Mărginimea Sibiului as eco-pensions was doing by field investigation and surveys. The results obtained were allow formulating some proposals for issuing a series of methodological norms of classifying the reception structures with the function of tourist accommodation of the type of eco-pensions.

What we are monitories were the quantitative and qualitative analysis of the eco-tourist potential of the natural capital, clean technologies, ecological agriculture, the exploitation of non-polluting natural resources, evaluation of the ecological impact and strategic eco-marketing, in order to identify those pensions that have an eco-tourist potential. A great importance have that the administrators of pensions from Mărginimea Sibiului aware of the advantages offered by ecotourism, which is more compatible with the traditional way of living than the other forms of tourism.

The history proving that the *sustainable development* is the only solution unanimously accepted which leads to the promoting of the market economy elements in a democratic background through keeping the high demands and ecological criteria.

It is important to underline that finding optimal alternatives between economy and environmental protection depends on the decision-makers' ability to choose and use the financial-economic instrument adequately to an effective promotion of the actions for environmental protection. The financial instruments that can be used, whose efficiency has been verified in other countries are: taxes that can be promoted as tax differentiation; subsidies to encourage the change of attitude and to grant funds for stopping pollution, deposit redemption. Of course, it is the results' problem and the economic consequences of sustainable development. From this point of view there is no long term experience in the enforcement of the concept. Such consequences can be understood without having a certain level of certainty and without being finished: improvement service quality, evolution of large sectors of consumer energy and resources towards “cleaner” technologies and less resource users; the development of new types of approaches, jobs, activities; cutting down the resources and environment emergencies and mostly of their outcomes (Bran Florina, 2002).

3. The concept of durable tourism and the eco-pension

Tourism, more than any other domain, relies on the environment; this represents its “raw material”, its object and domain of activity and tourism deployment being its main frame carrying the resources. Tourism is being carried out through the environment and its quality can favor or on contrary, touristic activities. By enforcing such a type of development means more powerful ecologic prices which overlaps the global financial-economic crisis. The ecological challenges mostly regarding the principles, the economic system works, shapes the dimension of the efforts which are being asked by this new way.

In a world in which the economy demands are forcing the limits of the natural systems to rely on the distorted signals of the market to guide the decisions on the investments is a certain way to disaster. Converting the economy into an eco-economy is a major challenge. Building an eco-economy will affect “every corner of our life” (Brown L., 2001).

Four general factors determine and influence directly the touristic activity: the quantitative and qualitative value of touristic resources; the general economic growth, which mostly influences jobs and incomes; the exchange rate, which determines the evolution of the purchase power of residents and non-residents; the reparation which determines the purchasing power of clients. All touristic activities determine in time and space potential effects on the environment, health or social system. These influences together are being expressed through the notion of impact.

The tourism-environment relationship has a special meaning, the development and protection of the environment representing a sine qua non condition of tourism, any alteration of it can cause damages also to the touristic potential by diminishing or even canceling its resources. The touristic potential as part of the environment, the existence and development, on its quality, therefore considered a possible quality index for its environment, in other words, a barometer of its quality; it is intensively used in those areas in which the adequate requirements are met and it is diminished and gradually removed in those areas in which, for various reasons, a certain component of the environment, such as the scenery, air, or water is degrading. The economic effects of tourism – estimate income, jobs – are easily emphasized while ecological effects cannot be qualitatively measured rather than quantitatively. Besides the fact that it is a source of income and jobs, tourism is also a source of satisfaction, for people inhabiting touristic areas.

The concept of durable tourism has become increasingly popular at a microeconomic level through the promotion of green tourism. The actors of the industry of hospitality and travel have become increasingly sensitive to environmental issues. Few are those who support the idea the economic activity does not influence the environment. On the other hand, more and more managers and employers in tourism admit that natural resources have a great economic, actual and potential value if they are adequately handled (Glăvan V., 2003).

Developing a rural eco-economy depends on the global vision of the natural resources and on a broad understanding of the restructuring of economic notions and concepts needed to realize this vision. Promoting the concept of eco-pension among the administrators of the pensions selected as having eco-tourist potential and the highlighting of the profitability in time of this activity, evaluating and directing the activities from the field of tourism in relation to the ecotourism criteria will allow the exploitation of local natural and economic resources through the certification of eco-tourist products and that of destinations and accommodation structures, in order to guarantee the eco-tourist quality.

4. Conclusions

The eco-economical principles are essential elements when deciding to transform an agro-tourist pension into an eco-tourist pension. Ecotourism creates jobs, sustainable development alternatives, and a well defined image that can be used in marketing the local, regional, or national products. By implementing adequate marketing strategies, on could promote, together with the interested tourism agencies, a realistic and attractive tourist product. In the same time, we shall elaborate a guide which will contain short studies, destined for the administrators of pensions, useful for implementing the eco-pensions in the Romanian rural tourism. Alongside norms regarding the use of ecological building materials, of unconventional sources of energy, the use of biotechnologies, the conservation of biodiversity, the guide will also include menus, traditional recipes for valorising the ecological food products, and leisure activities in protected natural areas.

Ecotourism is the best practice for tourism in a sustainable environment. Adopting ecological technologies requires a systematic effort in formulating eco-economic policies, especially for restructuring the traditional agricultural activity. Eco-certification is more and more present in many of the fields of economy, including for identifying products with high ecological potential. The tourist product offered by eco-pensions can be a promoter of green tourism. The systematic construction of public support for changing the mentality implies an intelligent and concerted effort, developed with the help of well informed citizens. Ecotourism contributes to preserving the environment and to supporting the well being of the local population. Eco-pensions will represent a green model, focused on the strategy of the four R's (Reduce, Reuse, Recycle, and Re-examine), by using eco-economic systems, procedures, and strategies.

Transforming the agro-tourist pensions from the village of Sibiel into eco-pensions, thus making Sibiel the first green village in Romania, and training the administrators of pensions and other key members of the tourist business into forming an eco-economic view of the sustainable development actively contributes to preserving the natural and cultural heritage, includes local communities in the sequential planning, development, and operating processes contributing to their well being.

The eco-pension is an important link in the chain ecological agriculture – ecological food – conservation of biodiversity bio and eco-economic development.

Ecotourism is a tourism which directly or indirectly promotes and supports sustainable economic development. Ecotourism can generate financial support for the formation, management and protection of natural areas.

The geographical and climatic conditions of Mãrginimea Sibiului are to favour the development of tourism in an ecological environment. Therefore, Mãrginimea Sibiului should follow the example of other regions with very rich natural and ecological reserves such as alpine region on Austria or Swiss, for which ecotourism has become an important source of income.

5. Acknowledgements

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ANTHOCYANIN EXTRACTS IN THE PERSPECTIVE OF HEALTH BENEFITS AND FOOD APPLICATIONS

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Abstract: *plants have been continuously studied for their health-promoting properties. Plant bioactive molecules have been isolated and characterized structurally and biologically. Nowadays, efforts of nations are focused on conservation and promotion of health benefits of their bioresources. Natural plant pigments are of great economic importance not only due to their coloring potency but also due to their nutraceutical properties. The present paper presents investigation of the anthocyanin content of two varieties of red beet, from two different Romanian regions, Făgăraş and Râmnicu-Vâlcea, respectively. Red beet presents health benefits through its content of bioactive compounds, mainly polyphenols (anthocyanins) and betalains. Total anthocyanins content was greater in case of sample of Râmnicu-Vâlcea. Nevertheless, the content of total anthocyanins is low, as main pigments from Beta vulgaris are betalains, but anthocyanins contribute to its nutraceutical properties.*

Key words: natural pigments, anthocyanin, betalain, *Beta vulgaris*, pH differential method

JEL classification: Q19

1. Introduction

Since ancient times, plants have been considered an important source of bioactive principles useful for traditional medicine. Therapeutic uses of herbs, teas or powders have pioneered research to identify and characterize chemical compounds with biological activity. This allowed the chemical synthesis of analogues with improved biological activity, which determined the beginning of the way of new drugs development. Nevertheless global change and global preferences of the world is now moved toward green living, including green health care. Current preferences of people for natural alternatives and products over synthetic drugs are based on various drawbacks of synthetic drugs, such as side effects, high production costs, medical supervision needed. People are becoming more conscious what they are eating and there is a great demand of healthier foods and good health care services.

There is an intense worldwide research of both academic institutions and private companies of biology, biotechnology, agronomy or pharmacological profile, for the investigation of biologically active compounds derived from plants, which have great impact on human health and nutrition. Studies of bioflavonoids, in particular anthocyanins have made the topic of numerous scientific researches, mainly for two reasons: their beneficial effects on human health and their applications as potential sources of natural food dyes (Delgado-Vargas, 2000).

Anthocyanins are water-soluble vacuolar plant pigments responsible for the bright colors red, purple or blue of flowers, skin, seeds, fruits and leaves. They are found in fruits and vegetables at different concentrations and compositions depending on both internal factors (genetic) or environmental ones (Mohr, 1995).

Structurally, anthocyanins are glycosides of salts of phenyl-2-benzopyrilium (Harborne, 1988). There are about 600 known anthocyanins, out of which cyanidin and delphinidin are the most abundant and interesting anthocyanidines.

Anthocyanins are considered among the most bioactive molecules carrying strong physiological and biological effects (nutraceutical properties). Common plants used as foods, and wines are good sources of anthocyanins. Epidemiological studies have shown that a diet rich in antioxidant nutrients/anthocyanins (fruits, vegetables, red wine) may reduce cardiovascular and certain cancer risk (Sloan, 1999).

Other anthocyanin sources may come from some food industry by-products, which represent a cheap source for their extraction, providing an important economic advantage.

The appearance of anthocyanins in fruits, vegetables and products gives them a great economic importance. As it is known, color and visual presentation of a food product has great significance for good market prices. Currently there is a movement of the industry of food dyes toward natural pigments in particular the red ones, so that anthocyanins may constitute potential candidates. Substitution of synthetic food additives with natural compounds is a global strategic problem, and investigation of anthocyanins has been intensified as potential substitutes of certified food dyes (Bridle, 1997). The only disadvantage of their use is given by the instability under the action of various food-processing conditions (Delgado-Vargas, 2003). Despite that natural dyes are widely distributed in nature, their introduction as food-pigmenting agents is a hard challenge, as food additives industry is the most restricted area. The number of approved food dyes is very limited (Wissgot, 1996; Hallagan, 1995).

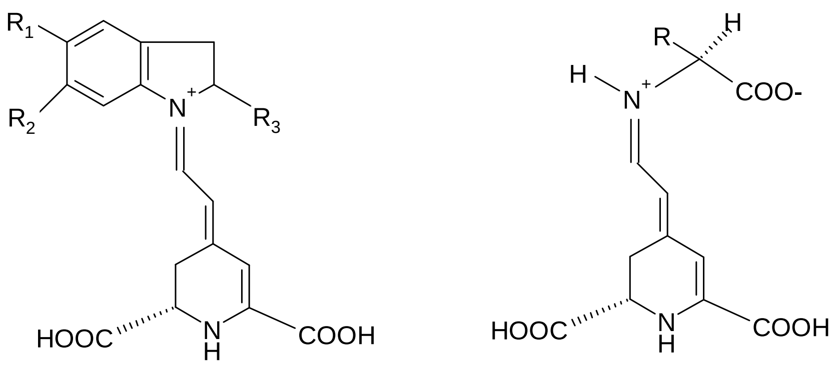
The main biological activities of anthocyanins are based on their antioxidant properties which are closely related to the particular chemical structure of an anthocyanin (Rice-Evans, 1995). Anthocyanins have shown diverse bioactivities, such as strong anti-inflammatory effects (Borissova, 1994), increase of visual acuity, antitumor activity (Liu, 2005), stimulation of insulin in pancreatic cells (Jayaprakasam, 2005), protective effects against liver damage (Wang, 2000), antiulcer properties (Cristoni, 1987), protection against UV-B radiation (Sharma, 2001).

Anthocyanins may have other useful industrial applications, such as dying of textiles, cosmetics, ornamental purpose, or natural pH indicators (Vankar, 2010).

Betalains are other natural plant pigments distributed in roots (red beet), flowers and seeds (*Gomphrena, Mirabilis, Portulaca, Amaranthus*), fruits (prickly pear). Structurally, betalains are immonium derivatives of betalamic acid.

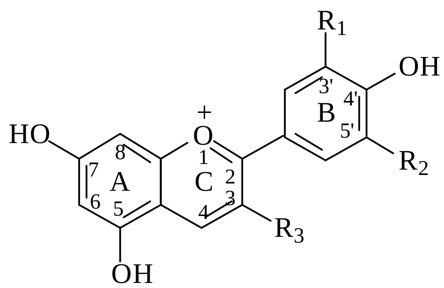
Basic chemical structures of betalains and anthocyanidins are shown in Figures 1 and 2.

Figure 1: The basic chemical structure of betacyanins and betaxanthins



betacyanins betaxanthins

Figure 2: The basic chemical structure of anthocyanidins



Betalains are used as food dyes (E162) in the form of juice or powders obtained from aqueous extracts of red beet. Beet juice concentrates contain 0.3-1% betalains, 75-80% sugars, and 10% protein (Delgado-Vargas, 2003). An interesting application of betalains (betaxanthin) is their use to fortify foods with essential amino acids, being proposed as an essential dietary colorant with nutraceutical properties (Lee, 1990).

The beet (*Beta vulgaris*) is a biennial plant belonging to the *Chenopodiaceae* family, being grown throughout the world for human and stock food.

Due to its chemical composition, in particular the high content of minerals, amines and pigments, red beet root has shown beneficial health effects, such as hepatoprotective, antimicrobial, antioxidant, laxative and anticarcinogenic properties (Kapadia, 1996). Consequently, beet root extracts have shown wide applications in pharmaceutical and food industries (Konoshima, 2003; Castellar, 2003).

The color of beet root is an important quality characteristic. The pigment components of beet roots consist of betalains which are water-soluble pigments of red-violet (betacyanin) or yellow color (betaxanthin), and phenolics (anthocyanins) (Kujala, 2002; Jackman, 1996).

As betalains are predominant pigments in beet root and anthocyanins have been less studied, the aim of the present study was to evaluate the anthocyanins content of two varieties of beet root from two different geographical Romanian regions.

2. Materials and methods

2.1. Plant materials

Two varieties of red beet roots (*Beta vulgaris*) were used in the present investigation, varieties from the following two Romanian regions: Făgăraş (sample SR I) and Râmnicu-Vâlcea (sample SR II).

2.2. Determination of anthocyanins

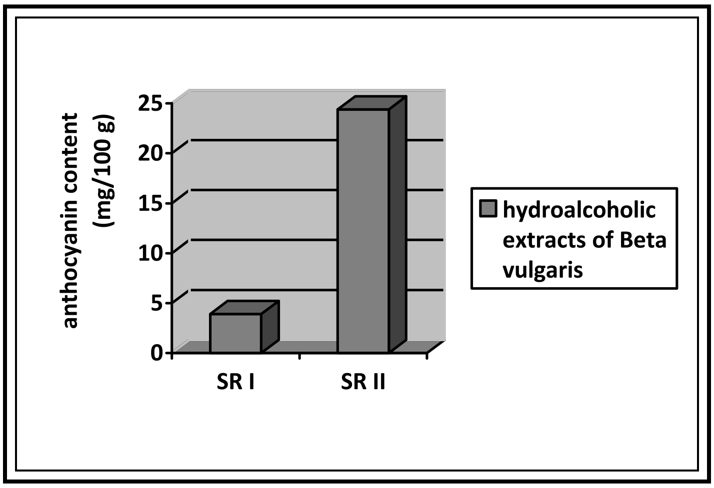
Anthocyanins were extracted from the investigated plant materials using a hydroalcoholic mixture. The total content of anthocyanins was determined spectrophotometrically by the pH differential method (Giusti, 1999).

3. Results and discussion

Extraction of anthocyanins from red beet roots was done using a 70% v/v solution of ethanol in water. The hydroalcoholic extracts of the two samples in buffer solutions pH 1.0 and pH 4.5 were of red color.

As shown in Figure 3, the total anthocyanin content of the investigated samples was increased in case of SR II sample from Râmnicu Vâlcea region (24.4 mg/100 g fresh material) compared to the SR I sample from Făgăraş region (3.9 mg/100 g fresh material).

Figure 3: Anthocyanin content of the crude extracts of two *Beta vulgaris* samples (SR I from Făgăraş region and SR II from Râmnicu-Vâlcea region)



Both geographical areas offer ecological and pedoclimatic conditions favorable to the cultivation of root vegetables including beet roots, but the Făgăraş region is characterized by yearly average temperatures (8-8.7^{o}C) lower than the average temperatures of the region Râmnicu-Vâlcea (9-10^{o}C). This factor may influence the accumulation of bioactive substances in food plants.

The anthocyanin content of red beetroot is lower compared to other vegetables, as red pigments from this plant consist not only of anthocyanins but also of a complex mixture of betacyanins and betaxanthins. But, anthocyanins along with other important phytochemicals from *Beta vulgaris* contribute to the biological properties of beet root extracts.

4. Conclusions

Natural plant pigments, such as anthocyanins and betalains have found some application as food dyes (E162, E163). Nowadays, it is allowed the use of anthocyanins as food dyes in drinks, marmalades, candies, ice creams and pharmaceutical products (EU, 1994).

The results of our investigation regarding the anthocyanin level of two samples of beet root showed an increased anthocyanin content of beet coming from Râmnicu-Vâlcea region compared to the sample from the Făgăraş region. In both cases, the content of total anthocyanins is low, as other pigments are predominant in *Beta vulgaris* (betalains). Nevertheless anthocyanins from red beet may have an important contribution to the total antioxidant activity of beet extracts.

Red beet root extracts have promising potential as a natural source of pigments used in food industry, in conditions of good stability.

The pharmacological properties shown by anthocyanins and betalains made them good candidates not only as food dyes but also for nutraceutical food and therapeutic purposes.

Studies of plants remain fruitful and will be continuously studied for proof of their efficacy.

5. Acknowledgements

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THE DEVELOPMENT OF COMMERCIAL SERVICES WITHIN INTERNATIONAL TRADE IN SERVICES - A COMPARATIVE ANALYSIS

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Abstract*: In recent decades, world trade has expanded significantly, with international trade in services continuously increasing its significance and contribution. The purpose of this document is to give a brief overview of the main importers and exporters of commercial services, highlighting the importance of international trade in services for economic growth. This analysis also covers Romania, and the empirical results will show a modest growth in commercial services, requiring recovery and improvement efforts.*

Key Words*: services, international service trade, economic growth*

JEL classification*:* F14, O14, N70

1. Introduction

In the modern society, the existence of any state would be impossible without the presence of interstate trade relationships. One component of interstate trade relationships is international trade, which is the sum of all trade in merchandise and services between two or more states.

Within international trade, service trade has experienced the fastest growth rates. In the early twentieth century, the volume of international service trade was 5% in relation to the international merchandise trade. By the end of the second millennium it represented about 50% of merchandise trade and over 30% of total world trade. (Ioncică&Stănciulescu, 2006, p. 118)

The purpose and objectives of this paper are to highlight and emphasize the importance of the service sector in the develoopment of international trade, to present the largest importers and exporters of commercial services, and to highlight the position occupied by Romania in the international trade of commercial services.

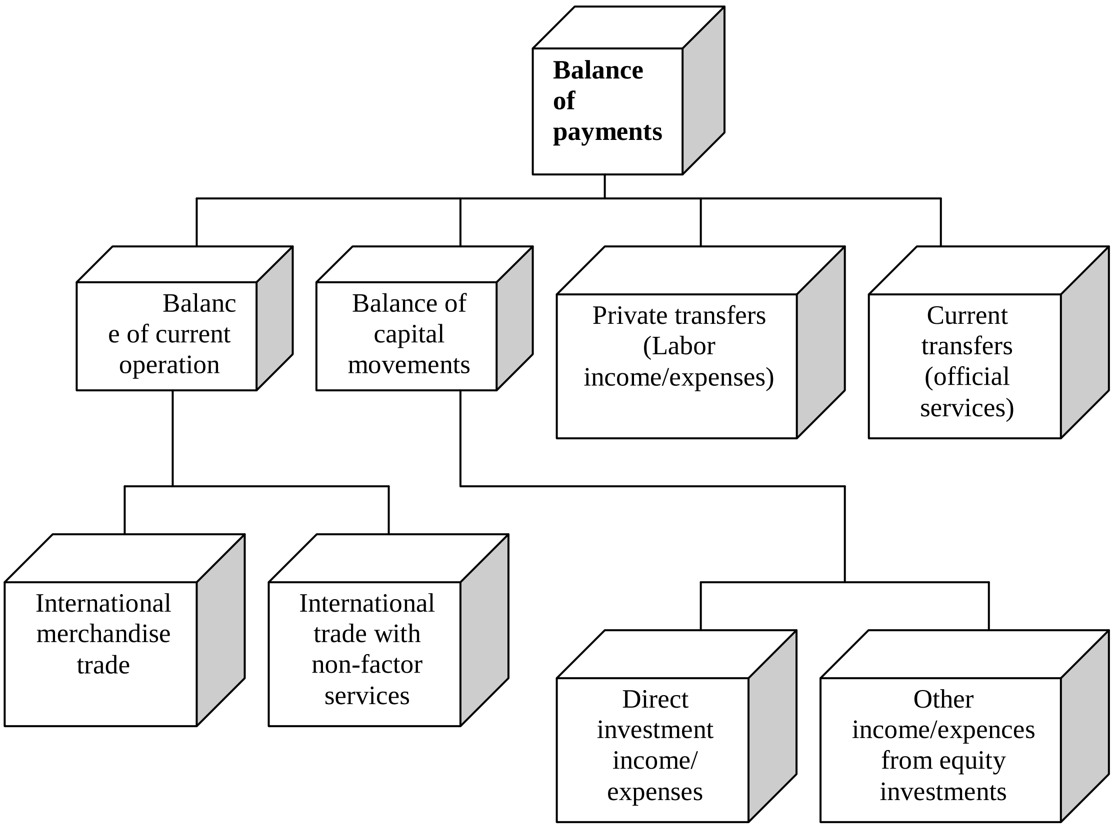
Folowing the 2007 – 2009 analysis, we note that developed countries hold a major role in the world's total export and import of commercial services, the U.S. being the leader, in both export and import of commercial services, followed by countries like Great Britain, Germany, France, Spain, China and Japan. These are the top seven countries importing and exporting commercial services, achieving approximately 40-50% of all sales and purchases of services. The analysis also includes Romania's neighboring countries such as Poland, Turkey, Hungary and Greece, who hold important places among the top forty countries importing and exporting commercial services. Romania holds a more modest place in the hierarchy, and hence the following questions arises: "What measures should Romania take in order to yield results such as those of the neighboring countries Poland, Hungary, Greece and Turkey?"

2. The concept of international service trade

The international service trade is defined as the activity of export and import of services, such as sales and purchases that go beyond the custom borders of a country (Ioncică &Stănciulescu, 2006, p. 111). It is particularly important to mention that depending on the delivery arrangements, services subject to international transactions can be classified as factor and non-factor services. The factor services refer to revenue derived from the cross-border movement of the factors of production, this category including investment income, royalties, and labor income. The non-factor services comprise of of three categories: transportation, travel, and other services. The category of „other services" includes communication, construction, insurance, financial services, consulting, licensing, cultural and entertainment services (movies, CDs, etc.), computer services and other business services. (Pantelescu, 2009, p. 42)

The non-factor services are recorded in the balance of current operations (along with the international merchandise trade). Capital income is recorded in two positions of the balance of capital movements: income from direct investments and income from equity investmetns, whicle income from the international labor migration is recorded under the item „private transfers” (Ioncică, 2006, p.178). An important category is represented by governmental (official) services, which include all expenses incurred by embassies and consulates, military units, other public entities abroad and their staff, as well as proceeds derived from embassies, consulates, etc. (Ioncică & Stănciulescu, 2006, p. 113) A summary of the above is presented in the following figure (figure nr. 1.):

Figure 1: **International trade in services components**



(Sursa: Ioncică, 2003, p. 282)

International trade, by its nature, is one of the most important sectors of a country’s economy or that of a community of countries, such as the European Union, as well as a key indicator of the level and health of the national economy. (Patriche, 2003, p. 83)

3. The development of international trade services between 2007-2009

The increasing role of the services sector in the global economy has become an undoubted reality, given that this sector provides over half of the world’s production, thus representing the most dynamic component in terms of world trade, foreigh direct investment, and the primary sector which led to job creation in the recent decades. As a result of the intensified economic activity, world trade has grown very much, and within it, the fastest growth rates are seen in the international service trade (Pantelescu, 2009, p. 41). Thus, in relation to international service trade, the development of world exports and imports of commercial services is presented in the following table (table 1):

Analyzing exports within international trade in services, we note that, with regards to transportation services, these have recorded a decline, by an average of 3.4%. In 2008, the transportation services as a proportion of total services have registered a slight growth of 0.8% compared to 2007, whereas in 2009 they have seen a decrease of 2.6%; it should be noted that in the same period, 2009 to 2008, travel services have increased by 0.9% and "other services"increased by 1.8 %. The growth in these latter categories of services – travel and "other services" – could be considered an important growth if we take into consideration the fact that the end of the year 2008 marked the beginning of the world economic crisis.

Table 1: International trade in commercial services statistics

Commercial services exports by category (billion U.S. $)					
	2007	**2008**	**2009**	**Ī (%) average growth index**	**R (%) average growth rate**
Total exports:	**3290**	**3780**	**3350**	100.90	0.90
-Transportation	750	890	700	96.6	-3.4
Percentage of total	*22.7%*	*23.5%*	*20.9%*	-	-
-Travel	855	950	870	100.87	0.87
Percentage of total	*26.0%*	*25.1%*	*26.0%*	-	-
-Other Services	1688	1935	1780	102.7	2.7
Percentage of total	*51.3%*	*51.2%*	*53.0%*	-	-
Commercial services imports by category (billion U.S. $)					
	2007	**2008**	**2009**	**Ī (%)**	**R (%)**
Total imports:	**3080**	**3490**	**3145**	102.1	2.1
-Transportation	890	1045	835	96.8	-3.2
Percentage of total	28.8%	30.0%	26.5%	-	-
-Travel	775	850	790	100.9	0.9
Percentage of total	25.2%	24.3%	25.1%	-	-
-Other Services	1415	1595	1520	103.64	3.64
Percentage of total	46.0%	45.7%	48.3%	-	-

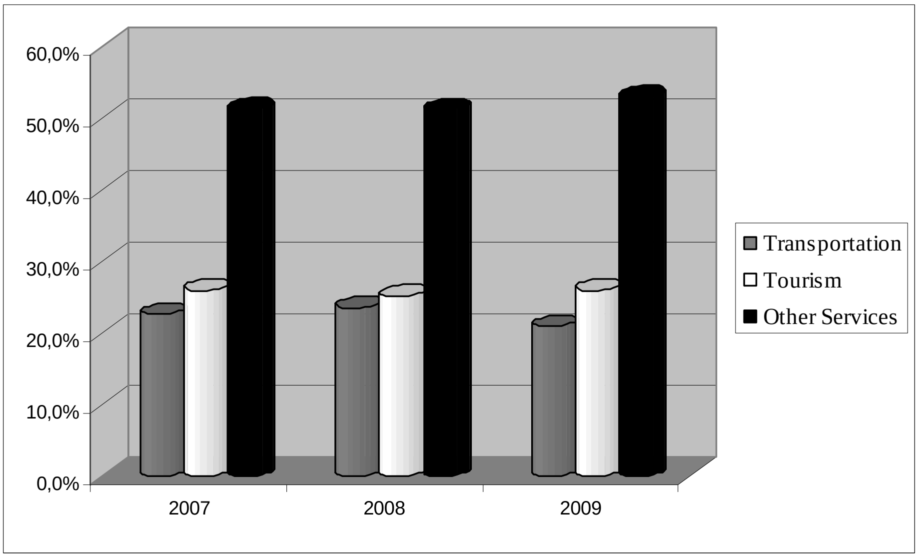
(Source: calculated based onWTO, International trade and tariff data, 2008, 2009, 2010 available at, http://www.wto.org/english/res_e/statis_e/statis_e.htm)

Travel services increased in value from U.S. $855 billion in 2007 to U.S. $950 billion dollars in 2008, followed in 2009 by a decline to U.S. $870 billion. The same situation was seen in the category of "other services", which were U.S. $1688 billion in 2007, then increased to U.S. $1935 billion dollars in 2008, ultimately declining in value to U.S. $1780 billion in 2009. Once could argued that this decrease in value in 2009 was due to the economic crises which impacted all areas. However, tourist services play an important role within trade in services, and this is apparent in the figure below (figure 2):

The category of "other services" is the category which has seen the most intense growth, its share being 51.3% of the total marketable services in 2007, declining slightly to 51.2% in 2008, and then in 2009 registering an increase of 1.8% over 2008, thus representing 53% of the total services provided. This increase could be explained by the increased opportunities for trade across borders and the emerging new services - insurance, consulting, advisory, auditing, maintenance, etc.

Regarding the import of marketable services, the situation is similar. Travel services as a percentage of total marketable services registered less of a growth compared to the export of marketable services. The category of "other services" still holds the largest share within teh import of marketable services, 46% in 2007, 45.7% in 2008 and 48.3% in 2009, an average increase of 3.64%.

Figure 2. **Structure of commercial services exports** (%)



(Sursa: calculated based on WTO, International trade and tariff data, 2008, 2009, 2010 available at, http://www.wto.org/english/res_e/statis_e/statis_e.htm)

It should be mentioned that the market value of services far exceeds the volume of what can be quantified by using statistical tools. Even the recordings provided by the World Tourism Organization includes tourism as a separate component of the international transactions in services, but the absolute and relative size of international transactions in travel services is undervalued, at least by the fact that a significant part of travel services, specifically tourist transportation, is included within the category of "transportation" in the international flow of marketable services. (Cristureanu, 2009, p. 217) Next, we prezent the largest exporters and importers of marketable services (table 2) and we can see how the U.S., the largest importer and exporter of services, has maintained its position in recent years.

Table 2: Leading exporters and importers of commercial services – comparative analysis

Leading exporters of commercial services (billion U.S. $)							
Rank	**Year 2007**	**Rank**	**Year 2008**	**Rank**	**Year 2009**	**Ī (%)**	**R (%)**
1. U.S.A.	456.4	**1. U.S.A**	521.4	**1. U.S.A.**	474.0	101.9	1.9
2.Great Britain	273.0	**2.Great Britain**	283.0	**2.Great Britain**	233.0	92.38	-7.62
3. Germany	205.8	**3. Germany**	241.6	**3. Germany**	227.0	105.02	5.2
4. France	136.7	**4. France**	160.5	**4. France**	143.0	102.28	2.28
5. Spain	128.3	**5. China**	146.4	**5. China**	129.0	*	*
Leading importers of commercial services (billion U.S. $)							
Rank	**Year 2007**	**Rank**	**Year 2008**	**Rank**	**Year 2009**	**Ī (%)**	**R (%)**
1. U.S.A.	335.9	**1. U.S.A.**	367.9	**1. U.S.A.**	331.0	99.27	-0.73
2. Germany	250.5	**2. Germany**	283.0	**2. Germany**	253.0	100.49	0.49
3.Great Britain	194.1	**3.Great Britain**	196.2	**3.Great Britain**	161.0	91.07	-8.93
4. Japan	148.7	**4. Japan**	167.4	**4. China**	158.0	*	*
5. China	129.3	**5. China**	158.0	**5. Japan**	147.0	*	*

Note * - unable to calculate indicators, due to the difference in position

(Source: calculated based on WTO, International trade and tariff data, 2008, 2009, 2010 available at, http://www.wto.org/english/res_e/statis_e/statis_e.htm)

The U.S. earned U.S $456.4 billion from the export of services in 2007, U.S. $521.4 billion in 2008, and U.S $ 474 billion in 2009, an average increase of 1.9% over the three years. In the second place, Great Britain earned U.S. $273 in 2007, U.S $283 billion in 2008, then declined in value to U.S. $233 billion in 2009, an average decrease of 7.62% over the three years. The third place is held by Germany, achieving an average growth of 5.2% over the three years presented. The remaining positions are held by highly developed countries - France, China, Spain - countries which have maintained their position over the years. Regarding the imports of marketable services, the situation is similar in that, the U.S., Germany, Great Britain, Japan and China have maintained their leading position over time. Great Britain registered an average decrease of 8.93%, but nevertheless remains third in the world rankings.

Analyzing the leading exporters of commercial services, we see that countries like Greece, Turkey, Poland and Hungary, have managed to occupy important places in the international trade in services. (table 3)

Table 3: Selected exporters of commercial services – comparative analysis

Rank	Year 2007	Rank	Year 2008	Rank	Year 2009
22. Greece	43.1	**23. Greece**	50.4	**25. Greece**	38.0
28. Poland	28.6	**26. Poland**	35.3	**26. Turkey**	33.0
29. Turkey	28.2	**27. Turkey**	34.5	**29. Poland**	29.0
37. Hungary	16.6	**37. Hungary**	20.0	**38. Hungary**	18.0

(Source: WTO, International trade and tariff data, 2008, 2009, 2010, available at, http://www.wto.org/english/res_e/statis_e/statis_e.htm)

Analyzing the data in the above table, we see that Greece ranked 22 in 2007, 23 in 2008, whereas in 2009, it only ranked 25. Poland occupies a prominent rank within the international trade in services, 28 in 2007, climbing two positions in the rankings in 2008, respectively 26, and then in 2009 only ranked 29. Turkey rose in the rankings between 2007 and 2009, from 29 in 2007 to 26 in 2009. Hungary, among the top 40 exporters of marketable services, ranks fairly constantly at 37 in 2007 and 2008, and 38 in 2009, worth U.S. $18 billion. It should be noted that for these countries, tourism and services have represented a chance to activate the national economy at a level of development that has propelled them towards the category of developed countries.

On the other hand, one would expect some developing countries to expand their serevice exports for at least three reasons (Ioncică, Cistina, Ioncică, 2008, p.77):

1. Service prices are lower in developing countries as compared to the richer countries, thus giving them a comparative advantage in certain sectors;
2. Trends of liberalization of temporary work will place developing countries in a competitive position;
3. The need for physical proximity of the service provider and the user stresses the importance of regional markets. Thus, some developing countries may benefit from an advantageous geographical position when compared to the more efficient producers located further away from a particular regional market.

Next, we anlyze the position of the same countries in terms of commercial service imports (table 4.)

Table 4: Selected exporters of commercial services – comparative analysis (billion U.S.$)

Rank	Year 2007	Rank	Year 2008	Rank	Year 2009
31. Poland	24.3	**30. Poland**	29.9	**32. Poland**	38.0
35. Greece	19.5	**34. Greece**	24.4	**35. Greece**	33.0
38. Hungary	15.0	**37. Hungary**	18.5	**39. Hungary**	29.0
39. Turkey	14.1	**44. Turkey**	16.2	**40. Turkey**	18.0

(Source: WTO, International trade and tariff data, 2008, 2009, 2010, available on line, http://www.wto.org/english/res_e/statis_e/statis_e.htm

In the above data, we see that Poland, Greece and Hungary have managed to remain in the top 40 countries importing commercial services. Poland ranked 31 in 2007, with a value of U.S. $24.3 billion, ranked 30 in 2008, due to an increase in value of U.S. $5.6 billion over the previous year, then ranked only 30 in 2009, dropping two spots in the rankings. Hungary is also among the most important countries importing commercial services, ranking 39 in 2007, with a value of U.S. $15.0 billion, ranking 37 in 2008, due to an increase in values of U.S. $3.5 billion over the previous year, then ranking only 39 in 2009. Strategies used by these countries had the expected result: keeping them among the top 40 importers of commercial services with the of exception is Turkey, which ranked 39 in 2007, then dropped to 44 in 2008, then returned in the top 40 in 2009, ranking 40.

Next, we analyze Romania. As far as the commercial services exports, Romania has seen much lower values compared to the neighboring countries – Greece, Poland, Tukey, and Hungary, as noted in the following table:

Tabel 5: Commercial services exports trends in Romania (U.S.$)

Total exports of which:	**2007**	**2008**	**2009**	**Ī (%)**	**R (%)**
	9.39	**12.81**	**9.71**	101.69	1.69
-Transportation	2.48	3.94	2.88	116.13	16.13
Percentage of total	*26.41%*	*30.75%*	*29.66%*	-	-
-Travel	1.61	1.99	1.23	87.04	-12.96
Percentage of total	*17.15%*	*15.53%*	*12.67%*	-	-
-Other Services	5.30	6.88	5.60	105.86	5.86
Percentage of total	*56.44%*	*53.72%*	57.67%	-	-

(Source: WTO, International trade and tariff data, services profiles, 2008, 2009, 2010, available at, http://www.wto.org/english/res_e/statis_e/statis_e.htm)

Analyzing the data in the above table, in 2007 the commercial services exports have registered a value of U.S. $9.39 billion, in 2008 they increased in value to U.S. $12.8 billion, then in 2009 fell to U.S. $9.71 billion. Romania ranked 46 in 2008 in the rankings of the most important countries exporting commercial services, and ranked 49 in 2009.

Transportation services have seen the highest growth rate among services, with a 16.13% growth between 2007 and 2009. This can be explained by the extensive use of newer transportation technologies. On the other hand, travel services have seen an average decrease of 12.96%, and a decrease in value of U.S. 770 billion. This decrease can be attributed to the practice of high tariffs employed by the Romanian hoteliers, compared to services provided or neighboring countries. Other services have registered a growth rate of 5.56% and an increase in value of U.S. $1.59 billion in 2008 as compared to 2007, followed by a decrease of $U.S. 1.28 billion in 2009.

In order to gain internation commerce activity, Romania should follow in the footsteps of the developed countries participating in international commerce, and needs to: improve its production and distribution systems, develop quality products and servies, enhance tourism services, focus on developing the non-factor services, and integrate into the European Union as an active participant in international trade.

Regarding commercial services imports, Romania also registers low values, as shown in the following table:

Tabel 6: Romania's commercial services imports trend

Total imports of which:	**2007**	**2008**	**2009**	**Ī (%)**	**R (%)**
	8.78	**11.77**	**10.00**	106.72	6.72
-Transportation	3.28	3.98	2.79	92.06	-7.94
Percentage of total	*37.36%*	*33.82%*	*27.9%*	-	-
-Travel	1.54	2.17	1.47	95.45	-4.55
Percentage of total	*17.54%*	*18.43%*	*14.7%*	-	-
-Other Services	3.96	5.62	5.74	120.39	20.39
Percentage of total	*45.1%*	*47.75%*	*57.4%*	-	-

(Source: WTO, International trade and tariff data, services profiles, 2008, 2009, 2010, available at, http://www.wto.org/english/res_e/statis_e/statis_e.htm)

In 2008, the commercial services imports increased in value by U.S. $2.99 billion over 2007, while in 2009 they fell to U.S. $1.77 billion, and the growth rate was 6.72%. Transportation services and travel services have recorded an average decrease by 7.94% and 4.55% respectively. Unlike the commercial services exports, where transportation services recorded significant increases, the transportation services imports have recorded the largest decrease in value of U.S. $1.19 billion in 2009 over 2008.

„Other services" recorded the strongest growth, posting an average growth rate of 20.39%. The share of total commercial services was 45.1% in 2007, 47.75% in 2008, and 57.40% in 2009. This rapid growth can be explained by the increased commercial opportunities for some new types of services – auditing, licensing, insurance, etc. In 2008 Romania ranked 50 in terms of commercial services, and 51 in 2009.

The international service trade is an important component of world trade, continously expanding, with many countries trying to be leaders in the sector, because it is a reliable source of increasing earnings. Romania should follow the examples of developed countries, participating in acts of foreign trade and required for integration into European structures, and acting as an exporter and importer in the European market. (Pantelescu, 2009, p. 48,49)

In this context, we should mention the impact and effect of the internationalization of services, hence resulting in the importance of services in international transactions. They are summarized them in the following table:

Tabel 7: The impact and importance of the internationalization of services

SECTORS	INTERNATIONALIZATION FORMS	THE EFFECT OF SERVICE INTERNATIONALIZATION
Wholesale and retail comerce	▪ The appearance of mega stores ▪ International products ▪ Increased competition	▪ Exploiting the potential offered by the big stores sales ▪ The need for a comparability (food industry)
Hotels/restaurants and tourism	▪ Clienții străini ▪ Lanțurile hoteliere internaționale ▪ Concentrarea agențiilor de turism pe fluxurile turistice internaționale	▪ The increase of tourism professional or business help facilitate globalization ▪ The attraction of international investments
Transport	▪ Improved international ties ▪ Alliances and concentrations in air and land transport	▪ Cheap transport networks and of superior quality are the key factors of globalisation, goods and services
Banks and insurance	▪ Mergers ▪ Foreign investment ▪ Accounts and transactions in foreign currency	▪ Facilitates transactions
Telecomunications	▪ Rapid incorporation of new technologies ▪ The orientation of foreign capital towards telecomuncation companies ▪ Agreements between operators in different countries	▪ Allow rapid and uninterrrupted communication between economic agents which results in minimizing the distance between them

(Sursa: Cristureanu, 2009, p.92)

We note that travel is a a particularly important component of international economic relations, and it is one fo the most dynamic sectors worldwide. (Stănciulescu, 2010, p.7)

4. Conclusions

In conclusion I believe that by having a heterogeneous structure, the international service trade has implications across all economic and social fields, representing an important factor for diversified and improved international economic relations, facilitating countries' access to the international value exchange, thus emphasizing its important role in economic growth.

In the period under review, 2007-2009, on a world market, a group of countries such as the U.S., Great Britain, Germany, Japan, China, and France, stood out when it comes to commercial services exports and imports, due to their active participation in international service trade.

The development of services sector in countries like Poland, Hungary and Greece, resulted in them ranking higher in the international trade in services. Romania should follow the example set by the developed countries participating in the international service exchange; in our opinion, one condition would be to diversify and improve travel services, to provide quality services, as well as add new services to existing ones.

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ATTITUDES TOWARDS GLOBALIZATION AND THE INTERNET AS AN INSTRUMENT OF GLOBALIZATION

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Abstract: *The statistical survey treats the attitudes of subjects belonging to three age groups: 20-30, 31-50, 51-60 towards the Internet as an instrument of globalization. The study is based on the assumption that young people are more open-minded, receptive and willing to understand the Internet as a complex phenomenon which serves as a tool in the process of globalization. However, the findings indicate that age is not an influential factor in shaping attitudes in this respect. An in-depth analysis of the results shows that educated Romanians are not able to perceive the phenomenon of globalization in its complexity.*

Key words: Internet, globalization, attitudes, age groups.

JEL classification: M30

1. Introduction

Attitude is always formed in relation to a particular subject, and to present an attitude, one must possess a minimum of information on the subject. But who in our days doesn’t possess a minimum of information on globalization or the Internet? The problem lies on the nature and amount of information, how close it is to the truth, and how it influences the attitudes towards the two phenomena mentioned above.

2. The study

The study seeks people's attitudes towards the concept of the information society and new information-based economy, namely "The Internet as a tool of globalization." As long as individuals understand these concepts and have a favorable attitude toward them, society can benefit, by remaining in the race towards global competitiveness.

Choice of independent variable, hypothesis formation and research subjects' age were determined by the following considerations:

- Access to information and use of the Internet is already established within the group aged 20 to 30 years may determine the existence of favorable attitudes towards the Internet and its role as an instrument of globalization;
- The ability to adapt, openness to new and greater ability to gather specific information of young people can also generate a positive attitude development;
- Typical to those in the early stages of their career is that they are the ones who will be the next productive members of society, shaping its future. The choices they make now, their mentality and attitude are what society depends on, the path it follows in the future. This poses more of a responsibility for the youth, hence the resulting need for openness to future opportunities;
- Subjects in the 31-50 years age group, have gone through the most important changes in this transitional period. They were not only witnesses, but active members, forced to adapt. In their ranks the largest changes in the last period have taken place. These subjects are those who were obligated to learn how to use the Internet, they weren’t born in the midst of technology. This position can generate neutral to negative attitudes regarding the Internet and its role in globalization. They are the parents of today’s youth, a model for those shaping the future of society.
- The group aged 51-60 years can be characterized by rigidity and negativism towards technological change. These people are rather the witnesses to the "computer revolution". Their experience with the old regime is likely to feed their reluctance to change. They are future grandparents which help train the new generation's mentality, their views on the matter are very important.

3. Methodology

Given what has been said, this study proposes the following operational objectives:

1) Highlighting the attitudes of people aged 20-30 years towards globalization and the Internet as an instrument of globalization;
2) Highlighting the attitudes of people aged 31-50 years towards globalization and the Internet as an instrument of globalization;
3) Highlighting the attitudes of people aged 51-60 towards globalization and the Internet as an instrument of globalization;
4) Highlighting the differences between attitudes toward globalization of persons aged 20-30 years and persons aged 31 -50 years;
5) Highlighting the differences between attitudes toward globalization of persons aged 20-30 years and persons aged 51 -60 years;
6) Highlighting the differences between attitudes toward globalization of persons aged 31-50 years and persons aged 51 -60 years.

Given the characteristics of the Romanian social, cultural, economic, technologic, legal and political environment, the following hypotheses were defined:
1) If subjects are aged 20-30 years, their attitudes toward globalization and the Internet as an instrument of globalization are significantly more favorable than those of subjects aged 31 -50 years. This is due to the extra information held on globalization by the first category of subjects, frequent use of the Internet, their openness to new and increased capacity to adapt. Subjects in the 20-30 years age group are at their debut in society as productive members, while those in the 31-50 years age group are those who have experienced the transition, being forced to adapt over time to the change of political and social regimes;
2) If subjects are aged 20-30 years, their attitudes toward globalization and the Internet as an instrument of globalization are significantly more favorable than those of subjects aged 31 -50 years, the latter being spectators to the phenomena;
3) If subjects are persons aged 31-50 years, then their attitudes toward globalization and the Internet as an instrument of globalization are significantly more favorable than those of subjects who were aged between 51 -60 years. This is due to the extra information held on globalization by the first category of subjects, direct contact with the effects of globalization, which they feel now, the end of their careers, unlike the subjects included in the age group 51-60 years, often being found on the peripheral of global productivity.

To measure attitudes on globalization and the Internet as an instrument of globalization, the summative evaluation method (first proposed by Likert in 1932) was used. With the mentioned subjects as the population of the study these subjects, the total score correlation was calculated for each item. For the final questionnaire, only items for which this correlation was strong were selected.

Thus, using the method described above, in compiling the questionnaire the following steps were taken:

a) First, to compile the questionnaire, we chose its items covering two categories of factors, namely: globalization and the role of the Internet as an instrument of globalization. Regarding globalization, we focused on two aspects: the economic effects and effects on the political and socio-cultural environments.

Following discussions with economic, social, academic and military experts, we formulated 36 items aimed at the subject's attitude towards globalization and the Internet as an instrument of globalization.

b) In the second stage, the questionnaire was given to subjects aged 20-30 years, 31-50 years and 51-60 years. The total number of subjects is 75.

c) For the composition of the final form of the questionnaire, subjects were divided into three and an item-total score correlation was achieved, the responses of subjects classed among the first and last 25% of those with positive, respectively negative attitudes towards globalization. To achieve total score correlation, for each item, we used the Pearson product-moment correlation coefficient, able to describe quantitatively the relationship between such variables.

Summative assessment in accordance with the method used in drafting the questionnaire, only the items for which item-total score correlation is strong were included in the final form.

Another criterion for inclusion is the educational level of the group. We chose to carry out the experiments on subjects with higher education completed or underway. It is worthy to mention that within each of the three groups subjects from different academic backgrounds were included (Academy of Economic Sciences, University of Bucharest, Romanian-American University, Bucharest Polytechnic University, Military Academy in Bucharest), with different professional experience.

The study focuses on the following variables:

• Independent Variable - subjects age;

• Mean dependent variable - attitudes towards globalization and the Internet as an instrument of globalization.

4. Results

The actual research was conducted in April-May 2010 on75 subjects, the questionnaire was applied individually on each topic at hand.

During the survey, several observations were made:

• Some subjects aged 20-30 years, although aware (verbalized)of the importance of the Internet in terms of information, communication, form of commerce, opted for the completely opposite response. A possible explanation for this is a form of denial of addiction to the Internet.

• Subjects in all three test groups showed virulent reactions to items regarding the effects of globalization aimed at the socio-cultural / religious levels. Both comments and responses to the item: "Globalization represents a threat to cultural heritage" noted during the study revealed that the respondents attitude towards globalization encompasses a strong nationalist component.

Results were analyzed using SPSS as analytical Software. Statistical analysis was performed for the hypothesis proposed by T test for independent samples.

To verify the first hypothesis, which states that subjects aged 20-30 years, show significantly more favorable attitudes than subjects aged between 31 -50 years, we applied the T test for independent groups. The result is a t = 0.357 for a probability of 0.723> p, where p = 0.05.

Table 1: T-test results for hypothesis 1

	20-30 years	**31-50 years**
Average	89,52	88,48
No. of subjects	25	25
T	0.357	
Significance level	0.05	

In order to verify hypothesis 2, namely whether the attitudes of the group aged 20-30 years toward globalization are significantly more favorable than those of the group aged 51-60 years, we applied the T test, resulting in a t = 0.796 for a probability of 0.430> p, where p = 0.05.

Table 2: T-test results for hypothesis 2

	20-30 years	**31-50 years**
Average	89,52	87,16
No. of subjects	25	25
T	0.796	
Significance level	0.05	

To check hypothesis 3, namely whether the subjects are people aged 31-50 years, then their attitudes toward globalization are significantly more favorable than those of subjects aged between 51 -60 years, we applied the T test, resulting in a t = 0.375, for a probability of 0.709> p, where p = 0.05.

Table 3: T-test results for hypothesis 3

	20-30 years	**31-50 years**
Average	88,16	87,16
No. of subjects	25	25
T	0.375	
Significance level	0.05	

Thus, the statistical analysis carried did not allow us to identify a significant difference between attitudes toward globalization of subjects aged 20-30 years and those of subjects aged 31-50. The conclusion is similar when comparing samples of ages 51-60 to 31-50, or ages 20-30 to 51-60.

These research results indicate that the hypothesis is disproven, the null hypothesis is accepted, namely: attitude toward globalization and the Internet as an instrument of globalization is not dependent on the subjects age.

On average, respondents show a pro-globalization, pro-Internet attitude. Indeed the group with the highest score is the group aged 20-30 years, followed by 31-50 years, and eventually the 51-60 years group.

We registered a surprising balance when comparing age groups, average variation per group reaching a maximum of 1.5 points, indicating a uniform general attitude.

5. Conclusions

Upon comparing the results to the research hypotheses, we found the following:

- Hypothesis 1: " If subjects are aged 20-30 years, their attitudes toward globalization and the Internet as an instrument of globalization are significantly more favorable than those of subjects aged 31 -50 years" was undermined by the results obtained statistical analysis.
- Hypothesis 2: " If subjects are aged 20-30 years, their attitudes toward globalization and the Internet as an instrument of globalization are significantly more favorable than those of subjects aged 31 -50 years" was undermined by the results obtained statistical analysis.
- Hypothesis 3: "If subjects are persons aged 31-50 years, then their attitudes toward globalization and the Internet as an instrument of globalization are significantly more favorable than those of subjects who were aged between 51 -60 years" was undermined by the results obtained statistical analysis.
- Upon facing the hypotheses with all the results of the study, several conclusions can be drawn. These express the essence of the research as follows:
    - Analysis of averages shows a general pro globalization pro Internet as an instrument of globalization attitude;
    - Subjects are grouped uniformly around the average;
    - Analysis of the items shows a high level of lack of information, especially with regard to globalization, which generates contradictory answers;
    - Age is not an influential factor in shaping attitudes on globalization and the Internet as an instrument of globalization.

The main conclusion that emerges from those listed above could be that although on average, the attitude is pro-globalization and Internet, a thorough analysis of the responses recorded great confusion regarding the term "globalization", seen by them also as "regionalization", "EU integration" or "Americanization".

Most subjects lack the ability to perceive the phenomenon of globalization in its amplitude. Not only is there confusion regarding the term, but while they perceive the importance of the Internet, they cannot charge it as an instrument of globalization.

By logically joining the two following items: “The Internet is a threat to religious dogma” and “The Internet is the easiest way of communicating information” results the following statement: “The easiest way of communication and information is a threat to religious dogma”. On these items, responses were mostly “Strongly agree”. The above sentence can be submitted for future study or discussion. The main hypothesis that emerges is that the Internet is now a global social phenomenon defined by freedom and no censorship, opposed to “traditionalist” religious dogma.

Also, upon joining the items: “The Internet is the easiest form of communication and information” and “Internet deregulation is a threat to the political class” brings forth the statement that “The easiest form of communication and information is a threat to the political class”. The majority of respondents answers to these items were also “Strongly agree”. The resulting hypothesis is that there is no trust in a transparent and democratic political class in Romania.

The item' “Globalization implies the adoption of international standards in terms of trade” has resulted in a strong majority “Somewhat agree”. Explaining the phenomenon lies in the strong coverage of international standards specific to any process of integration, but responses cannot be regarded as of high accuracy with certainty, given the formulation of the item, as long as this is an attitude questionnaire, it uses the concept of international standards generally, not trade standardization. In the questionnaire used, there are no double items, negative items, or any other form of verification of response accuracy. Furthermore, other items show that respondents don’t have a clear picture, or at least conclusive concept of globalization. Yet trade is the first activity, in terms of history, which generated a form of globalization. For a clear picture and a high degree of certainty on the attitude of people towards international trade standards, further investigation is required. This item was used only to prove existence of the concept of international standardization among respondents.

The fact that globalization cannot exist without a global information system that ultimately underlies the phenomenon of globalization is not perceived by the respondents due to their lack of ability to perceive globalization as a complex phenomenon.

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SIX SIGMA IN THE BUSINESS CONTEXT

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Abstract: *The most successful companies can apply the Six Sigma strategies on their way towards obtaining competitiveness. Without having a deep experience in statistical analysis, managers may obtain performance only by implementing Six Sigma methods. In this way, they have the opportunity of evaluating their own business. The study presents the following main issues:1). Presenting the Six Sigma strategies; 2). highlighting the main elements that are contributing to business competitiveness; 3). analyzing the main similarities and differences between TQM and Six Sigma; 4).showing the role of Six Sigma system in production and service;5). identifying the key steps for the implementation of Six Sigma systems.*

Key words: Six Sigma system, strategy and performance.

JEL classification: M30

1. Introduction

Six Sigma methods consist in the leader's permanent effort to change the organizational culture in order to meet the various needs of the customers. Six Sigma is a complex and flexible system. Its implementation can: improve the business, reduce the costs, increase market share. Six Sigma system implementation can generate the following benefits: significant financial gains, changes in attitude, competitive advantages, and sustainable relationships with customers based on trust and enthusiasm. Only by obtaining these benefits, can managers run and evaluate their own business.

Six Sigma is a strategy which can improve the business. Six Sigma strategies are achieved by using quality improvement methodologies such as: quality control, TQM and "Zero Defects". "Quality control" is a complex process that evaluates all the factors that contribute to business development, taking into account certain essential elements to ensure proper completion of tasks. These elements refer to the organizational culture, work relations between employees, competence, experience and attitude of the team members. Total Quality Management (TQM) is a business philosophy which seeks to maintain existing customers and attract potential customers. It is an integrated process management and its implementation leads to a continuous improvement of products and services in order to meet customers' needs in terms of efficiency. "Zero defects" is an indicator of quality reflected by the ability of the products or services to meet the current and potential customers.

2. Six Sigma -an effective startegy for achieving business performance

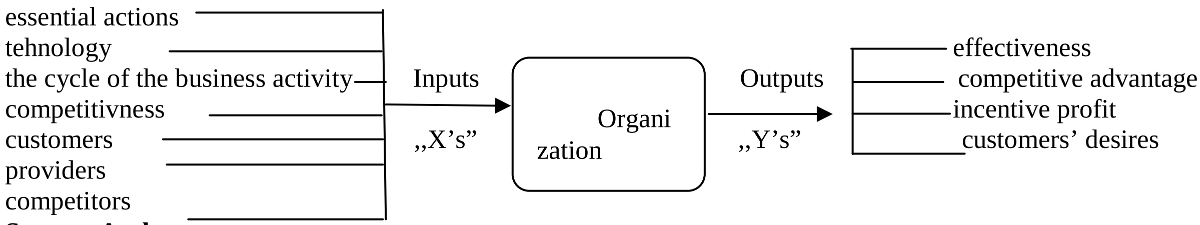
Nowadays, when the progress of science and technology advanced, the Six Sigma method is a new solution for leaders to improve performance. Six Sigma is an action plan, whose strength is already visible, while the earnings of companies that have implemented Six Sigma are fabulous. The Six Sigma management system includes customer relationship, which expresses the following logical chain: orientation towards customer -inclusion of the product (service) - customization of customer relationship - creating value through customer contributions. Business Marketing expresses a relatively new concept in business sciences, which consists in a set of business tools and techniques that are used in business to create an idea, transactions or operations. The system Six Sigma, also, uses the methodology JUST IN TIME, which means: production on time, zero stocks, perfect quality (zero defects), regularity and security of supply, stable graphics of production. In order to understand the Six Sigma concept in business, it is necessary to explain the term "customer requirement". The main goal of companies is to satisfy the customer needs. For that, economists and engineers use measurable features for defining customer needs. These measurable features are called "requirements"(Crişan E., 2010). These requirements take into account both the product and the process. They are established by the stakeholders (for example the VOB- Voice of Business) keeping in mind customer needs (is called VOC- Voice of customers).

With respect to implementing the Six Sigma method to an organization, before starting a business it is necessary to cover the following steps: 1). Evaluating the prospects of the business; 2). Evaluating the current performance; 3). Evaluating the current improvement systems at organizational level. (Pande, Neuman and Cavanagh, 2008, p. 101-103).

It is important to mention that given the existence of various opportunities of market share increase, the big companies with an increased market share don't manage to gain competitive advantage over smaller contenders. It's the case of giants like IBM, General Motors, and Sears in 1980, when they had poorer results than the smaller firms. Thus, at present the companies try to gain competitive advantage by getting at the best methods that lead to the continuous improvement of the product, and they manage to obtain it just by making innovations. Thus, not only they will gain the long sought after competitive advantage, but they will also enter the market with a rapid growth (Kotler, 2008, p. 18).

In the literature review Six Sigma method is presented as a system with a closed circuit in which internal and external information (the feedback) provide the manager the way to correct their actions and achieve success in business. In order to highlight this system with a closed circuit companies apply Six Sigma methodology, using the following formula Y = f (X) (Y is a function of X), where: The X's show the inputs and the flow of the process that can be represented by technology, business cycle, quality of service, competitiveness, customers, suppliers and competitors; The Y's show the performance and can be represented by: profit, business efficiency, customer's satisfaction and desires, goals and competitive advantages

Figure no. 1: Business Process Variables



Source: Authors

Six Sigma performance is achieved only if customers' needs are defined at the beginning of an action. The leader of an organization who applies Six Sigma methods must take risks, must have a strong spirit of initiative and must be a very tenacious person. They should promote changes as a key factor of their activities and should build an effective business plan. They should also be responsible persons in order to achieve the goals of the organization. It is very important to estabilish from the beginning who the team members are, what are their roles, and also, who are the experts in the organization. The team members, their roles and tasks are presented in the following table:

Roles	**Tasks**
Leadership Council	Provides resources, identifies the company's weak and strong points.
Sponsor	Responsible for improvement projects, carefully observing the goals set; settles conflicts, collaborates with project managers.
Implementation Leader	Offers consultancy and training to team members, applies the marketing strategy.
Six Sigma Trainer	Settles conflicts between the team members, communicates with the Leading Council and the Subsidiaries, orders complying with the project schedule.
Team leader	Successfully uses the Six Sigma method instruments, provides solutions for the undertaken activities, he is responsible for the results of a Six Sigma project.
Team Members	Are the people that apply the Six Sigma method with the help of certain instruments, analyze the whole process, making great efforts in order to obtain positive results.
Process Owner	Is the one who: gets involved in the management process, being the person who has the information regarding client requirements, as well as important documents (maps, diagrams); monitors the whole process, identifying the opportunities and threats that can occur during the project's execution.

Source: adapted from Pande P.S., Neuman P. R., Cavanagh R.R. (2009), *Six Sigma: cum îşi îmbunătăţesc performanţele GE, Motorola şi alte companii de top*, Editura ALL,Bucureşti, p. 133.

3. Six Sigma versus TQM (Total Quality Management)

Before going further, it is important to define, a "Six Sigma organization". Pande, Neuman and Cavanagh (2008, p. 57) believe that Six Sigma is an international organization that is operating on the business market using various methods and tools to improve sustainability and to achieve management performance.

Throughout time, TQM has been applied to the processes of large companies and has promoted various models in order to improve the following steps which are introduced by W. Edwards Deming: "Plan-Do-Check-Act". Please see the following logical chain in order to highlight the significance of these steps: "Plan- and design the best solution for the performance of an organization – "Do- make decisions and find solutions" – "Check and evaluate the results to identify the possible mistakes" – "Act- implement the correct strategies using appropriate instruments and methods for achieving the targets".

Nowadays, organizations apply Six Sigma system using DMAIC model ("Define-Measure-Analyze-Improve-Control") in order to improve the process. When the DMAIC model is used to improve the process, it must follow a logical chain : "Definition-formulate the principal objectives, set the requirements and find the problem" – "Measurement – are evaluate the entries in the system"- "Analysis - examine and verify the assumptions, and identify the main causes" – "Improvement- find the solutions and eliminate the problems encountered"- "Control-correct any errors occurred during the process of improvement, setting the values for parameters".

\We often ask, "Why should we implement the Six Sigma system in our organization?" or "Why Six Sigma and not TQM?". We can find the answer highlighting the potential pitfalls that arise when applying TQM in the organization, as well as solutions offered by Six Sigma for these adverse situations. The following pitfalls of TQM and the following Six Sigma solutions are identified in the literature review:

I). TQM traps: a). lack of communication between departments, focus on the product and not on quality, b). leaders are focusing on the leadership process, and have no desire to implement quality in the whole process; c). TQM is an open loop system, that big companies can cope with customers' needs today, but in the future may be unprepared to meet their requirements; d). poor training of personnel for carrying out activities to improve the whole process, focusing on theoretical concepts.

II). Six Sigma solutions : a). well established departments, team members have responsibilities in accordance with their position, focus on quality, continuous improvement of the process; b). leaders, consider change as a key element in the organizational development; c). Six Sigma system is a closed loop system, the main goal is "zero defects" and the methods used can identify the customer's needs; d). companies are implementing Six Sigma to help the staff to achieve the desired standards.

4. The role of the Six Sigma strategy in production

Managers and leaders often wonder, "How can the Six Sigma method apply?" in the organization they perform activities. Implementation of Six Sigma system in production can be successful obtained if certain conditions are met. Before presenting these circumstances, it would be appropriate to clarify the notions of "products" and "services". Production processes refer to those developing activities of manufacturing tangible products while processes in the service sector refer to commercial and administrative activities that are not directly involved in the manufacture of a tangible product (Pande, Neuman and Cavanagh, 2008, p.69). This means that we can mention the following aspects of the service sector: marketing, sales, logistics, human resources, etc.

The following conditions that an organization should take into account are presented in the literature review: understanding the current and future customer needs which can be satisfied by providing top quality products, constantly adapting to changes of the environmental business conditions, delivering products to customers on time, using new technologies for sustainable production. IN THE SERVICE SECTOR an organization should comply with the following conditions: setting strict parameters on performance measurement, using information effectively in order to achieve total quality services on time, successfully identifying customer requirements, measuring output performance (customer satisfaction, selection efficiency, and profitability), continuously improving measurement methods.

a. Performance evaluation by means of identifying values regarding flaws

"Sigma" letter (σ) of the Greek alphabet is a symbol used in statistics to represent standard deviation of a population.

Each day we face infinite variation examples, and an essential example is buying 3 T-shirts having the same size, yet one is bigger. Pande, Neuman and Cavanagh (2008, p.44) believe that variation is also important in the case of products. For instance, when a company X manufactures a subsystem that another company Y uses for its product, a larger deviation of the subsystem manufactured by the company X might call upon company Y to make an additional effort to make the product compatible, which could lead to consumer dissatisfaction. The same authors mention that there is a difference between the purely statistic "sigma" and the "sigma figure" used in the Six Sigma measuring system, since the Sigma figure also reflects the long-term variations of the process. Small and medium entreprises create and innovate a variety of products and services, applying appropriate strategies and using a variety of instruments and tools.

The values that are important to the measurement based on identifying flaws are the following: the unit – which refers to the product or service in progress; the flaw – which refers to any manufacturing process that does not comply with quality standards; faulty – which refers to any unity that has a flaw; flaw occurrence odds – since the needs of the clients are diverse, the probability of a product or service to have a flaw is very high (P. S. Pande, R. P. Neuman, R. R. Cavanagh, 2009, p. 220).

The Six Sigma performance levels can be expressed in „defects per million opportunities" (DPMO), in „defects per unit" (DPU), or in "defects per opportunity" (DPO). The defect units can be expressed either in a percentage of the product or service sample, in which case the defect unit heft is calculated upon the whole of the units manufactured, or by calculating the global output, as it is shown: η_{global} = 1 – = 1 – the heft of faulty units, where η_{global} is the global output.

4.1.1 Determination of defects production opportunities:

1).The percentage of faulty units:

25 out of 625 ,,X" products contain defects:

$$\frac{25 \text{ defect units}}{625 \text{ units}} = 0{,}04 \text{ (or 4 \%) defect units}$$

2). Calculating global output: 1- 0,04 =0,96(96 %) output.

3). Calculating DPU(defects per unit): DPU= number of defects/total number of units=

=35 defects/ 625units= 0,056(5,6%).

4.1.2 Calculating sizes by determining the occurence of defects.

Sizes based on determining the opportunity of defects are expressed by calculating DPO(defects per opportunity) and by calculating DPM (defects per million opportunities).

1). Calculating DPO (defects per opportunity): DPO= number of flaws / total number of units × ×occurence number of flaws per unit = 38 flaws/ 625units × 2 occurences =0,0304.

2).Calculating DPM (Flaws/ Million occurences): DPMO = DPO× 1.000.000=0,0304×1.000.000= =30. 400 DPMO.

Level σ: 30.400 DPMO = 3,375σ („Six Sigma conversion tabel", Pande P.S., Neuman P. R., Cavanagh R.R. (2009), *Six Sigma: cum își îmbunătățesc performanțele GE, Motorola şi alte companii de top*, Editura ALL,Bucureşti, p. 385).

5. Conclusions

At the level of the organization, it is essential to adopt the right decisions concerning management changes. To this extent, applying continuous improvement strategies is a key-element that contributes to implementing the Six Sigma method at organizational level. It is essential to mention the fact that the innovation strategy can have positive effects in the short run, with respect to the organization's limited resources.

In a dynamic and modern world, when product and service prices suffer major fluctuations, the companies must implement efficient methods in order to overtake fierce competition and to successfully meet the clients' demands. The Six Sigma method lays stress on improving the quality of products and on minimizing costs. Once it's implemented, the Six Sigma method has significant effects like: market share increase, stable flow charts, client faithfulness, the reduction of current process flaw rate, the development of a standard process etc.

In the future, the organizations must rethink the set of strategies used in order to continuously improve the current performance. Meeting clients' strict demands that are constantly varying requires implementing management change solutions in the process improvement steps at organizational level.

Used carefully and with emphasis on innovation and creativity, the Six Sigma instruments presented in this analysis can trigger major changes in an organization. Once they are implemented, they can influence the activity of a company, by having positive results in the short run, making it more competitive. If the services are well provided and the distribution duly takes place, in accordance with quality standards, the client is satisfied, and the company will gain more profit.

Seen as a flexible process that has considerable advantages and that emphasizes the continuous improvement of products and services, the Six Sigma method focuses its efforts on the client and thus contributes to obtaining competitive succes on the long term.

This study explores the current literature on Six Sigma system and represents a starting point for future research on how to apply this method at the companies' level. It is important to use significant models for better results.

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THE ROMANIAN SUSTAINABLE AGRICULTURE: BETWEEN THE IMPERATIVE OF INCREASING THE AGRICULTURAL PRODUCTIVITY AND GUARANTYING THE QUALITY AND FOOD SECURITY

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Abstract: *The issue of sustainable agriculture, of the harmonious relation between agriculture and the environment is a profound, two-fold one. The current problematic context imposes the need to take immediate measures, a first such measure being the differentiation between the increase of productivity (ensuring the food supplies for humankind, in the context of a rapid population growth) and the preservation of the environment (healthy food). Thus, a major challenge is represented by establishing a balance between the imperative of increasing productivity (without using fertilisers, pesticides, other chemical products, namely technological systems and practices meant to increase productivity) with ensuring the food supply and preserving habitats, without overlooking that a polluted environment constitutes a brake in the development of agriculture. Therefore, paradoxically, being a polluting agent, agriculture ultimately faces the consequences of its own irrational land exploitation.*

Key words: sustainable development, ecological agriculture, food.

JEL classification: Q 15, Q 18.

1. Romanian Agriculture. Sustainable Agriculture.

Sustainable development is a complex concept; decision-makers worldwide have acknowledged that now, more than ever before, the welfare of humankind, economic growth, and progress in general are closely linked to the rational use of resources, respectively to the balance and harmonious relation between the economy and the environment. This perspective, in fact this new paradigm of development, was drawn up in time; a first attempt to define the concept was recorded in 1987 when the “Our Common Future” Report (the Brundtland Report) was released by the World Commission on Environment and Development. According to this document, sustainable development is defined as ‘a process of change in which the exploitation of resources, the direction of investments, the orientation of technological development, and institutional change are all in harmony and enhance both current and future potential to meet human needs and aspirations.’(http://www.un-documents.net, A/42/427. Our Common Future: Report of the World Commission on Environment and Development, June 1987, Geneva, Switzerland).

The above mentioned report also refers to agriculture; the conservation and enhancement of agricultural resources is among the strategic imperatives proposed by the document. In this respect, the Brundtland Report pleaded for an agricultural policy based on ecological realities, the increase of productivity, which is essential in this vital field, respecting the environmental conditions.

As with sustainable development, the concept of sustainable agriculture is a relatively new concept whose foundations were set at the Conference of the International Association of Agricultural Economists, Tokyo, 1991. Subsequently, the issue of sustainable agriculture sparked the interest of the participants attending the Global Forum in Rio de Janeiro, 1-15 June 1992. According to the Treaty adopted on this occasion (http://www.nal.usda.gov, NGO Sustainable Agriculture Treaty, Global Forum at Rio de Janeiro, June 1-15, 1992), sustainable agriculture has several characteristics, among which we enumerate:

- sustainable agriculture is a model of social and economic organisation based on an equitable and participatory vision of development which recognizes the environment and natural resources as the foundation of economic activity;
- sustainable agriculture preserves biodiversity, maintains soil fertility and water purity, conserves and improves the chemical, physical and biological qualities of the soil, recycles natural resources and conserves energy;
- sustainable agriculture uses locally available renewable resources, appropriate and affordable technologies and minimizes the use of external and purchased inputs, thereby increasing local independence and self sufficiency and insuring a source of stable income for peasants, family and small farmers and rural communities.

All these attempts to define sustainable agriculture have managed to grasp the complexity of the concept. Synthesising, we can conclude that sustainable agriculture has the following essential characteristics:

- ensuring food security;
- conserving natural resources and the quality of the environment;
- a more rational and efficient use of natural resources;
- ensuring/sustaining the viability of agricultural activities and enhancing the quality of the farmers' life.

In the new context created by sustainable agriculture, the agricultural exploitation has at least a double role. On the one hand, we refer to the complexity of the exploitation, its profitability, its capacity to respond promptly and adequately to the demands of the market. On the other hand, we refer to the need to use resources as efficiently as possible in order to conserve resources, in accordance with the principle of the respect for the natural environment. Thus, among the main characteristics of sustainable agricultural exploitations we find (Carmen Valentina Rădulescu, Ildiko Ioan, 2007, *Organizarea exploatațiilor agricole durabile*, Bucharest, ASE Edition, p.13):

- the use of complex and efficient managerial techniques meant to ensure ecological integrity in what concerns the natural environment and the consumers;
- use in accordance with the soil and the climate;
- flexibility, a quality which allows the exploitation to ensure a balance between the demand and the offer of products;
- maintaining an adequate size of the exploitation, according to its specific;
- conserving biodiversity;
- economic as well as social efficiency (ensuring food safety as well as adequate income for farmers).

2. Agricultural Exploitation in Romania. Advantages and Disadvantages of Organizing Exploitation according to the Sustainable Approach.

Although the organization of the agricultural exploitation according to the demands of sustainable development is a process which implies numerous difficulties, the advantages of such an organization are amongst the most important from an economic, ecological and social point of view. Thus, by employing sustainable agricultural exploitation, we witness:

- a reduction in pollution: limiting the use of pesticides (herbicides, insecticides, fungicides) reduces the degree of contamination of the agricultural produce, of the air and the water;
- the increase of the safety/health condition of the workforce employed in agriculture: the small-scale use of pesticides specific to sustainable agriculture automatically leads to a decrease in the risk of falling ill of farmers;
- conserving biodiversity: the use of pesticides poses a threat to the survival of some plant and animal species;
- soil fertility: sustainable agricultural exploitations also ensure the conservation of the productive qualities of the soil through crop rotation and the use of organic fertilizers;
- reducing soil erosion: it is ensured by the increase in the quantity of organic matter (maintaining the land covered as long as possible, either by mulching, or by cultivating covered crops);
- an efficient management of water resources: improving the quality of soil, a better covering of the soil ensures a better retention and conservation of water, reducing the need for irrigations (and, therefore, reducing water consumption);
- a superior nourishing quality of the products obtained in a sustainable manner;
- increase in the stability of the rural population and the workplaces: investments in this field result in an increase in the number of new workplaces;
- increase in the quality of life in rural areas: the sustainable organization of agricultural exploitations is reflected in the income of farmers, which will increase. In addition, the infrastructure will be improved.

3. Organic Farming: Opportunities for Development in Romania from the Perspective of the Global Food Crisis.

A major contribution to overall sustainable development is brought by organic farming (sustainable/organic/ecological agriculture: even though these terms refer to the same principles of organising production, they differ from country to country); the fundamentals of this approach to production are found, for the first time in an official document in the EEC Regulation No 2092/91 of 24 June 1991 (Council Regulation (EEC) No 2092/91 of 24 June 1991 on organic production of agricultural products and indications referring thereto on agricultural products and foodstuffs).

According to this document, the organic approach to production involves a less intensive use of land, attaining a better balance between the demand for and the supply of agricultural products, the protection of the environment and the conservation of the countryside. In accordance with the above mentioned Regulation, organic products (produced without the use of synthetic chemicals) are to be subjected to rigorous check and strict labelling, organic farming being considered a system which implies a modern way of growing crops and livestock and producing foodstuffs, fundamentally different from conventional agriculture. Being strictly regulated by the Community and national legislation, the main objective of organic farming is the production of healthier food, in accordance with the protection and development of the environment, respecting nature and its laws. Thus, the production of organic foodstuffs entails a strict ban on the use of genetically modified organisms, respectively significant restrictions on the use of fertilisers and pesticides, of plant growth stimulators and regulators, of hormones, of antibiotics and other livestock production systems ((http:// www.madr.ro).

The widespread agricultural areas, the optimum climate conditions and the fertility of the soil, recommend Romania for the successful implementation of organic farming. However, our country does not fully exploit its potential when compared to other European countries which have an established tradition in applying the principles of organic farming in agriculture; therefore, Romania occupies a low position when it comes to the development of agriculture by relying on organic production methods. Despite the slow change in perspective of producers, their interest in the field of organic farming is reflected, annually, in the increase in the number of certified processors/operators as well as in the increase of agricultural areas allotted to organic crops. Although prior to the accession to the European Union in 2007, Romanian organic farming had insignificant percentages, with the accession in the European Union and the recognition of the advantages of using organic farming, this sector has become more dynamic. From a statistical perspective, one can notice the constant expansion of the total area certified for organic farming (in 2006 143,194 hectares; in 2007 190,129 hectares; in 2008 221,411 hectares, and in 2009 240,000 hectares). Although the figures indicate a relatively small annual increase, compared to the period of transition, the evolution is spectacular (for example, the area used for organic farming in 2008 is 13 times bigger than the one recorded in the reference year 2000 and, respectively, 1.54 times bigger than in 2005 (unfortunately, for the period prior to the accession to the European Union, the statistical data regarding organic farming are scarce).

Despite maintaining this ascending trend, the percentage of agricultural area used for organic farming continues to be extremely small; out of the total agricultural areas, the ones used for organic farming represent between 1% and 2.6%. Within the areas used for organic farming, the predominant areas have permanent crops (pastures and hay fields), followed by arable land, other areas used for organic farming and the areas with permanent crops representing orchards and vineyards.

As regards the operators and processors in this field, the figures illustrate an increase, their number increasing annually: from 3,409 operators (2006) to 3,834 (2007) and 4,191 (2008), 2009 marking a decrease in the number of operators up to 3,316. In the case of the processors, their number has increased from 39 (2006) to 48 (2007) and 85 (2008), decreasing to 74 in 2009.

Table 1 Organic farming: 2006-2009. Evolution.

Indicator	2006	2007	2008	2009
Number of certified organic operators	3,409	3,834	4,191	3,316
Number of processors	39	48	85	74
Total areas certified for organic farming (ha)	143,194	190,129	221,411	240,000
Percentage of certified areas out of the total agricultural areas (%)	1	1	2	2.6
Areas of certified arable land out of the total organic farming areas (ha)	45,605	65,112	86,454	127,199
Areas of certified permanent crops representing pastures and hay-fields out of the total organic farming areas	51,200	57,600	46,006	23,670
Areas of certified permanent crops representing orchards and vineyards out of the total organic farming areas	294	954	1,518	1,590
Harvesting from spontaneous flora	38,700	58,728	81,279	82,871
Other certified areas from the total organic farming areas	7,395	7,735	6,154	4,670

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E-COMMERCE USE IN TOURISM INDUSTRY

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Abstract: *The aim of this paper is to present the impact of Internet on tourism, highlighting the main benefits and limitations of e-commerce in the tourism industry. The article will provide some fundamental knowledge about the ICT (Information and Communications Technology) developments and their implication on various sectors of the travel and tourism industry, related to the world economic situation.*

Key words: electronic commerce, tourism, e-tourism.

JEL classification: L81, L83, L84

1. Introduction

The Internet which is considered to be the most important innovation since the development of the printing press (Hoffman, 2000) has revolutionized how businesses operate.

In 2010, Internet reached almost 2 billion users worldwide(28,7% of the total population) including more than 800 million Internet users in Europe (58,4% of its population) and approximately 7.8 million users in the Romania (35% of its population). These figures represent an increase of 444,8% compared to the year 2000.

Table 1. Internet Usage and penetration rate

	Population (2010 est.)	**% Pop. Of the world**	**Internet users**	**Penetration (% Population)**	**Users Growth (2000 -2010)**
Romania	**21,959,278**	**0.32%**	**7,786,700**	**35.5 %**	**873.3 %**
Europe	**813,319,511**	**11.9 %**	**475,069,448**	**58.4 %**	**352.0 %**
Rest of the world	**6,010,331,171**	**87.78%**	**1,483,658,668**	**24.7%**	**482.8%**
Total world	**6,845,609,960**	**100%**	**1,966,514,816**	**28.7 %**	**444.8 %**

(Source www.internetworldstats.com)

Due to the uninterrupted growth of the Internet penetration rate, demographic characteristics of online users are resembling more and more the ones of the general population. The average age of Internet users is rising in tandem with that of the general population, and racial and ethnic characteristics are more closely mirroring those in the offline population (eMarketer, 2010).

Another interesting is the fact that over 90% of people between age of 5 and 17 use the Internet on a regular basis (Turban, King, McKay, Marshall, Lee & Viehland, 2008). These younger generations are more familiar with the Internet than other media such as radio and television. When they will become economically active population, the Internet will be the most influential medium in business.

From the early ages of the public Internet development, the search for travel information and for the purpose of making a booking has been one of the main reasons that people use the Internet. The top 5 most popular online purchases were books (66%), clothes (57%), travel arrangements (57%), gifts (51%) and CDs (45%) in the US in 2007 (Center for the Digital Future, 2008).

The tourism industry has demonstrated rapid growth before the impact of the financial crisis and therefore has been identified as a key element of growth in the services sector.

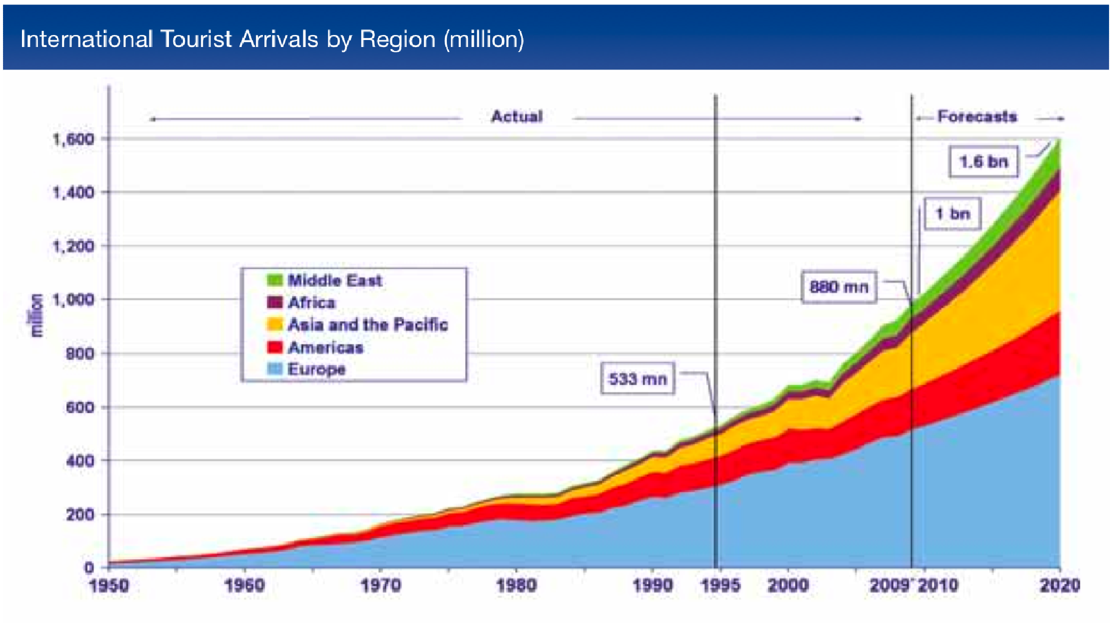
The tourism industry continues to be an important element as foreign exchange earner, contributing to the growth of the Gross Domestic Product (GDP), the growth of the investments and employment rate as well as strengthening the services account of the balance of payments.

According to the World Tourism Organization (UNWTO) the tourism's contribution to worldwide GDP is estimated at some 5%, and ranges from approximately 2% to over 10% for countries where tourism is an important sector of the economy (UNWTO Tourism Highlights 2010).

The global economic recession combined with other problems related to natural disasters and influenza pandemic made out of 2009 one of the toughest years for the tourism sector worldwide. The year 2009 marked a decline in international tourist arrivals all over the world (880 million) and the tourism sector in Europe was the strongly affected. But starting with the 4th quarter of the year growth returned, after 14 months of negative results.

And good news is announced by the UNWTO prediction that international arrivals will almost double reaching 1.6 billion by 2020 (UNWTO Tourism Highlights 2010) and will continue to grow at a rapid pace.

The expansion of this industry will also have a benefic effect on the economic growth of other related service industries, such as food and beverages, accommodation, transport, shopping, entertainment and other small and medium-sized industries.



Source: UNWTO Tourism Highlights 2010

2. The connection between ICT and Tourism

Tourism industry has been linked with the progress and evolution of ICTs for over 30 years. Commencing in the 70's with the establishment of the Computer Reservation Systems (CRSs), then in the 80's the evolution of the Global Distribution Systems (GDSs) and the Internet in the 90's have changed operational and strategic practices in tourism.

Nowadays ICTs are relevant on all operative, structural, strategic and marketing levels to facilitate global interaction among suppliers, intermediaries and consumers around the world (Buhalis & Law, 2008; Egger & Buhalis, 2008)

Tourism is a dynamic sector of the economy, regardless if it is considered at local, national or international level, and as the Internet penetration rate increased, the use of e-commerce can became an effective tool to promote and develop new opportunities in the travel and tourism sector.

Because tourism can be considered an information intensive industry it has experienced important changes over the past few years due to the strong evolution of ICT, which together with the Internet spans the globe (G. Schneider, 2007). "The tourism sector is characterized by the intensive production of information, to meet the needs of the various actors" (Ramos *et al.*, 2009).

ICT has significantly altered the playground for travel and tourism stakeholders, creating new opportunities and challenges in selling and promoting their products/services. The way in which potential clients search for travel information and buy their holidays packages was also altered by the unforeseen development and mass diffusion of Internet.

Tourism and Internet combined together revolutionized the way of traveling.

The cumulative effect generated by the following factors: the progress made in the field of the ICTs combined with the fact that technology became largely available; the digitalization of business; the growth of e-commerce in al fields of the economy; the adoption and integration of these revolutionary technologies in the field of tourism led to the birth of the concept of "e-tourism". Electronic tourism (e-tourism) is defined as being the application of ICT on the tourism industry (Buhalis, 2003).

After a literature review of works done on this domain I would like to point out that experts stated that e-tourism represents the digitalization of the value chain and business processes in the travel, tourism, hospitality and catering industries.

"At the tactical level, it includes e-commerce and applies ICTs for maximizing the efficiency and effectiveness of the tourism organization. At the strategic level, e-tourism revolutionizes all business processes, the entire value chain as well as the strategic relationships of tourism organizations with all their stakeholders". (Buhalis, 2003)

3. Benefits and limitations of the Internet and ICT

As mentioned above the evolution in technology allowed existing business to re-engineer themselves through technological innovation and permitted the entrance and creation of new business. The implementation and use of e-commerce applications present a series of advantages but also a series of disadvantages.

The most relevant benefits and limitations of electronic commerce use are displayed in the tables below:

Table 2. Benefits of e-commerce

Benefits to Organizations
➢ Locating customers and/or suppliers worldwide, at reasonable cost and fast ➢ Reduce cost of information processing, storage, distribution ➢ Reduce delays, inventories, and cost through supply chain improvements ➢ Business always open (24/7/365); no over time or other cost ➢ Customization/personalization at a reasonable cost ➢ Seller can specialize in a narrow field, yet make money ➢ Facilitate innovation and enable unique business models ➢ Rapid time-to-market and increased speed ➢ Lower communication cost ➢ Saves time and reduces cost by enabling e-procurement ➢ Improve customer service and relationship through direct interactions with customers ➢ May need fewer permits in business and be able to avoid sales tax ➢ All distributed material is up-to-date ➢ E-commerce may help small companies to compete against large ones by using special business models ➢ Using customization inventories can be minimized ➢ Reduce distributing cost by deliver online
Benefits to consumers
➢ Can shop any time from any place because of ubiquity ➢ Large selection to choose from a variety of channels (e.g., vendor, products, styles) ➢ Can customize many products and/or services ➢ Can compare and shop for lowest prices ➢ Digitized products can be downloaded immediately upon payment ➢ Easy finding what you need, with details, demos, etc. ➢ Do auctions any time and from any place ➢ Sometimes no sales tax ➢ Can work or study at home ➢ Can socialize online in communities yet be at home ➢ Can find unique products/items

Source: Turban et al. 2008

ICT and Internet have provided the means for tourism organizations to develop their business processes and adapt their management structure and strategy to take advantage of the newly created possibilities in order to:

- Increase internal efficiency and better manage of their capacity and improve yield management.
- Interact more with existing and potential customers and personalize the products/services in order to meet their needs.
- Revolutionize tourism intermediation and increase the number of points of sale.
- Enable consumers to communicate with each other and share opinions.
- Provide Location Based Services – utilize the ability to make use of the location of the mobile device. (Virrantaus *et al*. 2001)
- Promote of efficient cooperation between partners in the value system.
- Enhance the operational and geographic scope by offering strategic tools for global expansion. (Buhalis, 2003)

Table 3. Limitations of e-commerce

Technological Limitations
• Lack of universal standards for quality, security, and reliability • The telecommunications bandwidth is insufficient, especially for m-commerce • Software development tools are still evolving • It is difficult to integrate Internet and e-commerce software with some existing (especially legacy) applications and databases • Special web servers are needed in addition to the network servers, which add to the cost of e-commerce • Internet accessibility is still expensive and/or inconvenient • Order fulfilment of large-scale B2C requires special automated warehouses•
Non-technological Limitations
➢ Security and privacy concerns deter customers from buying ➢ Lack of trust in e-commerce and in unknown sellers hinders buying ➢ People do not yet sufficiently trust paperless, faceless transactions ➢ Many legal and public policy issues, including taxation, have not yet been resolved or are not clear ➢ National and international government regulations sometimes get in the way ➢ It is difficult to measure some of the benefits of e-commerce, such as online advertising. Mature measurement methodologies are not yet available ➢ Some customers like to feel and touch products. Also, customers are resistant to the change from shopping at a brick-and-mortar store to a virtual store ➢ In many cases, the number of sellers and buyers that are needed for profitable e-commerce operations is insufficient ➢ Online fraud is increasing ➢ It is difficult to obtain venture capital due to the failure of many dot-com's

Source: Turban et al. 2008

The most discussed technological barriers are the lack of global standards for quality, security, and reliability (Turban et al., 2008; Van Toorn, Bunker, Yee, & Smith, 2006). The absence of standards in technologies and its applications can increase semnificatively the cost of system integration for a more efficient management in distribution, operation and communication worldwide.

Hospitality corporations had the financial power to invest and transform their systems into a "total netware system". Small and medium-sized tourism enterprises (SME) on the other hand are having trouble integrating their systems because of limited financial resources. Due to this fact SME have a competitive disadvantage when competing against large corporation and it is difficult to conserve their position on market.

The major non-technological problem is the payment and privacy issues, which can result in keeping consumers away from making online transactions. Businesses must protect themselves and their customers from losses due to cyber-vandalism and fraud, offering secure transactions and privacy protection of personal information by using advance cryptographic methods.

The large availability of Internet created huge amounts of information, some of which can be inaccurate and deluding. For this reason, the Internet has lead to a decrease in the efficient search for information (Allen & Shoard, 2005; Farhoomand & Drury, 2002; Lurie, 2004).

From the consumer point of view this may result in frustration due to the increased number of alternatives and attributes and finally may lead to increased cost for searching and indentifying alternatives

Using ICT as a stand-alone initiative is not adequate and has to be combined with redesigning the business processes, structures and management control systems. ICT can enhance business success when rational and innovative planning and management is exercised on regular basis in organization.

Intellect therefore becomes a critical asset, while continuous education and training are instrumental for the innovative use of ICT and the competitiveness of tourism organizations. (Buhalis, 2003)

The integration of e-commerce application in tourism affected both supply and demand in this industry. In all sectors of the tourism industry the influence of ICT and Internet can be noticed through internal re-organization, relationships with partners and the way it relates and interacts with customers and stakeholders.

E-tourism offers a wide range of opportunities for business expansion in all geographical, marketing and operational senses and as a result an important number of new players have arisen, sometimes referred as "barbarians" in the literature (Wade, 2000), as they enter with self-defined new rules.

Table 4. Influence on various tourism industry players

- Tourists are addressed by more players, and they play a more active role in specifying their services, such as by using reverse-auction sites.
- Travel agents see a diminishing power in the sales channel, prompting them to put more emphasis on consulting and more complex products.
- Internet travel sites are providing new market functionality and technology, focusing on personalized intelligent tools for travelers (we will describe the recommendation functionalities).
- Destination management organizations are developing cooperation models within destinations. Here they will occupy a new role as consolidator and aggregator.
- Based on mass-customization and flexible configurations, tour operators will blur the boundaries between the individual and packaged tour.
- CRS/GDS demonstrate an "Intel inside" marketing strategy by linking to major tourist Web sites to increase transaction volume. They also move into direct sales for the retail segment.
- Suppliers will increasingly form alliances and support electronic direct sales, increasing price competition as well as price differentiation. They will also redefine customer processes such as electronic ticketing or automated check-in.

Source: Werthner, H. and Klein, 1999

4. Conclusion

Travel and tourism have demonstrated that e-commerce may influence the structure of an industry, and provide new opportunities for business.

In order to keep up with the highly demanding and better-informed customers, tourism organization have to use the advantages provided by the development of ICT and integrate the innovational technologies into their business process. The changes in industry structure is equally affecting large corporation and small and medium companies but it is more stringent for SME to master the ability grasp the opportunities provided by ICT, because failure to do so will materialize in loss of competitiveness and business opportunities.

As experts stated it: "Given the importance of e-commerce in tourism, it is essential that tourism organizations adopt e-commerce as their business strategy".

All type of tourism organization should pay attention to the new mobile technologies that emerged in the past few years and to the advantages offered by m-commerce because this may take e-tourism a step forward by offering a better interaction with the customers. The study of what seems to be materializing, as "m-tourism" will be the focus of further research.

Due to the fact that the use of e-commerce had a continuous and rapid growth despite the current economic situation combined with the great potential of the tourism sector, I venture my self in stating that e-tourism can provide us with a way to surpass more quickly the negative effects generated by the international financial crisis into the economy.

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THE BRITISH MODEL – SOLUTION IN TAKING AGROTURISM IN ROMANIA OUT OF THE CRISIS

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Abstract: *The aim of the paper is to analyse the developments in terms of quality certification in tourism and rural tourism in Great Britain. Our research goal is to outline the long British tradition which may serve as an example to Romanian agrotourism in its attempt to overcome the current crisis. The agency which deals with agrotourist establishment classification and promotion in Great Britain is called "Visit Britain". The expected results of our research activity are to achieve a quality and services standard as close as possible to the one in countries with a long tradition in rural tourism.*

Key words: tourism, crisis, agrotourism, classify Guesthouses and Agrotourist Farms

JEL classification: G 01, H 12, L 83

1. Introduction

Rural tourism in Great Britain has a long tradition, especially in the western regions of the country from Dorset, Devon and Cornwall the south-west and to the mountains of Scotland. In this region, we find small farms with less fertile soils which benefit from agrotourism, as well as many National Parks and coastal areas famous for their picturesque aspect, but unfortunately the climatic conditions are not favourable to tourism.

The development of rural tourism and other types of tourism in Great Britain is closely related to the development of transport networks, which were represented at the beginning by railroads, and now by road and highway networks.

The development of tourism in the 1950s and 1960s was more accelerated in Great Britain coastal areas and then in the 1970s and 1980s it suffered a decline almost equal to the development in the previous years, partly caused by the tourist packages offered by the Mediterranean countries.

Due to these decreases, guesthouses had a small number of rooms and fewer leisure facilities and relaxation activities. Thus, various associations of guesthouse owners appeared and, although they had existed since around the 1940s, they became famous only during that interval, their number increasing considerably. These associations were usually made up of 20, 30 members and focused their efforts on small tourist promotion activities, although in the mid-1980s they had started focusing more on improving their members' quality standards.

By analysing the Rural Tourism in Great Britain in the 1980s, we identify a number of factors that had a strong influence on this type of tourism.

1. Major changes in the European Union's and British government's Common Agricultural Policy.
2. The „deurbanisation" phenomenon, consisting in the fact that the inhabitants of large cities return to villages or small rural towns.
3. A rapid increase in the general consumption, but at the same time with this phenomenon there was also a concern about the effects of this increase on the environment. Thus, the concept of Sustainable and Ecological Tourism appeared, which matched the rural tourism better.
4. Regional tourist agencies saw the trends to favour Agrotourism on the part of the British Government, due to its economic potential, and to create new jobs.
5. A thorough revision of the education system which trains specialists in tourism in order to develop new training courses, to train people specialised in rural tourism.

Tourism market research in the 1980s indicated that 21% (52 million) of the holidays longer than 4 days (3 nights), 12 million two-day stays and 57 million business trips are located in the rural area. The tourists that arrived in rural areas spent over £300m (£200m brought by foreign tourists), and the number of tourists increased to 850 million, and they spent over 1900 million days in the rural tourist environment.

The main reasons which lead to these figures were: the aspect of the rural space, the landscape, the warm and hospitable people, peace, the quality-price ratio and an increased interest in understanding the rural space. An important contribution to these achievements was also made by the local organisations promoting agrotourism.

Rural tourism begins to attract more and more visitors with lager financial resources and revenues are expected to increase in the following intervals. Rural tourism development is also influenced by the fact that a higher resistance to the recession factors was identified as compared to other domains. For a continuous development of this sector it is necessary to make investments in the transport infrastructure, to have better cooperation between the governmental and non-governmental agencies in the field and the European Commission, and due to the recent global concerns about preserving the environment and the risks to human health that have emerged lately it seems that agrotourism will be preferred more and more.

Unfortunately, yet, the Rural Tourism industry is still quite fragmented and lacks an efficient coordination and, although one of the strengths of agrotourism is the anti-urbanisation attitude, some tourists who choose agrotourist services still expect a high level of services and utilities available in the guesthouse.

Another aspect of rural tourism is represented by the entry on this market of new players who, unfortunately, due to their desire to provide a very high comfort and services level forget about the rustic, traditional and ecological aspect of agrotourism and fails in maintaining a profitable business.

Unfortunately, due to a strong opposition of rural communities to develop agrotourism from accommodation establishments with a small number of rooms to establishments with an increased number of rooms (over 25), it has been proved that larger agrotourist establishments are more profitable, provide more jobs and are even more environmentally friendly.

Thus, Great Britain invites you to visit its rural areas and thus you can profit from the wonderful scenery, the fresh air and various home-made meals.

2. Ways to classify Guesthouses and Agrotourist Farms

The agency which deals with agrotourist establishment classification and promotion is called “Visit Britain” and it was created on 1 April 2003, in order to promote Great Britain in the world and among its own citizens. The agency was created after the merger of the British Tourism Authority and The Tourism Council in Great Britain, having as main objective to build a strongly positive image of British tourism and to promote it intensely.

3. Quality Improvement Standards

Quality is an essential element in the process of achieving a competitive tourist industry in Great Britain. The “Visit Britain” idea is to achieve a quality and services standard as close as possible to the one in the countries with a long tradition in the rural tourism field. This objective can be achieved by providing tourist services which exceed or at least equal the tourists’ requirements. Thus, the establishment of standards is crucial for the development of British agrotourism, the agency collaborating closely with the tourist industry representatives and with the local authorities in the areas with tourist potential, encouraging them to join the “National Quality Assurance Standards” Programme.

The National Quality Assurance Standards Programme (NQASP) provides a wide range of facilities, namely:

- Including the members in the in the promotion campaigns in the country and abroad

- Including the tourist establishments in the “Enjoy England” promotion guide
- Detailed assessments, reports and recommendations which will help the owners or managers take efficient measures to improve the tourist services quality;
- Tourist establishments classification according to the consumers’ preferences

4. Behaviour code and NQASP participation conditions

4.1. Behaviour code

The guesthouse owner or manager must implement and monitor the observance of the following requirements:

- Maintain the level of services provided to the customers at standards complying with the classification level of the agrotourist establishment and with cleanliness;
- Accurately describe the agrotourist establishment and the services it provides in any type of promotional materials;
- Correctly and thoroughly inform the customers with reference to the prices charged by the establishment and the services which are included in these rates;
- Inform the customers about the booking cancellation policies at the moment they are made;
- Observe the prices offered to the customers when booking the accommodation and not to change these prices;
- Inform the tourists when they check in about the possible changes in accommodation or services provided;
- Give details about the invoice and a receipt to any tourist, upon request;
- Promptly and politely solve any of the tourists’ requests;
- Establish a methodology for solving potential complaints from the tourists as fast as possible, informing them as to the results;
- Pay increased attention to customers with special needs;
- Receive guests politely and warmly regardless of race, gender or sexual orientation;
- Observe the laws regarding the fire fighting norms and take out insurance policies that cover potential damages caused to the tourists’ goods or even or harm to the tourists themselves during their stay in the agrotourist establishment;
- Allow the “Visit Britain” (VB) agency representatives reasonable access within the guesthouse, upon request, in order to check their compliance with the Behaviour Code.

4.2. NQASP participation conditions

- To meet or exceed the minimum requirements for joining this programme, as made by the “VB” association;
- Observe the “Visit Britain” agency Behaviour Code;
- The establishment will be assessed yearly or following complaints;
- Pay an annual fee for participation in this programme;
- Fill in an annual assessment questionnaire.

5. Ownership Transfer

When an agrotourist establishment is sold, the qualitative classification associated with it cannot be transferred to the new owner, without the written agreement of the “Visit Britain” association. The new owner must write an application letter to the “VB” in order to be able to participate in NQASP.

6. Quality Assessment

There are five quality classification levels ranging from one star to five stars. In order to obtain a high number of stars, it is necessary to increase quality in five key domains, namely: Cleanliness; Hospitality; Breakfast; Rooms; Restrooms NQASP.

Moreover, in order to obtain the maximum number of stars the agrotourist establishment is also expected to provide other services and facilities in addition to the highest standards provided in the five categories mentioned above.

7. Minimum certification norms

7.1. Minimum requirements regarding the guest room sizes: Single room: 5.6 square metres; Double room: 8.4 square metres; Suite: 10.2 square metres

In measuring the rooms, we take into account the distance between the walls of the room without considering the area taken by the furniture. In order to receive a classification higher than a star, these sizes must be larger. The ceiling height must be at least 1.85 metres. Family rooms must be substantially larger.

7.2. Minimum bed sizes: Single beds: 190 x 90 cm; Double beds: 190 x 137 cm; Beds of: 183 x 75 cm are recommended only for children; Beds of: 190 x 122 cm are recommended to be used only as single beds.

During the assessment, each aspect which is taken into account will receive the grade equalling one star. Thus, a general score is established for the quality in accordance with a series of requirements. The establishment will receive a star classification if it achieves certain standards in a few key domains, namely: cleanliness, hospitality, guestrooms (bedrooms), bathrooms and breakfast, but also the other minimum requirements relevant in establishing a quality standard must be achieved. For example, in order to obtain a 4**** rating, the establishment must meet most of the essential conditions presented above and the overall percentage of meeting the essential conditions presented above and the overall percentage of meeting the conditions must range from 70% to 84%.

8. Required percentages in order to obtain quality stars: 1 Star – 30-40%; 2 Stars- 47-50%; 3 Stars - 55-69%; 4 Stars - 70-84%; 5 Stars - 85-100%.

9. Differentiation according to stars

An agrotourist establishment will have to achieve three elements in order to be granted a certain classification:

- All the minimum requirements
- The overall percentage obtained must correspond to the percentage allocated to one of the five quality standards (stars)
- The quality standards required in the five key domains presented above must be achieved
- The score of at least three key assessment elements must be equal to or exceed the overall score obtained by the agrotourist establishment

Certification will be granted as follows:

- The certification level may not exceed the level of the lowest score obtained for one of the classification criteria
- The establishments must obtain at least the minimum score for 1* to obtain a certification.

10. Assessment percentages for the key criteria:

- Cleanliness: 1 Star- 40-49%; 2 Stars- 50-59%; 3 Stars - 60-74%; 4 Stars - 75-89%; 5 Stars - 90-100%.
- Hospitality: 1 Star - 30-49%; 2 Stars - 50-64%; 3 Stars - 65-74%; 4 Stars - 75-84%; 5 Stars - 85-100%.
- Breakfast: 1 Star - 30-39%; 2 Stars - 40-59%; 3 Stars - 60-69%; 4 Stars - 70-79%; 5 Stars - 80-100%.
- Bedrooms and bathrooms: 1 Star - 25-34%; 2 Stars - 35-49%; 3 Stars - 50-62%; 4 Stars - 63-79%; 5 Stars - 80-100%

E.g.: An agrotourist establishment that wants a 3*** classification obtained the following scores: Cleanliness - 68%; Hospitality - 72%; Breakfast - 62%; Bedrooms - 67%; Bathrooms - 69%. According to these results, the guesthouse obtained the 3*** classification.

Table 1: An agrotourist establishment classification

	Stars				
Key elements	**1**	**2**	**3**	**4**	**5**
Cleanliness			**X**		
Hospitality			**X**		
Breakfast			**X**		
Bathrooms				**X**	
Bedrooms				**X**	

Source: Authors' own research

The following aspects are taken into account in making an assessment for the star classification:

Cleanliness in: bathrooms, bedrooms, dining halls, public spaces

Hospitality: in bookings, on arrivals, during meals, while providing various types of services, on departure.

Service and efficiency: in bookings, on arrival, during meals, on departure

The establishment's exterior aspect: the buildings' aspect and maintenance, façade, garden, yard, parking lots, leisure facilities

Bedrooms: decorations, furniture and fittings, floors, beds and bedding, lighting, heating and ventilation, room space and comfort.

Bathrooms: decorations, fittings, sanitary objects, floor, lighting, heating, ventilation, towels and toiletries, space, comfort and ease in using the utilities.

Dinner and breakfast foodstuffs quality.

11. Quality norms

11.1. Establishment cleanliness

Table 2: Establishment cleanliness

1 Star	All areas must be clean and dustless; All the rooms must be vacuum cleaned daily; The public areas must be tidy.
2 Stars	Very good cleanliness in all the rooms and public areas of the establishment, with minor slips.
3 Stars	Increased attention to details, an untidiness level as low as possible and elimination of dust layers in public places more often; Furniture with soft finishing elements and soft carpets, both well-maintained; All the areas are properly tidy; All the establishment areas smell freshly.
4 Stars	Clean areas dusted often. Furniture and carpets with soft texture and cleaned thoroughly and frequently; Much more attention to details in all the establishment areas; Pillows and bedding kept under hygiene conditions in each room.
5 Stars	Perfectly maintained areas; Immaculate furniture and carpets; Freshly cleaned bedding.

Source: Authors' own research

11.2. Hospitality

Table 3: Hospitality

1 Star	Interaction and contact with the guests are limited.
2 Stars	All the guests are served promptly in a polite manner
3 Stars	The tourists are welcomed with a positive attitude and always with a warm smile by the owner or employees; A good first and last impression.
4 Stars	More complete and customised services for each and very tourist; The staff will engage in conversation with the tourists exhibiting a positive attitude; The guests must be made to feel at home, being welcomed very warmly.
5 Stars	The guests will be personally welcomed by the owner or manager; Good knowledge and anticipation of the customers' needs; An additional services offer such as: fresh milk, telephones at the tourists' disposal, recommendations on tourist sights and restaurants in the area;

Source: Authors' own research

11. 3. Services and efficiency

Table 4: Services and efficiency

1 Star	The customers' basic personal contacts are registered; Access to the establishment on arrival may be restricted; Random registration of the guests; The guests are directed to their rooms;
2 Stars	Competent reception employees who deal with bookings, requesting more detailed information such as: name, surname, address, phone number, stay length, number of double/simple rooms required; The guests will be informed of the potential restrictions within the establishment at the moment they make the bookings; Well-organised checking-in procedures;
3 Stars	A specialised department at the tourists' disposal which deals with bookings, complaints or other superior information; Availability to assist the guests on arrival;
4 Stars	Well-organised guest relations department; The tourists will be seen to their rooms and information will be provided to them about the tourists sights in the region; Assistance in carrying luggage;
5 Stars	The guesthouse phone must not ring more than five times before the call is taken; Bookings are made professionally and politely, reassuring the tourists that the data were accurately recorded; Confirmation letters with details about the access roads to the guesthouse mailed, faxed or e-mailed;

Source: Authors' own research

11.4.Dinner and general services

Table 5: Dinner and general services

1 Star	Adequate services and hospitality level; Tables placed and laid accordingly for serving meals
2 Stars	Competent services accompanied by a positive attitude; Reasonable knowledge of the assortment of drinks and foods available
3 Stars	Prompt responses to the quests' requirements for supplementary services; In larger establishments, all the customers' requirements are directed to the reception and bar staff to be solved promptly; In establishments where dinner is not served, the guests will be directed to other establishments in the area where they can have dinner; A menu will also be available in establishments where dinner is served; Good knowledge of the assortments of drinks and food available; A quite efficient service;
4 Stars	Availability to provide supplementary services; Spontaneous offer to help in finding an establishment that serves meals Very good knowledge of the assortments of drinks and food available; Full services, making sure that the tourists have bread and water on the table, rapid cleaning of tables and sporadic checking of customer satisfaction even during the meal.
5 Stars	In establishments where dinner is not provided, the tourists will be given detailed information about the restaurants in the area and even their menus; Providing additional services in advance, such as lighting the fire in the rooms before the guests arrive and a high level of anticipating tourist needs; A thorough description of the assortments of drinks and food available in the guesthouse;

Source: Authors' own research

11.5.Procedures upon departure

Table 6: Procedures upon departure

1 Star	Adequate services on departure with a limited contact between the host and guests; The invoice is provided on request.
2 Stars	The tourists' departure must not be delayed by the guesthouse staff The owners or the staff are available to provide more details about the invoice;
3 Stars	Efficient procedures in assisting the guests on departure; Preparing the invoice in time;
4 Stars	Efficient assistance on departure; The owners or the staff must be well-trained regarding all the accepted payment methods;
5 Stars	The staff or the owners must be available on departure for any information an payment of the invoice; The invoice must be correct, detailed and very well explained; The guests are asked whether they felt good during their stay; Assistance in carrying luggage and guidance in finding the most efficient route to the destination;

Source: Authors' own research

11.6.Buildings' exterior

Table 7: Buildings' exterior

1 Star	The exterior must be in good conditions; The property must be maintained adequately;
2 Stars	Good maintenance of the building, including the windows; Limited wear and tear signs in areas with limited guest access; A neat building aspect
3 Stars	Well maintained buildings and property
4 Stars	Very good maintenance of the stone walls and painted walls, although a certain level of decay due to climate conditions is accepted; Improvements to the property yard with large building windows;
5 Stars	Excellent building and yard maintenance standards; All the buildings must be painted accordingly; The existence of improvements and floral arrangements; Additional architecture and decorative elements; Well-lit yard with signs;

Source: Authors' own research

11.7. Yards, gardens and façades

Table 8: Yards, gardens and façades

1 Star	Give a good first impression, dustbins and toolsheds must be located in distant areas and they must be well-kept; Safe walkways; Well maintained alleys;
2 Stars	Dustbins and toosheds located in remote areas; More obvious efforts to maintain and clean the yard and gardens; Efficient lighting and signposting where necessary; Easy access to the yard and gardens;
3 Stars	Well maintained and clean yards with well-built alleys and walkways; Adequate overall aspect; Efficient lighting and signposting with a long driveway for cars; Easy access inside the property;
4 Stars	Dustbin area must be secluded, outside the tourist area; High garden maintenance standards, with flower beds and clean alleys; Ornamental bushels and trees must be trimmed and maintained properly.
5 Stars	The yard and garden must be very well maintained, with flower beds, trimmed bushels, trimmed trees, mowed and neat lawn, large alleys painted in bright colours; Good organisation of the yard and garden, adding garden furniture, gazebos, spring wells and other such facilities available to the tourists;

Source: Authors' own research

11.8. Parking lots

Table 9: Parking lots

1 Star	Quite easy and safe access to the parking lots;
2 Stars	Small steps in managing the parking lots;
3 Stars	Easy and safe access to parking lots, which are marked; Adequate lighting;
4 Stars	Clear marking of parking lots;
5 Stars	Ample and clearly marked spaces; Providing a guest car security level; Alleys and staircases leading to the parking lots must be well-lit;

Source: Authors' own research

11.9. Bedrooms

Table 10: Bedrooms

1 Star	Decorations must be functional; A limited number of paintings and other decorations; A limited number of furniture items; Lighting and heating facilities must be adequate and safe to use; All the windows must have curtains or blinds that cover the whole window surface; The floors provide an adequate comfort, some wear and tear signs may be obvious and a professional finish is not compulsory; Illuminators must have the forms and sizes necessary in lighting the entire room; Heating facilities must provide optimum temperatures during the stay, portable ones are also accepted; A very limited range of quality accessories; Doors and drawers must all open without having to move other furniture items; The rooms are large enough to include all the necessary furniture items, but without paying attention to their setting; Reasonably sound-proof, without noises coming from sanitary equipment or hallways;
2 Stars	Decorations may be old but not damaged, scratched or torn A wider range of furniture items, which may also be older but still in good condition; Low comfort level provided to the guests; Good quality curtains and blinds used more easily; Good quality floors, but carpets are mostly made of synthetic materials; Good lighting made up of a main lighting element and a secondary one with a minimum cumulated value ranging from 160 to 220 watts; Heating equipment may be portable but may benefit from thermostats; A limited range of quality accessories; The rooms must be large, with enough space between furniture items, so that they are not crammed; Good furniture setting; Bed access is only on one side;

3 Stars	Interior decorations must be selected carefully; Good quality wallpaper and paintings; Good quality, well-preserved furniture; Good furniture setting; Furniture items number and size must be in accordance with the space available in the room; Well-placed lighting elements, providing good light; Good quality blinds; Good quality wood floors, well fitted and in good condition; Plenty of natural light and heating equipment providing a constant temperature in the entire room, controlled by thermostats; A good range of quality accessories; Enough space for the tourist to move freely and with a good level of comfort, optimum furniture setting, TV-set, access to bed possible on both sides, comfortable chairs and a large number of sockets.
4 Stars	A very good standard for decorations, very good quality drawings and paintings are used and an attempt to hide the cables and pipes in the room; High quality furniture, not necessarily new, but providing a substantial level of comfort; Blinds covering all the window surface; High quality floors, not necessarily new and possibly exhibiting wear and tear signs, or lower quality but very well maintained, professionally fitted; Comfortable mattresses, very high quality bedding matching the rest of the room, supplementary bedding hygienically packed, with high quality pillows, and anti-allergic finish; Very good lighting level with easy access and control. Various lighting elements may be used to match the rest f the decorations and furniture items in the room; Eating equipment is fitted properly and controlled by thermostat. A wide range of good quality accessories is provided; A well-designed furniture setting is used to provide ample space in the room, even if it is smaller, very good access to both bedsides, a chair is provided to each guest, minimum noise level;
5 Stars	Excellent interior setting, with great attention to details, combining the colour and textures in the room very well. Very good quality wall finish, with special attention to furniture items considered to be luxury ones; Furniture items are very high quality, with copies of luxury furniture made of massive wood, a wider range of furniture items necessary in providing a high level of comfort, including at least two very comfortable chairs. Very good quality thick drapes, large enough to completely isolate the windows; Professionally fitted floors, covered with high quality carpets, polished and laminated. Superior quality beds, with orthopaedic mattresses, perfectly cleaned and laid bedding, supplementary bedding sets and pillows easily available to the tourists and kept under maximum hygiene conditions; A wide variety of lighting elements is also provided, all matching the rest of the decorations and finishes in the room, the possibility to control the intensity of the light wither from the bed or from near the door. Heating equipments are controlled by thermostat, and if temperatures increase a lot, cooling equipment is provided to the tourists. A wide range of very good quality accessories. No noise is allowed;

Source: Authors' own research

11.10. Bathrooms, toilets and sanitary objects

Table 11: Bathrooms, toilets and sanitary objects

1 Star	Functional decorations, tiled walls. Sanitary objects of acceptable quality and properly fitted. Thick drapes covering the windows. The floors are adequate, some wear and tear signs may be visible, they are not professionally fitted. Lighting elements adequate to the space, heating equipment in accordance with the space, it is recommended that they are fixed for safety. Efficient ventilation. Satisfactory quality towels with a minimum diversity and small sizes, only the soap is provided by the establishment, possibly unwrapped. The provided space is enough and satisfactory, water pressure is adequate.
2 Stars	Old decorations without obvious scratches and deteriorations. Metallic items are of good quality, but may be old and used, sanitary objects may be uncoupled and some may be plastic. The floors are of good quality, and the part covered by linoleum or tiles should be in good condition. Lighting is good, probably provided by a single lighting element. Towels may be thicker and matching. The soap is of average quality but it may be wrapped, other accessories, yet of a lower quality, may be found. The comfort level is good, the space is limited but enough for the comfortable use of the sanitary equipment.
3 Stars	Well finished, good quality materials used in finishes, good quality and matching sanitary objects, good quality blinds covering the entire window area, enough space for shelves for the guests' stuff. The floors are well fitted, good quality and comfortable, well-preserved wood floors are also found. Lighting elements provide good light especially near the mirror, enough natural light. The heating level is provided within comfortable limits. A wider range of better quality towels, they are changed once in 3 days except for the areas under certain ecological constraints. Good quality toilet paper, wrapped soap and shampoo are also provided together with enough space to allow free access to sanitary equipment.
4 Stars	A very good decoration standard and efforts are made to hide the pipes and cable. Shower cabins, good

	quality accessories, high water pressure and faucets which ensure a high control of the water flow and temperature. High quality floors, not necessarily new, professionally fitted. Lighting is very good especially near or in front of the mirror and several types of lighting elements may be used. Heating equipments are properly fitted, providing a uniform temperature controlled by thermostat. Very good quality soft and fluffy towels, better quality toiletries of a wider range, possibly all of the same brand. Enough space for shelves and an efficient setting of the sanitary furniture to provide an optimum space.
5 Stars	Excellent finish aspect with an increased attention to details, professionally made and perfectly maintained, paintings or drawings may also be found where they are considered necessary. All the sanitary accessories are of very good quality, plenty of hot water regardless of the time, high water pressure. Heating is provided through an automatic system controlled by a thermostat. The tourists have a wide range of towels, bathrobes, slippers and all the necessary toiletries of the best quality. He room provides an ample space, enough for any activity to be performed under total comfort conditions.

Source: Authors' own research

11.11. Food quality

Table 12: Food quality

1 Star	Possibly a pre-set menu but also other dishes may be available on request, plate decoration and side dishes are limited.
2 Stars	The food is served at temperatures specific to each type of dish, the list of dishes is limited, meals are prepared paying increased attention to details.
3 Stars	The food is well presented, freshly cooked, using good quality ingredients, some fresh ones, increased attention is paid to dish quality rather than their diversity.
4 Stars	Quite many fresh ingredients are used in cooking, and dishes are cooked with great attention to quality and details.
5 Stars	Dishes are excellently prepared and cooked using fresh ingredients, seasonal ones and preferably local ones. Emphasis is placed on the high quality of the products provided to the customers, a high level of details , varied side dishes.

Source: Authors' own research

12. Conclusions

After this analysis of rural tourism in Great Britain, we noticed a marked inclination towards tradition and conservatism among the British entrepreneurs in this domain. Agrotourist guesthouses in Great Britain are mostly owned by families, the administration of these businesses often involving only the members of these families. In agrotourist guesthouses with a four-star classification there also appear staff members from outside the family and qualified for this domain of activity.

Great Britain, as many member states, has also benefited from European programmes aimed at developing agrotourism, such as the „Agriculture-Environment-Tourism" programme which helped create and develop a high quality tourist product, taking into account environment protection, local culture and establishing new connections between agriculture, environment and rural tourism. The activities in the programme included carrying out case studies at inter-communal level, as well as four interregional seminars based on these studies.

Rural tourism in Great Britain has a long tradition which began in the 1950s and underwent a more accelerated development in the coastal areas between the 1950s and 1960s, but also a decline which almost equalled this increase between the 1970s and 1980s, especially due to the development of attractive tourist packages by the countries in the Mediterranean region.

Then Great Britain benefited from the major changes in the Common Agricultural Policy and from the „deurbanisation" phenomenon, thus revitalising this domain considered vital today in providing a decent standard of living in British rural areas. Thus, tourism market researches in the 1980s indicated that 21% (52 million) of the holidays longer than 4 days (3 nights), 12 million two-day stays and 57 million business trips are located in the rural area. The tourists that arrived in rural areas spent over £300m (£200m brought by foreign tourists), and the number of tourists increased to 850 million, and they spent over 1900 million days in the rural tourist environment.

The main reasons which lead to these figures were: the aspect of the rural space, the landscape, the warm and hospitable people, peace, the quality-price ratio and an increased interest in understanding the rural space. An important contribution to these achievements was also made by the local organisations promoting agrotourism.

Unfortunately, our country could not benefit from the European rural development programmes and thus the rural tourism sector remained behind and requires sustained revival efforts and considerable funds from the European Union. For these very reasons, the Romanian rural tourism has lost the traditional touch so essential to this domain of activity. In Romania, this field is dominated by relatively new guesthouses which do not preserve the traditional architectural style, but the culinary and folk traditions remain an important part of developing this type of tourism in our country.

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CHOOSING THE RIGHT TRANSPORTATION MODE FOR MINIMIZING THE DISTRIBUTION COSTS

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Abstract: *The paper aims to evaluate the actual transport modes and their possible combination available according with the latest technology and current restrictions and to elaborate a model for choosing the best multi-modal combination acording with the specific established objectives in order to minimise the distribution costs having in mind that the transport costs represent the biggest part from total logistic cost.The paper propose an original model for decision making process regarding the best sollution for goods distribution that it's customer oriented and correlates not only the infrastructure options with merchandise type but also with the clients objectives and priorities in order to offer them minimum costs for maximum utility.*

Key words: Innovative model, trasport, changes, customer oriented company.

JEL classification: L 90; N 70; R 40

1. Introduction

The evolution of the society has brought not only prosperity, new technology, comfort and a new life style but also has revealed new challenges and new problems when it's come to goods distribution. The reason it's quite simple. A global market means the possibility for more customers but also bigger mileages between the producer and the final consumer and when it's come to make a difference between two similar products, the price it's one of the most important criteria in the decision making process. Cutting costs by reducing the quality is not a good option in the fight for competitivity, so any other cost reduction while maintaining the same quality is the key. For that reason, it's essential to identify the areas where the reduction of costs can be made without reducing the quality. This could be possible through a better optimization of the processes and a better and wiser use of the resources, technologies and infrastructure available at the moment.

The goods distribution is that area where significant cost reductions can be achieved. But the words "the right transportation mode" does not mean to find a transportation solution that generates the lowest possible distribution costs. They mean to find the best transport solution from the original point to the destination point in order to satisfy multiple requests such as efficiency, minimal costs, best utility for the customer, environmental protection, etc and to take into account sustainable developments politics applied by some states or the European Union. This things signify that in certain countries some transport modes are favorised against others and generates important advantages if are used, such as lower taxes, faster transition at borders, etc that automatically can reduce distribution costs or transit times.

Another important aspect for choosing "the right transportation mode" must take into account the differences between the terms of "efficiency" and "efficacy" related the goods distribution for both provider and client. While from the point of view of the transport services provider, efficiency might be one of the main goal (for example having the lowest price for tons/km), for the client efficacy is in most of the cases more important that efficiency because for this might be much important that a delivery arrive in time with no delay that paying less money but having important delays because simply the costs for him generated by the delay are much higher the economy realized with that transport.

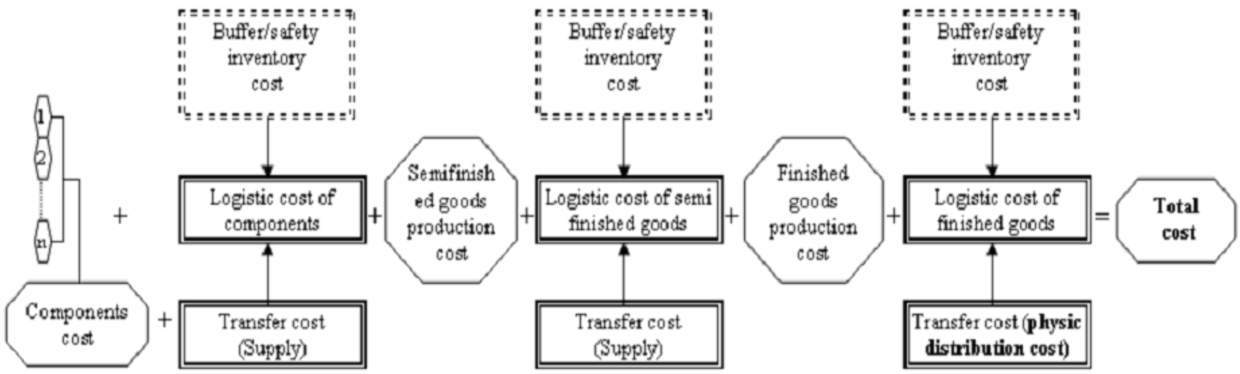
The paper takes into account all these kind of things and factors and provide a client-oriented model for choosing the transport mode that can be used by any logistics company and comes with a completely new approach making possible for logistics company to offer to their clients the best possible transportation solution for their goods according with their own needs, interests and objectives, ranking their priorities with the priority matrix described in the next sections.

2. The relationships between total cost, total logistics cost and distribution cost of a product

The amount of total logistics cost of a product can heavily influence the selling prince of a product. It's quite difficult to establish a percent because this varies a lot with the types of goods and the type of business. Even so, traditionally is estimated that total logistics cost of a product can reach up to 16 % from sales figure and can range between 20 to 25 % from total production cost.

From these two kind of percents related with the sales figure and total production cost the second one has a little more reality because sales figure is equal with the unitary price multiplied with the number of sold products and we must not forget that the unitary price of a product contains the commercial addition and for example if all costs remains unchanged in two different years but the commercial addition raises that would mean that sales figure to rise and with that the total logistics cost also, which is not really true. All of these relationships are presented in figure 1.

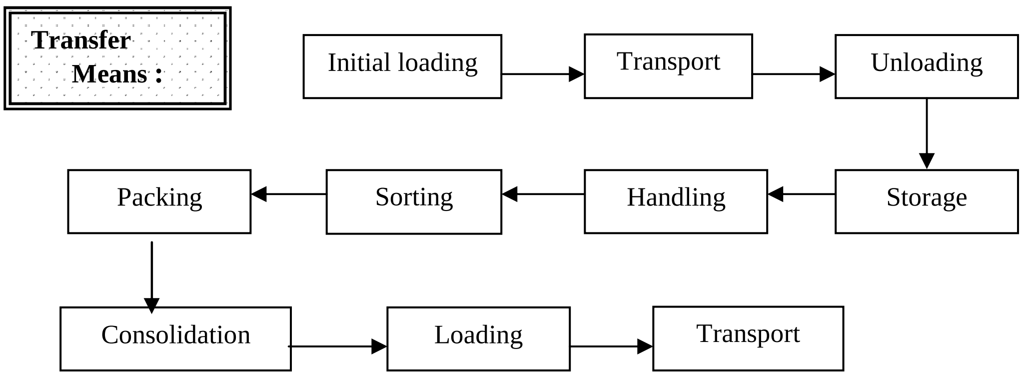
Figure 1: The relationships between different costs of a product



Source: Raicu (2007)

The physical distribution or transfer means the movement of products from the producer to the final consumer. At the first look, someone might think that transporting the goods from the producer to the final consumer means physical distribution and that transport cost is the same with the transfer cost. And he is right, but unfortunately only for less than 5 percent of the cases. For the rest of the cases physical distribution means much more than transporting the goods. Figure no. 2 explains better this situation with an example of how might look a goods transfer.

Figure 2: The components of physical distribution



The cycle Load → Transport → Unload → Storage happens all the time when the merchandise changes it's transport mode. Practically multimodal transport represents goods transportation which includes at least two modes of transport such as air, water, road or rail.

Talking about costs, the transfer costs means a sum of initial loading, transport, loading, storage, handling, sorting, packing and consolidating which represents the multimodal transport chain cost plus other related costs associated with the goods transfer such as capital costs and insurance costs for damage or theft.

That's why choosing the right transportation mode it's so important because a wrong decision can signify a lot of additional costs that will only make the final price to rise, decreasing in this way the value of price/quality ratio with direct implication on sales volume.

The distribution cost has a weight of 40 % from total logistic cost. Correlating the relations means that the distribution cost can mean between 8 to 10 % from total product cost. The goods distribution costs have significant impacts on the structure of economic activities as well as on international trade. Some practical evidence highlight the fact that razing the distribution costs by only 10 % will reduce the trade volume by at least 20 %. In a competitive environment where transport offer is rich enough, the sensibility of trades at different prices can be even higher.

3. Transport modes and their combinations

Today the most used transportation modes are by road, rail, water, air and pipelines. Each one has its own specific particularities but sometimes when more than one is available, they even compete one with each other. In some countries due to local policies some modes are even favorised against other modes. For international trade instead, this can be sometimes very unpleasant.

Pipelines represents a particular transport mode and can only transport a limited amount of products such as crude oil, natural gases, water, chemicals, petroleum products. Due to this fact and the one that the paper wants to present a decision making model that can be used for any kind of products, this transport mode is not take into account in this paper.

For a wiser decision, choosing of a transportation mode must also take into account the tendency of using for each kind of mode in a specific interest area. Why? Because the translation of this tendency might reveal some special politics, infrastructure and facilities developments that can bring significant advantages if a certain transport mode is used in that area. For this reason, in the next table and figures are presented for the current 27 states of the European Union the usage of the four transportation modes according with the available information.

Table 1: Comparative values between 2000 and 2008 for modal split of inland freight transport (% of total inland tonnes-kilometers)

	2000			2008		
	Roads	**Railways**	**Inland waterways**	**Roads**	**Railways**	**Inland waterways**
Belgium	77.4	11.6	10.9	69.1	15.1	15.8
Bulgaria	52.3	45.2	2.6	66.9	20.5	12.6
Czech Republic	68.0	31.9	0.2	76.7	23.3	-
Denmark	92.1	7.9	-	91.3	8.7	-
Germany	65.3	19.2	15.5	65.5	22.2	12.3
Estonia	37.3	62.7	0.0	55.3	44.7	-
Ireland	96.2	3.8	-	99.4	0.6	-
Greece	-	-	-	97.3	2.7	-
Spain	92.8	7.2	-	95.9	4.1	-
France	76.0	20.6	3.4	80.6	15.9	3.5
Italy	89.0	11.0	0.1	88.3	11.7	-
Cyprus	100.0	-	-	100.0	-	-
Latvia	26.5	73.5	0.0	38.7	61.3	0.0
Lithuania	46.6	53.4	0.0	58.0	41.9	0.1
Luxembourg	87.8	7.9	4.4	94.2	2.5	3.3
Hungary	68.1	28.8	3.1	74.7	20.6	4.7
Malta	100.0	-	-	100.0	-	-
Netherlands	63.4	3.7	32.9	59.9	5.4	34.7
Austria	64.8	30.6	4.5	58.6	37.4	4.0
Poland	56.9	42.2	0.9	75.9	24.0	0.1
Portugal	92.5	7.5	-	93.9	6.1	-
Romania	42.9	49.1	7.9	70.2	19.0	10.8
Slovenia	71.9	28.1	-	82.2	17.8	-
Slovakia	53.0	41.7	5.3	73.8	23.4	2.8
Finland	75.8	24.0	0.3	73.3	26.5	0.2
Sweden	63.9	36.1	-	64.7	35.3	-
United Kingdom	90.0	9.8	0.1	88.5	11.5	-

Source: Eurostat

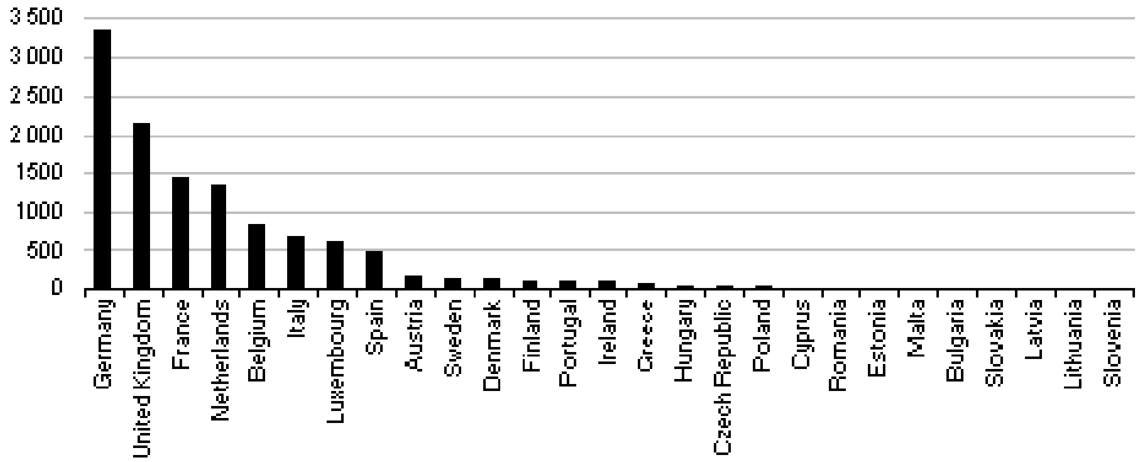
The numbers show that in 2008 as average for all the 27 states, the percent of goods transported over road reached 80.3 % from total inland freight transport which means that road transport has a tremendous usage and importance for the E.U. countries. In some particular countries like Malta or Cyprus, the goods distribution is made exclusively by road, while in the opposite situation only in a single country – Latvia, the percent is below 50. Another important conclusion is that the amount of goods transported by road represents over four times the amount transported by rail. The goods transported by inland waterways represent a very small percent with the only exception being represented by Netherlands which has the highest value and that reach half of its road transport percent.

Compared with the situation from year 2000, when the average percent of goods transported by roads in these countries was 71.17 %, in 2008 it's noticed a raise by 9 % with clear significance that in these years, the transport by rail has lost precious ground.

In only 8 of the countries rail transport marked an increase in usage in 2008 compared with year 2000. But even in these countries, the rise was very small, gaining only 1 to 3 % from total inland transports. The only exceptions are represented by Belgium and Austria with an increase of 3.5 % and respectively 6.8 %. By contrary, in other states the decrease was dramatically. The most impressive fall down is observed in Romania where the decrease percentage reached almost 62 %, calculated from 49 % of total inland freight by rail in 2000 to only 19 % in 2008.

Regarding now the air transport, in 2009 approximately 12.3 million tonnes was carried through the 27 E.U. states airports. The number includes both national and international trade. The statistics per country is illustrated in figure 3.

Figure 3: Air freight transport for the 27 E.U. countries in 2009 (thousand tonnes)



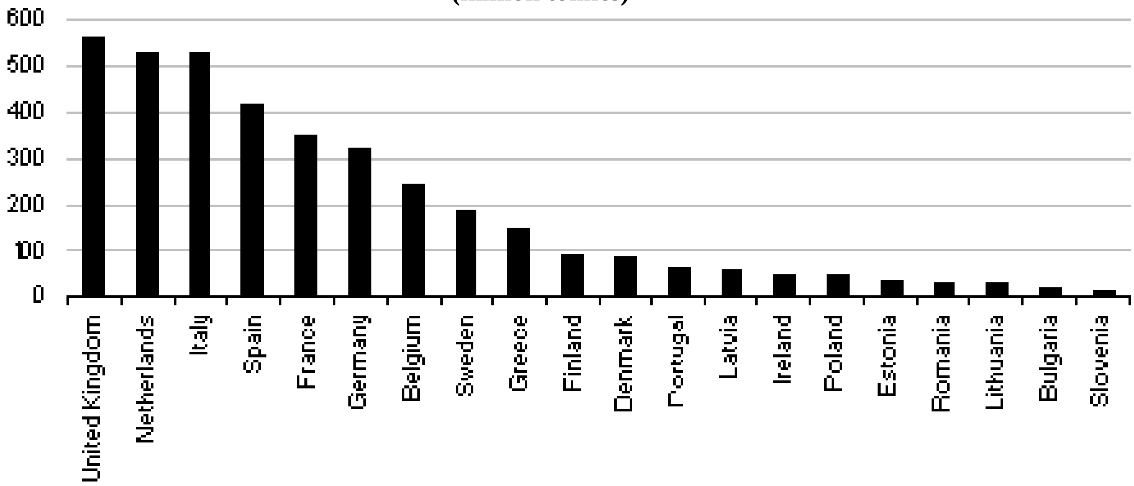
Source: Eurostat

According to the numbers, result that airports from Germany dealt with 3.3 million tonnes, which represents more than any other country from the E.U. The value it's also with 50 % bigger that the next ranked –United Kingdom which handled through its airports 2.2 millions tones. Some other interesting fact that can be highlighted is that some of the smaller members of the E.U. are relatively specialized in air freight transportation with notable figures for all of the Benelux countries.

When it's comes to sea transportation, the geographic position of the country influences greatly the goods transportation realized with this transportation mode because some of the countries simply do not have access to sea water. This is the case for Czech Republic, Luxembourg, Hungary, Austria and Slovakia which do not have maritime ports. Back to the maritime ports of the E.U. countries, the numbers show that in 2008 was handled a total amount of 3919 million tonnes of goods. At the top of the ranking, for this transportation mode is situated the United Kingdom whose ports handle 562 million tonnes of goods which represents a 14.3 % from total E.U. sea freight transportations. If in the air transport the difference between first and second place in the ranking is very consistent, in the sea transport second and third place occupied by Netherlands and Italy are very close to the first place, the difference being situated under 10 %. The complete statistics are illustrated in figure 4.

Also, an interesting comparison regarding sea transport can be made between the E.U. states and Norway. In 2008, in maritime ports of Norway have been handled approximately 200 million tonnes of goods which would situate Norway on 8-th place. If we compare this amount with the total amount of goods transported by water by the 27 E.U. countries the obtained result signifies almost 5 %.

Figure 4: The gross weight of seaborne goods handled in the 27 E.U. countries maritime ports in 2008 (million tonnes)



Source: Eurostat

All these statistics and numbers provide a good picture of how the repartition between modes has changed in the last decade for the 27 E.U. states, what is the actual situation and where a mode has gained a significant part.

Talking now about the combination between modes, the practice has highlighted that when combining two modes, only four combinations out of six are possible to be used. This thing happen because for the other two, naming here air with sea and air with rail simply doesn't exist transshipment points or facilities. The explanation is quite simple and has at its basis to main reasons: one because it's almost impossible to place an airport and a sea port next each other and second because the type of merchandise that each mode generally transports are not compatible. Sea transportation is generally suitable for low value, row materials, and very big quantities while air transportation is suitable for high value products, perishable, and special packed. Speed transport, costs, types of transported goods and other important characteristics for each kind of transport mode and their combinations are detailed in the next section.

The four combinations between modes that are used have received specific names which are presented in table 2. From the market coverage point of view if it's intended to be point to point and not terminal to terminal delivery, then in the multimodal chain necessary will be included the road transport.

Table 2: The combination between modes and their specific associated names

Type of Transport	Road	Rail	Air	Water
Road	-	Piggyback	Airtruck	Fishyback
Rail	Piggyback	-	Not suitable	Trainship
Air	Airtruck	Not suitable	-	Not suitable
Water	Fishyback	Trainship	Not suitable	-

The table provides a simple but eloquent conclusion: road transport can be associated with and other kind of transport and is the single mode that has no compatibility problem with other mode. This conclusion might in a way explain why the road transport has an increase tendency in usage in most of the countries. The aim of distribution is to provide goods from a producer to a consumer and not just move goods from a seaport to another or from an airport to other. When the statistics are made, like the ones presented in figure 3 and 4 they take into account the transported goods in all the airports or seaports from a country in a year but we must not forget that these goods must to arrive to a consumer so according to all these correlations we can take this final conclusion: while the air transport and sea transport will count more transported goods, more road transport will be used.

Practically, the conclusion it's always true when a multimodal transport is choose and can became false only if direct competition between road transport and the other two it's possible. The most intense competition between modes occurs only between rail and road but even so, point to point or door to door delivery can be realized with rail only if the client has its own rail terminal in its yard.

4. Comparative analysis between modes

When it's come to choose a transportation mode, some specific characteristics for each king of mode must be analyzed. According to these characteristics, each type of transport mode has its pluses and minuses and from these considerations comes the necessity to make the combination between modes in order to maximize their pluses and minimize their minuses. Table 3 presents a complete analysis and illustrates the results when two modes are combined. The scale used for the comparation has five comparation degrees: very low, low, medium, high and very high. For a higher accuracy level for multimodal transport were used intermediate comparation degrees like medium to high. Market coverage made an exception and used T to T, P to P or T to P which stands for terminal to terminal, point to point and terminal to point distribution. The characteristics taken into account for the analysis present important significance from both economic and services point of view.

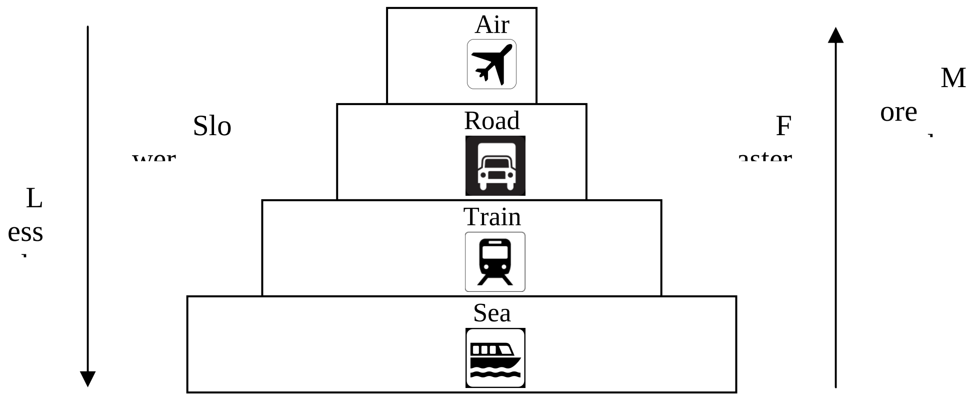
Table 3: Transport modes analysis according to economic and service characteristics

Transport Mode	Cost	Speed	Flexibi-lity	Frequency	Availa-bility	Energy efficiency	Transported goods value	Market coverage
Sea	Very low	Low	Low	Very Low	Very Low	Very high	Low	T to T
Rail	Low	Medium	Low	Medium	Medium	Very high	Low to high	T to T
Road	Medium	High	Very High	Very High	Very High	Medium	Low to high	P to P
Air	High	Very high	Low	Medium	Medium	Very low	Very high	T to T
(Road+Rail)= Piggyback	Low to medium	Medium to high	Medium to high	High	High	High	Low to high	T to P P to P
(Rail+Sea)= Trainship	Very low to low	Low to medium	Low	Low	Low	Very high	Low to high	T to T
(Road+Sea)= Fishyback	Low	Medium	Medium to high	Low to medium	Low to medium	High	Low to high	T to P P to P
(Air+Road)= Airtruck	Medium to high	High to very high	Medium to high	High	High	Low	High	T to P P to P

Regarding the cost and speed, we might say that exist an inverse correlation between them as showed in figure 5. But the air transport is not necessarily more costly than the others mode because of the speed. Of course, the air carriers might tax that because they offer a better service in term of speed than other modes carriers but the reality is that the costs of air transports are much higher than the costs of other modes. Apart from specific operation costs, which anyway are higher for the air transport than any other transport mode, two major aspects make the air transport to be the most expensive mode: transport capacity and energy efficiency. It has the lowest energy efficiency from all the transport modes, while regarding the capacity, the only that can be matched by the air transport is the road transport with an average capacity ranging between 10 to 25 tonnes while the air transport has value between 25 to 125 tonnes. Rail transport has capacities from 10 to 100 times greater than the air transport, while sea transport has from 200 to almost 500 times greater. Frequency and availability are strongly correlated meaning that higher frequency operations will make higher availability for that transport mode. Of course, the infrastructure and its facilities play another big part in the availability of a transport mode.

In theory, any region can be covered by flights, but in practice if there's no facilities like airports or landing strips, this mode becomes unavailable. Flexibility it's also affected by the infrastructure and the associated facilities meaning that road transport is the only mode with high flexibility, allowing this to be the only one who can makes point to point or door to door deliver. That's why the combination of other modes with the road transport will allow them to improve some negative parts of their characteristics.

Figure 5: Speed versus costs for each transport mode



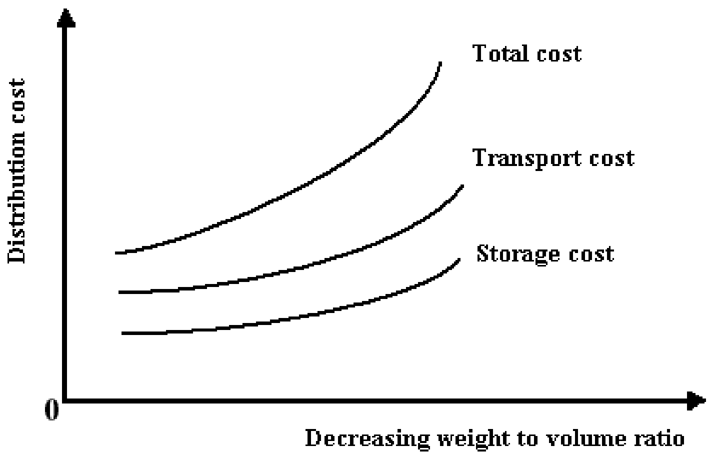
5. The logistics characteristics of goods

Another major factor to be considered before finding the right transportation mode is represented by the logistics characteristics of goods. These are formed by physical characteristics, market characteristics and delivery characteristics.

Physical characteristics are fundamental for transfer technologies choosing but in the same time they also influence the cost of transport, storage and handling. Especially when it's come to multimodal transport, the cycle presented in figure 2 it's happening at least once so, in order to minimize the distribution costs it's very important how the goods will be grouped. The main physical characteristics of goods are: the shape, physic density (weight to volume ratio), packing density (packages to volume ratio), standardization degree, value density (value to volume ratio), perishability, vulnerability and dangerous.

Physic density (weight to volume ratio) affects a lot the transfer cost because the lowest possible cost of transport and storage is achieved when a product or a group of products utilize at maximum the weight capacity of the transport vehicle or the space in a warehouse. When low weight but high volume products are being transported (low ratio value) like flowers, disposable nappies, crisps all the space from a vehicle is occupied but the weight might be only at the half from maxim capacity and while the cost is calculated by most of the companies on a weight basis (cost per tonne) and not on volume basis (cost per cubic meter) the result is translated in a high transport cost. At contrary, when dense products are being transported (high ratio value) like sheet steel, books, hard woods, the maximum weight capacity of the vehicle is used and the lowest cost per tonne will be achieved. Figure 6 illustrates this situation.

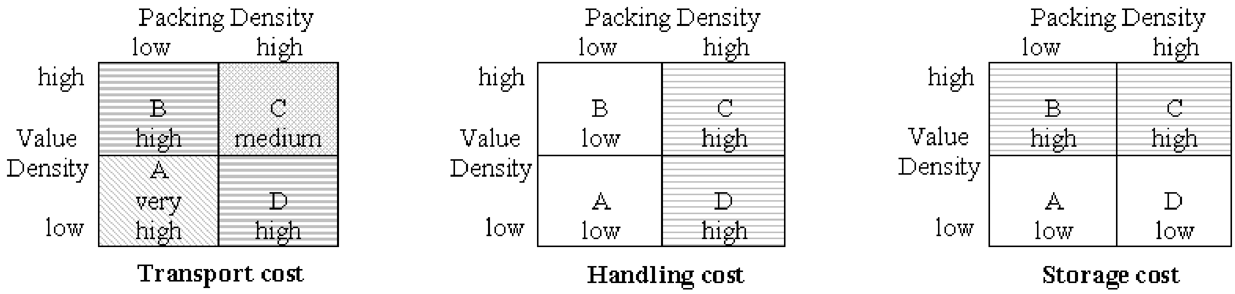
Figure 6 : Distribution cost according to weight to volume ratio



The value of transported goods has also great significance in choosing the transport mode. It's very well known the fact that high value products are more able to absorb the associated distribution costs. In most of the cases, low value goods are not being suitable to be transported with an expensive mode because otherwise the weight of distribution cost from total cost will be so high that will make their price to be little competitive on the market. So, it's also very helpful in choosing the transport mode to assess the value effects in terms of value to volume ratio. Obviously products with high value to volume ratio will have lower transportation cost per unit then the products with low value to volume ratio. Instead, storage and inventory holding unit costs of low value to volume ratio products seems to be much lower than products with high value to volume ratio because the capital tied up in inventory is lower.

According with value density (value to volume ratio) and packing density (packages to volume ratio) can be highlighted four kinds of goods as shown in figure 7.

Figure 7: The transport, storage and handling cost



Source: Raicu (2007)

This classification is very useful to establish how distribution costs varies according with products value density and packing density association and to be able to choose a transportation mode that is best suitable for different results of value to volume and packages to volume ratios.

For perishable goods special temperature and humidity must be assured when they are transported, handled and stored otherwise, their quality would be very much affected. Vulnerability means that goods may be affected by shocks, temperature, light or humidity changes. In this situation, special packing should be required to prevent the negative influence of these factors which will increase the transfer cost. A special attention must be pay off when dangerous goods are being transported. Besides an adequate transport mode, special measures for safety must be taken. From country to country, the dangerous products have been classified in different risk classes and special documents must accompany the transfer.

The market characteristics of goods determine qualitative requests for the transfer systems regarding the speed, readiness and costs. These characteristics are: renewing rate, finding time, substitutability, economic perishability and product life cycle.

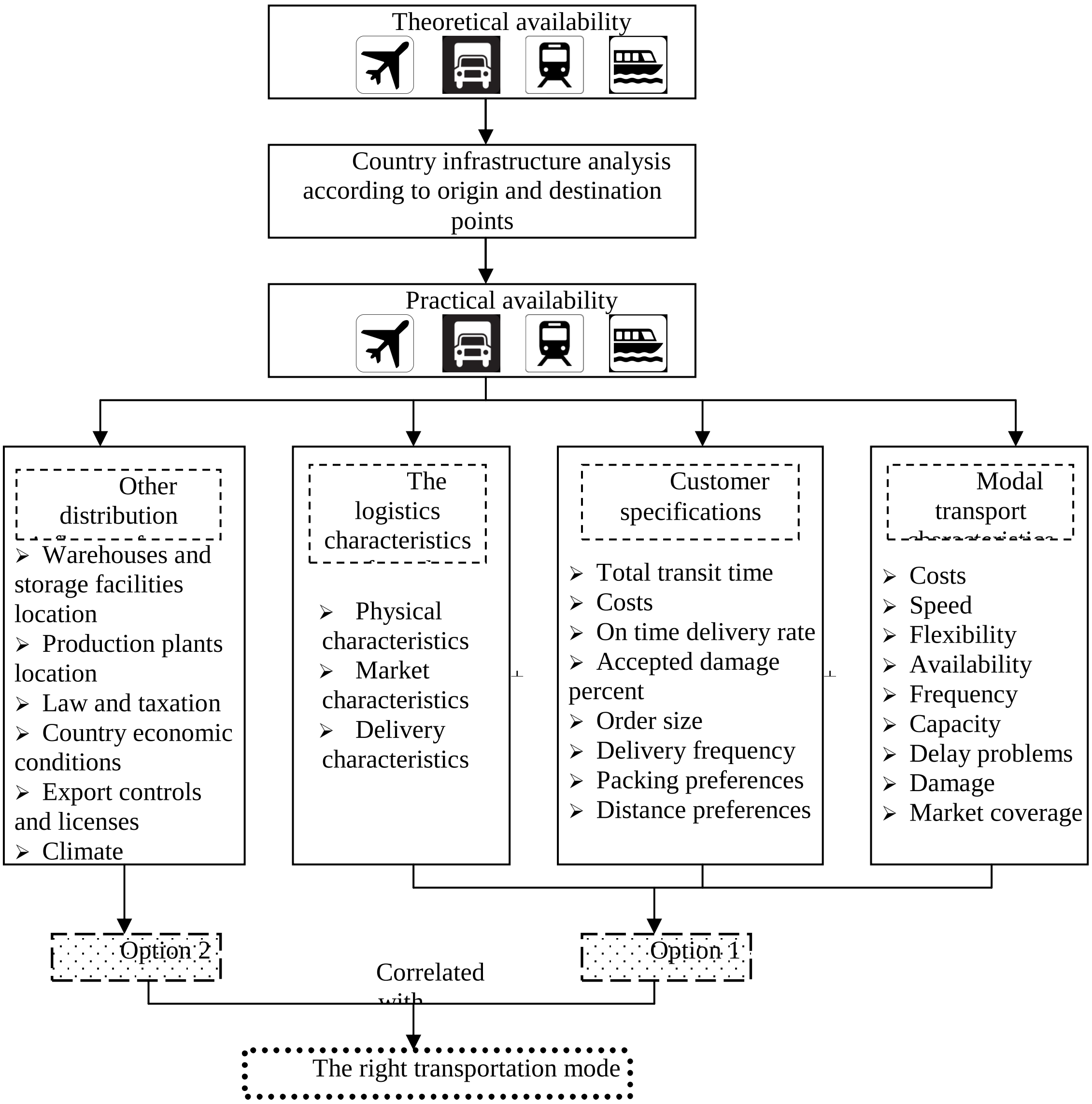
The renewing date signify the frequency at which the goods are being sold, generally by retailer shops so, consequentially generates the number of orders made to the suppliers with direct implications on the transport frequency, mode and costs. The finding time means the average time spent by a client to find a product and if this time is significant then the client might change the product in favor to another. This can be the result of two possible things: low stocks or a bad distribution system. If the product is also substitutable, which means the product is changed easily with another if a client has a stringent need and doesn't find it then the allocating finding time from each client will be much lower. The last two characteristics are also correlated because a higher economic perishability means a lower product life cycle. Economic perishability refers to the products depreciation speed and if for a product it's very fast then definitely, the best transport mode should be a fast and reliable one. For the product life cycle, it's obviously that the requests for the distribution systems change according with the stage at which the product is. If in the maturity stage the, distribution system is vital to maintain the market share, instead for decline stage, the system must support the existent product but with a minimum of risks and costs.

The delivery characteristics are the result of the combination between the market characteristics and the physic characteristics. Consequently, can be defined four categories of goods: rapid/slow movement goods characterized by high/low renewing date and low/high finding time; usual or special goods; homogeneous or heterogeneous expeditions that can be appreciated for example according to standardization degree or economical perishability; with or without critical time goods, the one with critical time must arrive to the destination point in a precise time or else their value disappears or is significantly reduced. A good example here is represented by the newspapers.

6. Decision making method for choosing the right transportation mode

After all the characteristics above presented, the trends for modal use, the relations between costs, now the paper presets 2 method for choosing the right transportation mode. One which take into account all the related factors to goods distribution and the other that takes into account especially the client needs, priorities or objectives because in practice many time happens that after a primary choose, elements like speed of delivery or service reliability may override all the other factors taken into account by that moment. First method is presented in figure 8.

Figure 8: Right transportation mode choose



Once are established the origin and destination points, the next step is to determine what countries or geographic area will be transited and according to this, an analysis for that countries infrastructure should be made in order to establish the practical availability of the transport modes. For example a goods transport between Bucharest and Warsaw is not suitable for sea transport and that's why this mode or its combination with other modes will not be available. After that, four groups are analyzed and according to them, two options will be generated, one that takes into account other distribution influence factors and one that is the conjugation between the logistics characteristics of goods, customer specifications and modal transport characteristics.

The option 2 takes into account a pallet of factors with the scope of finding a transport mode that suits best to these factors and can fructify all the possible opportunities encountered in each country. Of course this is possible if option 2 matches with option 1, if not, then in most of the cases option 1 will have number one priority. Generally, in many countries due to the environment protection policies or road traffic problems, the rail transport is favorised and has important advantages regarding the taxation.

To achieve the best results, option 1 must take in account all the three groups: the logistic characteristics of goods, customer specifications and transport modes characteristics. It's clearly that if a product has critical time, then a fast mode must be chosen. If fragile goods are being transported, then two possibilities are available: to choose a mode with no or minimum damage possibility or to make special packing but with an increase of the cost.

For the second proposed method, the customer needs, priorities or objectives are being translated in a customer specification list that in practice can have more specifications than the eight proposed in the paper. Then all the specifications are introduced in a matrix where the customer will compare one with all the other specifications and in this way will be elaborated the ranking on which the right transportation mode will be choose for the respective customer. Using this kind of matrix instead of a classic ranking will generate a more accurate result for customer needs and the choose of transport mode will be made exclusively based on this top because as we stated earlier in many practical situations, customer preferences can override the other options. The matrix, looks like the one presented in table 4. The numbers used to complete the matrix have the next meaning: 0 when a specification is compared with it selves, 1 when a specification is equally important with other specification, 2 when a specification is more important the other and 4 when a specification is much more important than other.

Table 4: Comparison matrix between for customer specification

Specification	1	2	3	4	5	6	7	8	Total	Ranking
S1									19	S1
S2									12	S3
S3									19	S6
S4									14	S4
S5									4	S2
S6									16	S5
S7									1	S7
S8									1	S8

According with the example presented above where S1 is total transit time, S2 is costs, S3 is on time delivery rate, S4 is accepted damage percent, S5 is order size, S6 is delivery frequency, S7 is packing preferences and S8 is distance preferences, the first three classified are total transit time, on time delivery rate and delivery frequency, which suggest that the best option should be air transport or airtruck combination.

7. Conclusions

Due to the changing nature of logistics and also to the fact that many companies move towards global operations it is more and more dificult to find precise solutions in reducing distribution costs. The originality of the paper consists in proposing a completely new approach for goods distribution which impplies an important change in companies operation mode giving them the opportunity to best serving the clients and reducing distribution costs. In order to be fully effective, by applying the paper results, a company management should be hundred percent oriented to it's customers, have a good customer relationship management and treat all their customers equally and not classified them into A, B, C or D importance categories and offer the best services and solutions only to A category. Minimizing the distribution costs will generate multiple advantages for the companies, allowing them to practice more competitive prices for their products, increase their proffit margin or offer better services to their customers at the same price with positive consequences on atracting, mentaining and loyalizing the clients.

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THE POWER OF ABSORPTION OF THE WORK FACTOR BY THE SERVICES SECTOR IN ROMANIA IN SITUATIONS OF CRISIS

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Abstract: *The role the tertiary sector has in employment has a significant impact in reducing the phenomenon called unemployment, by attracting people laid off from other sectors where the physical presence of the services provider is still required in most areas, given that the scientific and technical progress is slower than in industry and services have the characteristic of inseparability. Given the provisions mentioned above, we have proposed in this paper to demonstrate that the services represents a sector that has an expanded capacity of workforce employment not only in developed countries but also in Romania.*

Key words: workforce, tertiary sector, employment issues

JEL Classification: J21, L8

1. Introduction

From the studies made and found in the literature it is clearly revealed that the size of the service sector shows a strong tendency to become a "tertiary sector" of the economies of developed countries, and also a correlation between the development of services and the level of employment of the workforce in the tertiary sector. Thus, in developed countries the share of services in employment is beyond 60% and even 70%, although with some differences even within these countries, caused by particular patterns of economic growth, differences in traditions and customs, etc..

At the same time, within the medium developed countries, the share of the tertiary sector in the employment of the population also stands at a medium level, of 50-60%, while in countries with a low development level, this indicator has correspondingly low values (30-40 %).

2. Current theories of the evolution of the services sector

The theory of neo-industrial "self-servicing" has as a significant representative, Jonathan Gershuny, and includes as an idea, the major trend of crossing not towards a services society, but a foreshadowing of the "self-servicing" society based on renewed and increased consumption of industrial goods in the domestic sphere. Thus, while increasing the final consumption of services, the production by the individuals themselves will take place, combining their domestic work with advanced and collective household equipment. This claim is based on an analysis of changes in consumption in Western economies for the period 1969-1980. The arguments drawn from this analysis are structured in two demonstrations. The demonstrations which argue this analysis are divided into two categories namely:

1. During the development of society, the hierarchy of needs has had the same tendency as the service needs that tend to be met increasingly more by goods rather than buying formal services. As an example Gershuny brought into question the passenger transport services which were initially provided by collective and formal transport and which now, with the development of society are satisfied by private cars. The same is true for laundry and dry cleaning services, housekeeping, culture, entertainment, etc.. The most important factor behind these findings is the reduction of the relative cost of self production services for families, compared to the use of formal services, reduction that follows the labor productivity growth more in industry than in services;
2. Between the increasing number of people actively employed in services and the industrial goods needed by the final consumer needs is a particular link, which is due to the following two factors: differences in productivity between the secondary and tertiary sector and the fact that a proportion of employment in services activities, namely half are considered by the author as "peri-industrial" employment which means that they serve the industrial production.

The weak point of Gershuny's theories is the lack of concern for public services, especially education, health, public administration.

Another trend of this kind (neo-industrial), is the one who has over the previous one the fact that "self-service" is no longer the central element of future society, but it focuses on the changes in production in that it will become increasingly more intensive in services and in the changes in services technology which constitutes itself a topic of modernization and industrialization (J. Cl. Delaunay, J. Gadrey).

The arguments based on this trend are:

1. *the changes in the what and how* of the productive structures, meaning that services extend from the growing need for intermediary or complementary services for various purposes;
2. *increased costs of organization* are the main cause of increased services (J. De Bandt, 1995)
3. *the future of neo-industrial society seen as an information society*, an idea substantiated by many authors (J. Naisbitt, 1989)

Still a neo-industrial trend is considered the one that focuses on the industrialization of services, specifically the involvement of technical progress in this sector, which in developed countries has led to a surge in capital intensity and technology of the service industries, but excluding domestic and retail services. The best suited for rapid technical progress and scientific intervention, are the transport services, the telecommunications, the water supply, the electricity and gas, the banking, healthcare, financial and tourism services, etc..

Beginning in the 80's, specialists believed that the present and future society is a society different from the neo-industrial or industrial one, and called it "service economy." It is estimated that the service economy is not completely detached from the structure of industrial production but it seeps into it making it dependent on the performance of services in production processes. Specifically said "the new service economy does not correspond to traditional tertiary sector, but is characterized by the fact that the service functions are now prevalent in all types of economic activity" (Orio Giarini and W. Stahel, 1996).

3. The Power of absorption of the workforce factor by the service sector

We are currently witnessing the changing of the role that the national economy sectors have in generating demand for workforce given that forms of employment and their structure have modified as new mechanisms of functioning of the workforce appeared. The allocation of human resources, material and financial resources available on efficiency criteria is underlying all these changes. Thus we noted that massively dismissed staff from some economic sectors move into other activities that could be creating jobs, generically grouped within the services sector.

Given that the tertiary sector is characterized by a high rate of employment, we can talk about his constant role in creating jobs both in the developed countries and in the less developed ones. The comparative analysis of the trends manifested internationally in services along with how to combine the factors of production, and the results obtained can lead to solutions to problems that will arise in the employment of the workforce. Today we are unveiled a demographic transition, stronger, more nuanced where the workforce factor will be allocated to priority areas of activity different from those of material production.

It can be seen that a diversification of forms of employment of the workforce is taking place, becoming more numerous the cases of part-time employment contracts, or self-employed workers. These forms are much more accessible for services than the industry.

The content of the tertiary sector activity is characterized by heterogeneity both in terms of content and required qualifications. This can be constituted in an adjustment of demand and supply of labor, but also in an expansion of market mechanisms in economic life. We can, thus, speak of the following facts:

- lower investment to create jobs in the services sector than in industry;
- the growing number of people working more in the tertiary sector shows the impact of the economy on the occupational structure of the employment factor;
- the tertiary sector tends to grow at a faster pace because of the higher elasticity of the labor factor in this sector compared with the others;
- even if the scientific and technical progress would be faster in services than it is at present, their ability to absorb and retain labor supply is greater than in other sectors;
- the labor demand services is somewhat linear, and in periods of recession they may actually mitigate the tensions on the labor market by taking over heterogeneous segments in terms of qualifications, their aspirations.

The determinants of the phenomenon of absorption of the labor factor by the tertiary sector are reflected in:

- the quality of the services offer and its degree of diversification;
- the levels of income and the satisfaction of labor;
- the ratio between working time and rest;
- the coexistence in the labor supply of the substitution effect (preference for leisure) with the effect of income (preference for income growth).

The positive dynamics of the population employed in services is due to a large extent to the development of technique and technology that cause new relationships between industry and services, creating activities that take something of the characteristics of both sectors. It is clear that the development of the tertiary sector is driven by increased demand for services provided or paid by the budget. However given the current conditions of the economy we can discuss a reduction in employment in services and not only because of lower purchasing power of the population which inevitably leads to lower demand to the tertiary sector.

The literature identifies the need for an incentive framework to facilitate the transfer of the employment factor towards the services sector, which requires:

- Element of attraction of service sector activities that can be represented by changing pricing; - the favoring of the development of the tertiary sector and the quality of benefits by changing the legislative framework;

- Achieving economic efficiency for all participants in economic activities through a tax model that primarily aims to stimulate development and manufacturing services in order to increase their role in the national economy.

- The suitability of the size of wages, which is an important prerequisite for boosting the growth of the number of people employed in services.

4. The analysis of the population employed in services in crisis situations in Romania

The way in which services have evolved during this difficult and delicate time in Romania is an interesting browse, and we illustrate this by means of general or specific indicators of this very broad field of services related to employed population.

First, we analyze the employment indicator in the three sectors of the economy, trying to fit the employment in the service sector, across the economy:

Table no.1: The employed population by main national economy activities

-% -

	2008	2009
Agriculture, hunting and forestry	27,5	28,7
Industry	22,6	21,1
Construction	7,9	7,4
Services	42,0	42,8

Source: NIS, Romanian Statistical Yearbook, 2010, p9

If we discuss the share of employment in the tertiary sector, we can say that it is becoming increasingly more important, going beyond that of the secondary sector employment. In 2001, services had 31.6% of total population, compared to 27.3% in the secondary sector, and in 2002 the situation improved visibly for the tertiary sector when they held 33.9% of the employed population in the Romanian economy. Continuing the analysis of the data presented in Table 1, we can see that the share of tertiary sector in total employed population in the Romanian economy is significantly higher than in 2002 reaching 42% in 2008 and to 42.8% in 2009, the year of economic crisis. We can say that if we consider that the construction and service activities, the share of employment in services are significantly higher than other sectors of the economy, over 50%.

Table no.2: The structure of employment in non-agricultural activities, by sex in 2009

-% -

	Total	Males	Females
Industry	31,3	32,8	29,3
Construction	11,1	17,9	2,4
Market services	35,6	34,0	37,7
Social services	22,09	15,3	30,6

Source: NIS, Romanian Statistical Yearbook, 2010, p9

In 2009 the structure of the population employed in non-agricultural activities, by sex offers us the following image: employment in business services is higher than in social services, namely 35.6% compared to 22.09%. It can be noticed the fact that in both types of services, the highest rate have the females 37.7% for commercial services to 30.6% for the social ones. If in the case of the commercial ones we can observe closeness between the percentage of females and the male, in the case of the social ones, the difference favoring women is 15%. This is understandable if we mention some of the categories of social services: education, health, welfare, etc..

We continue our approach by bringing to the forefront the employment in main activity of national economy, but of interest for us is employment in service activities.

Table no. 3: Civil employment, by activities of national economy at level of CANE Section Rev 1

Thousand persons

Activity (CANE Rev.1 sections)	**997**	**998**	**999**	**000**	**001**	**002**	**003**	**004**	**005**	**006**	**007**	**008**
Total	**023**	**813**	**420**	**629**	**563**	**329**	**306**	**238**	**390**	**469**	**726**	**747**
Agriculture, hunting and forestry	384	349	466	570	498	011	884	634	674	**514**	462	418
Fishery and pisciculture												
Industry	450	317	054	004	017	122	059	052	973	969	958	919
Construction	39	91	38	53	40	66	96	19	63	13	94	80
Trade	02	35	56	76	04	55	06	38	038	118	200	170
Hotels and restaurants	30	8	00	3	9	5	05	33	33	34	56	62
Transport, storage and communications	05	61	05	19	01	01	02	04	18	53	78	71
Financial intermediations	3	6	9	4	8	9	2	2	0	5	09	16
Real estate and other services	99	43	38	71	82	16	55	83	86	40	86	23
Public administration and defence	30	34	41	47	43	48	55	59	73	83	09	23
Education	26	26	29	21	22	15	20	30	30	26	29	30
Health and social assistance	15	17	77	41	47	58	59	67	70	89	94	09
Other activities of the national economy	64	60	44	55	58	69	89	33	38	31	48	23
Total tertiary sector	**183**	**141**	**897**	**050**	**044**	**192**	**359**	**548**	**739**	**982**	**303**	**407**

Source: Romanian Statistical Yearbook, 2009, www.insse.ro

It may be noted that if in the primary and secondary sector employment is declining in the analyzed period, in the tertiary sector it is recorded significant growth leading to the 3.044 thousand persons in 2001 to 4,407 thousand persons in 2008, which demonstrates that the laid off population from other sectors is taken to the tertiary sector.

Considering the categories of services, it can be seen that employment is concentrated in trade, where evolution is upward except in 2008, when it can be noted a decrease in construction, transport, storage and communications, education and health services. Positive developments from one year to another and particularly in 2008 are registered in real estate services, financial intermediation services and government services. The most spectacular evolution is recorded by real estate and related services from 199 thousand people employed in 1997, it reached 523 thousand persons in 2008.

Table no. 4: Civil employment, by activities of national economy

Activity (CANE Rev.2 sections)/Thousand persons	2 008	2 009
TOTAL	8 747	8 411
Agriculture, forestry and fishing	2 407	2 411
Industry	1 981	1 774
Construction	6 92	6 26
Wholesale and retail; repair of motor vehicles and motorcycles	1 168	1 138
Transport and storage	4 22	4 19
Hotels and restaurants	1 62	1 25
Information and communication	1	1

	32	25
Financial intermediation and insurance	117	114
Real estate activities	47	49
Professional, scientific and technical activities	166	164
Activities of administrative services and of support services	217	207
Public administration and defence; social insurance of public sector	220	230
Education	432	413
Health and social assistance	402	408
Shows, culture and recreation activities	62	67
Other service activities	120	141

Source: Romanian Statistical Yearbook, 2010, p. 91

Starting with 2009 the revise of the classification of national economic service activities has been done and the activities have been merged which has not allowed the continuation of the analysis on the similar structure as until 2008, for which we still present employment situation in absolute terms in 2008 and 2009 after CAEN rev.2. In the total economy in 2009 employed the population has been declining due to the reality of the crisis. A slight rebound is recorded in agriculture, forestry and fishing, here having in 2009 almost 5000 more people, but not the same thing can be said of the secondary sector where the decline is more pronounced as minus 207 thousand people. Unlike 2008, the year 2009 is a year in which the tertiary sector has evolved overall descendent and on most categories of services as well. Exceptions are public administration and defense services; social security, insurance, health, social, entertainment activities, cultural and recreational services have experienced slight increases.

For a clearer picture of the possibility to influence the unemployment that appears to be more accentuated today, we called the vacancy rate on each national economy activity in 2008 and 2009, as follows:

Table no.5: Rate of vacancies, by activities of national economy

percent

	2008	**2009**
Total	**1,94**	**0,88**
Agriculture, forestry and fishing	1,78	1,42
Industry – total	1,57	0,64
Construction	1,45	0,60
Wholesales and retail; repair of motor vehicles and motorcycles	0,60	0,22
Transport and storage	0,64	0,43
Hotels and restaurants	0,71	0,40
Information and communication	0,59	0,54
Financial intermediation and insurance	2,52	0,97
Real estate activities	0,60	0,20
Professional, scientific and technical activities	2,02	0,95
Activities of administrative services and of support services	1,33	0,73
Public administration and defence; social insurance of public sector	5,	2,

	97	14
Education	1,43	0,56
Health and social assistance	6,28	3,42
Shows, culture and recreation activities	2,25	0,94
Other service activities	0,99	0,54

Source: Romanian Statistical Yearbook, 2010, p. 128

The vacancy rate is the ratio between the number of vacancies and the total number of jobs (occupied and vacant), expressed in percentages:

As a result of global economic crisis in 2009, the average vacancy has recorded its lowest since 2005 until now.

The largest offer of employment was in health and social activities (3.42%) and public administration (2.14%). In contrast, the lowest values of the average rate of job vacancies were found in mining activities (0.06%), and in the real estate transaction (0.20%). Compared to the previous year, the average annual rates of job vacancies have had lower values in all economic activities, major differences occurring in public administration (-3.83 percentage points), health and social care (- 2.86 points percentage) and financial intermediation and insurance (-1.55 percentage points). The smallest decreases were found in the indicator of information and communication activities (-0.05 percentage points) and the production and supply of electricity, gas, steam and air conditioning (-0.14 percentage points). (INS, Press Release No. 60/2010)

The vacancy rate was 0.51% in the fourth quarter of 2010, down by 0.06 percentage points from the previous quarter, according to a press release from the National Statistics Institute (INS).

The most sought occupations by employers were those with intellectual and scientific experts - the major group 2 (0.69%) and operative workers in services, trade and similar - the major group 5 (0.59%). The most reduced availability of jobs has been found among the members of the legislature of the executive, senior government leaders, managers and senior officials of the socio-economic and political units - the major group 1(0.32%) and the artisans and skilled workers in trades, adjustment and maintenance of machinery and equipment - major group 7 (0.36%). (INS, Press Release No. 41/2011)

5. Conclusions

Transferring the labor force from the secondary to the tertiary sector, can be achieved without the occurrence of seizures by taking into account the influence exerted by labor relations between them, and the wage policy as a whole.

The main problem facing today's labor market is finding solutions to protect jobs threatened by declining production and lack of resources. Once done, the stopping of the decline in production, the economic recovery will be possible, and on this basis it will increase the number and share of the population employed in services, which is one of the most important elements of the program of the workforce employment which lastly influences the whole economic - social activity.

It can be seen that a diversification of forms of employment of the workforce, namely the cases of part-time employment contracts, self-employed workers are becoming more numerous. These forms are much more affordable for the services than industry.

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TEN YEARS OF CULTURAL DEVELOPMENT IN SIBIU: THE EUROPEAN CULTURAL CAPITAL AND BEYOND. STATISTICAL DILEMMAS

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Abstract: *This paper is a work in progress and presents the findings of field research in Sibiu during and after the European Cultural Capital Programme (ECOC).The impact of the ECOC can be measured through the growth of tourism. Comparing different sources of data the findings provide triangulation of the results of the ECOC. The paper presents an analysis of accommodation capacity, events and visits statistics, and identifies potential statistical issues. The survey has highlighted new conclusions about the long term effect of ECOC on the local tourism industry that would not have been identifiable from official statistics. A new policy on data collection is obviously needed.*

Key words: statistics, accommodation capacity, events, visits statistics

JEL classification: L83

1. Introduction

The Sibiu ECOC research programme has highlighted some particular aspects of data collection on tourism in Romania. Visitor surveys provide a useful benchmark for the period before the ECOC, with data collection having started in 2001. This research, which is still in progress, has revealed some particular methodological problems that arose in comparing field research with official or officious statistical data. Most of these issues are related to accommodation data.

Romania has implemented the uniform EU rules for statistics for tourism. The quantitative ones, as field researches are rare, prodigy some of them carried on by official institutions thanks to public grants or funding. To find qualitative information about their clients the economic actors in the Romanian economy have to collect data by themselves: public research is infrequent and un-systematic.

The main area that deals with tourism in the Romanian Statistics Year Book concerns tourist circulation and accommodation facilities for which Romanian laws state compulsory collection rules. Hotel statistics present considerable problems of analysis, because of different categorizations and a lack of coverage of certain types of accommodation. The Master Plan for tourism in Sibiu County presented in November 2009 by Marketscope shows that Sibiu County has a total of 518 accommodation units, of which most are rural tourist pensions (159), followed by general category of pensions (124) and urban tourist pensions (66). Further research has confirmed significant differences between official statistics and those realised by independent sources.

2. About accommodation capacity

Comparing the data from the available sources conclusions might differ significantly.

This might be the strongest challenge for the near future for the management of the destination: to provide clear and truthful statistics from several sources to enable comparison and control. Since 2007 several attempts were made to estimate the accommodation capacity of the town and the county. The data sources were: official statistics, Romanian Ministry for Tourism, The County Tourism Association (AJTS), official data of County Council and Sibiu Mayor House. The centralized results are presented below.

We shall make some remarks only referring 2010, as data for past years can be found in previous publications. The Ministry of Tourism site shows 258 accommodation units with 3532 rooms and 7079 places in Sibiu County. Comparing the detailed list of previous years with 2010 data we have found out that several units have been deleted as their licenses had expired; but field research showed they were open. The units owners indicated that the rules on classification were being changed and they waited for the new one to save costs.

The new classification law was issued in autumn 2010, cancelled after 3 weeks and republished. The new law changed the system and have given up inspections by the state service before the opening or before renewing the existing license. Every owner now has to do it themselves and send the classification documents to the Tourism Authority; if there is no reply within 30 days they should consider that the request has been approved at the proposed class (stars, flowers numbers). The Tourism Authority retains only the control unit and has increased the fines for non-compliance. It is possible that the small owners will fail to fill out the documents and send them, either through lack of expertise or through hatred of bureaucracy. The registration with the local authorities, the fire departments and sanitary inspections are still requested and will involve taxes and controls and fines. There are local voices that say that problems might grow. For near future these data source has to be used with particular care.

The statistics of the Statistics department of Sibiu also lacks precision. The official statistical rules state that some of the listed units are excluded from the figures: accommodation units of less than 5 bed spaces were not taken into account by official statistics and from January 2009 all units with less than 10 places were excluded. Their data sources are slow and based mainly on Tourism Authority licensed units.

The table below was calculated according different data sources in order to have a picture of the evolution of the accommodation capacity in the county, in Sibiu and Sibiu neighborhood.

	2005	2006	2006	2007	2007	2009	2009	2009	2009	2010	2010
	s	s	l	s	l	s	AJTS	l	i	s	
total county											
units	111	120	273	137	359	172	481	335	518	167	**496**
rooms			2315		3057		5039	3335	5417		**4663**
places			7399		6352	6013	12083	8983	12893	6538	**9761**
average places/room			3.20		2.08		2.40	2.69	2.38		**2.09**
average places/unit			27.10		17.69		25.12	26.81	24.89		**19.68**
sibiu town											
units			62		82		162	108	148	48	147
rooms			1029		1321		2284		2284		2134
places			3756		2453		4633	3785	4584	3144	4090
average places/room			3.65		1.86		2.03		2.01		1.92
average places/unit			60.58		29.91		28.60	35.05	30.97		27.82
around sibiu											
units			170		221		189	no data	189		274
rooms			852		1305		1289		2284		1797
places			2199		2487		3919		4663		3905
average places/room			2.58		1.91		3.04		2.04		2.17
sibiu and sourrondings											
units			232		303		351	no data			421
rooms			1881		2626		3573		4568		3931

All figures show the same major trends:

- Increase of capacity
- Increase of high level of comfort units

- A faster increase of investments in neighborhoods of Sibiu comparing to the town
- An trend of enlargement and development and improve of comfort of existing capacities
- A relatively slow increase in 2010

The surroundings of Sibiu reacted sooner to the ECOC than the city, and the growth here was seen in 2007 while the city grew in 2008.

We have included in the Sibiu region the villages and towns within 30 km of the city.

other locations											
units			41		56		130	no data			75
rooms			434		431		1466		849		732
places			1444		1412		3531		3646		1766
% of sibiu in county											
units			44.45		43.21			0.00	28.57		29.64
Places			50.76		38.62			42.14	35.55		41.90
	s = according official statistics; l= according issued licenses; i = inventory; e = estimated										

Hostels and camp sites are not counted either by the Directia Judeteana de Statistica Sibiu's monthly report or the Institutul National de Statistica. It is apparent that these areas have a large number of units, of small capacity (most of them pensions) that practically double the capacity of the town. Field research has shown that the prices in this area are much lower than in Sibiu and their clients choose them in terms of price but also as an alternative offer, based on the rural atmosphere of the villages.

According to the Tourism Ministry data in 2006 the county had 2315 rooms with 7399 places (3,2 places / room) and in 2007 3056 rooms with 9130 places (2,99 places / room) and 4354 units with 11882 places (2,96 places / room). These data are unreliable and more research must be organized to clarify this situation. For 2010 we cannot use these data as large capacities are missing because expired licenses. We see a constant trend for increasing comfort, as indicated by the no of places / room.

The town had 1029 room with 3756 places (3, 65 places / room) in 2006, 1322 units with 4493 places (3.4 places / room) in 2007 and 2062 units with 6106 places (2.96 places / room) in 2009 and in 2010 (recalculated by us) 2143 rooms with 4090 places (1.93 places /room). This shows that the raising of comfort was much stronger in the town, maybe as a consequence of the new brand hotels. That means an increase in 2007 comparing with 2006 of 32% as rooms and 23,4% in places and for 2009 compared with 2006 100% growth in rooms and 69% in places, and for 2010 compared with 2006 a growth of 108 % in rooms; places are not comparable. The number of units has risen by 45.5% from 2006 to 2010. In spite of brand hotels in Sibiu the small units have grew faster and have satisfied the market for budget tourist accommodation that is also shown by the decrease of percentage of tourist staying at relatives comparing with 2002 – 2005 when the offer was mainly of hotels with high prices.

3. Cultural events and visitors statistics

A similar situation we can found when comparing statistics about events and visitors from different sources.

Shows and visitor of museums according to statistics – total county 2001 -2009

	2001	2004	2006	2007	2008	2009
Total shows	699	663	774	715	1208	924
theatres	323	175	216	218	598	285
Puppet theatre	200	232	260	131	277	315
Entertainment shows	97	146	216	268	252	248
Philharmonic show	79	80	82	98	81	76
Total visitors	397571	212098	597291	117333	788223	441285
theatres	320700	77984	486559	43030	688729	342550

Puppet theatre	11567	22960	63955	16374	61309	62000
Entertainment shows	57337	100000	30000	38900	20000	19600
Philharmonic show	7967	11154	16777	19029	18185	17135
Museums visitors	284513	257256	329357	708854	625698	879486

Sibiu, Direction for Statistics

Cultural events in Sibiu, 2007-2010 according to Mayor House's site

	2007	2008	2009	2010
Month	Number of events	Number of events	Number of events	Number of events
January	56	22	37	5
February	56	38	53	9
March	100	54	70	20
April	92	38	63	16
May	166	53	67	30
June	145	53	53	28
July	158	11	66	30
August	368	9	45	19
September	165	4	15	10
October	81	4	26	19
November	33	4	20	31
December	27	7	22	22
Total	1447	297	537	239

Visits to museums in Sibiu, 2009 -2010

Museum	**Visitor numbers 2009**	**Visitor 2010**
Muzeul National Brukenthal	366410	372731
CNM ASTRA	297190	230504
TOTAL SIBIU	663600	603235
Icons on glass Muzeum , Sibiel	12730	?
TOTAL	676330	604235

Data collected direct from the museums

Museum visitor numbers might be ok, as some of the above data refer to the whole county and some to Sibiu itself. But for number of shows and their visitors the statistics do not match with Sibiu data. Sibiu data refers only to Sibiu and statistics refers to the whole county. The Statistics Office collects data from official existing cultural institutions or registered social teams for the County Direction for Culture. The Municipal website lists all shows funded by the city and all shows included in the cultural agenda. They are listed by day: the Theater Festival lasts 10 days with many events but in the municipal list it is counted once a day. In any case, the statistics for 2007 and 2008 seem unreliable.

4. Conclusions

To meet the challenges of developing cultural tourism, the Municipality needs to create a Destination Marketing Organization that can develop cultural tourism, business travel and events in order to effectively utilize the vastly increased accommodation supply and cultural and leisure facilities of the city and the surrounding region. Their first target must be to organize research to provide data that it might rely on.

Starting in 2007 the Municipality approached the tourism industry as a partner. During 2007 the Sibiu 2007 ECOC the city provided logistical support for events and a special department was created.

Since August 2010 this office has taken on the culture office due to staff cuts by the Government. Up until now their main activity was for international tourism even if domestic arrivals account for 65% of tourism business, according to official statistic figures. A further step was made in drawing up a marketing plan for tourism activities in Sibiu. The tourism clerks have had many contacts with local tourism suppliers. But the tourism office is not playing the role of a DMO and in spite of several local tourism associations and similar organisations there is no framework for collaboration or an extensive exchange of information

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ASPECTS OF THE EUROPEAN SINGLE MARKET OF BUSINESS SERVICES

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Abstract: *The market is recognized as the most efficient way to organize a modern and dynamic economy. European Single Market and the Internal Market is today the largest market in the world. The European Union produces over 30% of global GDP, thus becoming a leading player globally.*

In view of its position as the world's main economic entity, the European Union has a poignant interest in ensuring favorable conditions for the development of world trade.

In this context, the paper presents an analysis of statistical data for business services in the single market.

Key words: single market, services, trade and development

JEL classification: M21

1. Introduction

Single Market is based on removing barriers and simplifying existing rules to enable each individual consumer and trader in the EU to take maximum advantage of the opportunities it offers, thus having direct access to 27 countries and 480 million people.

The countries of the European Union knows a continuous development marked otherwise by the extension on global level of the big European traders. The 1990's proved to be the most active as concerns globalization in the trading activity.

The growth premises are the more favorable as 90% of the world population lives in areas where the commercial infrastructure is an incipient phase.

Services are a crucial sector in the European Single Market. Services were present in 60-70% of economic activities in the European Union of 25 Member States and the same percentage (increase) is apparent and employment. This underlines the economic importance of services in the European Union.

2. Analysis of business services in the European Union

Main laws / rules governing the internal market for services listed in the Treaty of the European Commission. This guarantees EU companies the freedom to settle in other EU Member States and the freedom to provide services in another EU member state other than where they are located.

Laws of freedom of settlement and the free movement of services are two of the so-called law of "fundamental freedom" laws that are critical EU Internal Market.

Freedom of establishment, set out in Article 43 of the Treaty and the freedom to provide services across the border, art. 49, are two of the "fundamental rights" that are important to the functioning of the EU Internal Market.

The principle of freedom of establishment allows an economic operator (whether an individual or company) to bring an economic activity in a continuous and stable in one or more Member States. The principle of freedom to provide services to allow an economic operator service provider to offer services in one or more Member States for a limited period without having to have establishment in that country / state (Pîslaru, 2008).

These provisions have direct effect. This means that Member States should amend national laws that restrict freedom of establishment and freedom to provide services and for that reason are incompatible with these rules / provisions.

This includes not only discriminatory national rules but also any other fuzzy rules applied to operators of national and foreign operators and households make less attractive the exercise "of fundamental freedoms, resulting in delays and additional costs.

In these cases Member States may retain restrictions only where the circumstances may be justified by the facts of general interest, such as public policy, health policy or public security or where appropriate.

Member States have achieved an added value of € 2991.3 billion for business services distribution this value with the branch / area / type of service showing that its consulting services business estate, renting and business activities contributed most to obtain it (34.2% of total value added of business services for the EU-27), although the highest rate of employment in industry (40.7% of total business services for the EU-27) has the distribution (Table 1).

If the scope of participation to achieving value-added business services is important "other business services", including the management, accounting, recruitment, etc., which contributes most to the achievement of current values added.

However, all the category "Real estate consultancy, renting and other business services" are services related to research and development, which is the aggregate EU-27, the sub - areas with the lowest value added contribution to the above.

Table 1: Value added and employment rate for business services for the EU-27

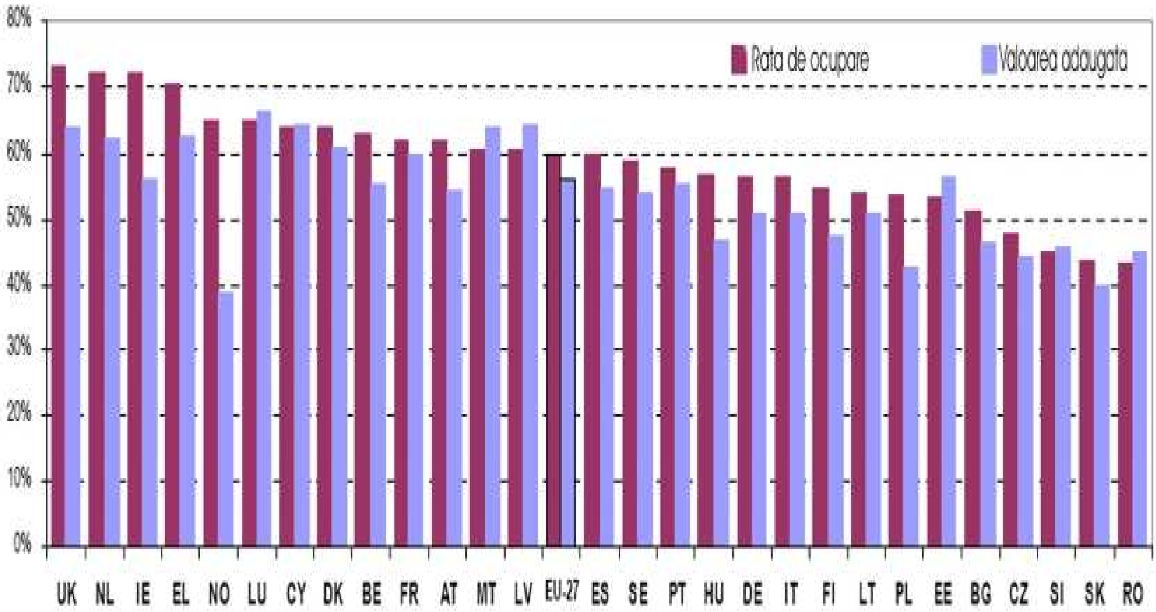
	value added		Occupancy rate	
	billion **Euros**	%	Thousand **Euros**	%
Services	**2991,3**	**100**	**76133**	**100**
Distribution, of which:	**1022,4**	**34,2**	**30963,9**	**40,7**
Selling, motor vehicle maintenance	150,9	5,0	4106,7	5,4
Wholesale trade (except engines and motorcycles)	479,7	16	9732,4	12,8
Retail (excluding motor vehicles), repair of personal property	391,8	13,1	17124,8	22,5
Hotels and restaurants	**167,8**	**5,6**	**8845,9**	**11,6**
Transport and Communications, of which:	**629,9**	**21,1**	**11823,7**	**15,5**
Land transport, transport via pipelines	180,0	6,0	5500,0	7,2
Shipping	25,0	0,8	213,5	0,3
Aviation	27,2	0,9	400,0	0,5
Support activities for transportation, travel agencies	147,9	4,9	2612,1	3,4
Post and telecommunications	250,9	8,4	3075,2	4,0
Real estate consultants, renting, business services, including:	**1171,2**	**39,2**	**24499,5**	**32,2**
Property Services	248,0	8,3	2690,0	3,5
Renting a car and personal / household	75,0	2,5	600,0	0,8
IT and related services	170,0	5,7	2700,0	3,5
Research and development	21,8	0,7	400,0	0,5
Other business activities	655,5	21,9	18102,4	23,8

Note: the differences between components and totals are rounded
Source: (Eurostat Statistics in focus 78/2008)

Indicators of business services listed above were calculated for each of the economies of EU countries showed that the country with the highest contribution to value added is Latvia, but the country with the highest employment rate is the United Kingdom. Same country, Britain and the Netherlands, Ireland and Greece have the highest number of employees in services.

The importance of business services was higher in terms of employment rate from the value added in 20 of the 27 Member States, indicating an apparent low productivity (Figure 1). The added value exceeds the employment rate in Latvia, Malta, Estonia, Romania, Luxembourg, Slovenia and Cyprus, which shows a relatively high productivity of those countries in the services business.

Figure 1: Value added and employment rate of business services EU countries' economies



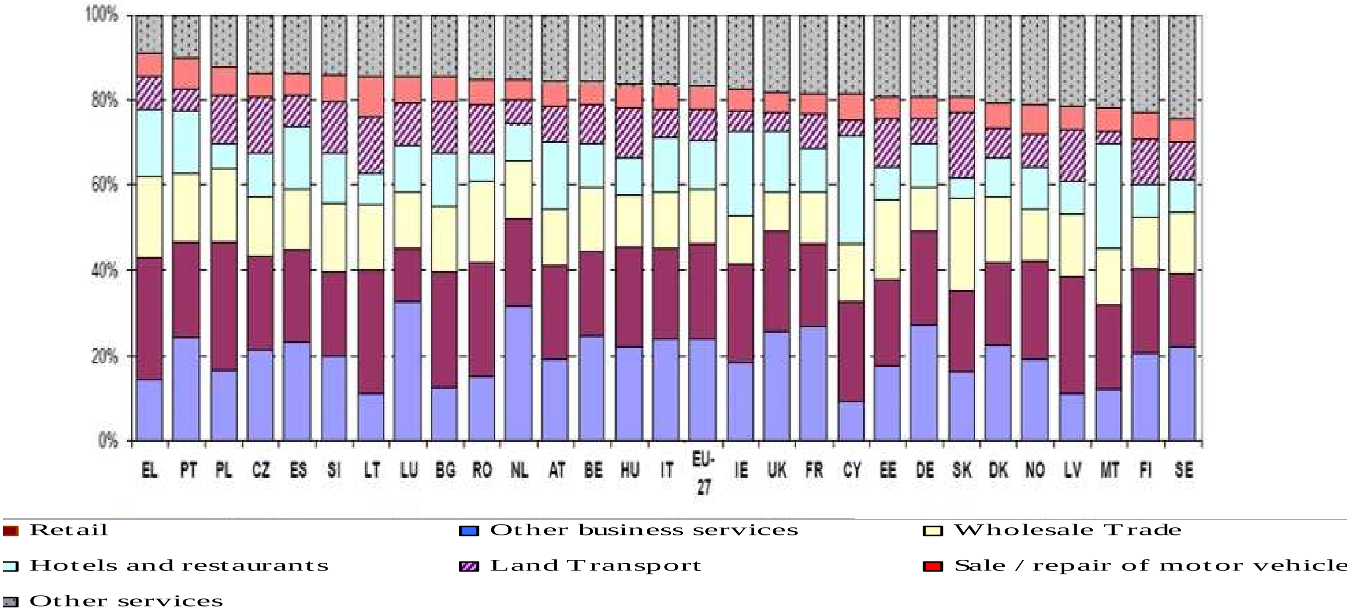
Source: (Eurostat Statistics in focus 78/2008)

The six sub-areas (other business services, retail trade, wholesale trade, hotels and restaurants, transport and sale of land / repair of motor vehicles) involved most of the employment rate of business services in the EU-27 also contributes with more than 80% occupancy rate of the field in almost all EU countries, the highest rate recorded in Greece (cca.91%) and lowest in Sweden (approx. 78%).

Also, the most important area of business services (other services), occupies an important place in the economy of some countries such as Luxembourg, the Netherlands and Denmark, having regard to the employment rate. In countries with a shareholding of at least 80% of the 6 areas to achieve the employment rate in services, occupies an important place real estate services and IT services.

The country with the highest employment rate in business services, namely the United Kingdom are major retail and other business services. The country lies at the opposite end, the lowest employment rate in business services, namely Romania (Figure 2), all these two areas have the highest number of employees.

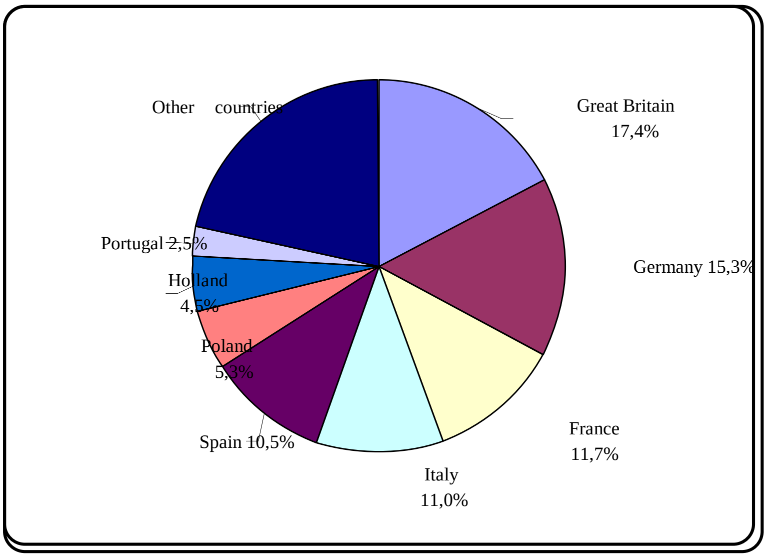
Figure 2: Contribution to business services formation rate of total employment in services in EU economies



Source: (Eurostat Statistics in focus 78/2008)

The member countries for their contribution to the formation rate of total employment of business services in the EU-27, Britain is the country with the largest participation in its implementation, followed by Germany, France and Italy (Figure 3).

Figure 3: Contributions from member countries formation rate of total employment of business services in the EU-27



Source: (Eurostat Statistics in focus 78/2008)

EU trade balance in services came in 2007 amounted to € 88.4 billion, an amount almost twice higher than in 2000 (Table 2).

Table 2: Trade in services for EU-27, expressed in € billion

	2004			2005			2006			2007		
	Credit	Debit	Net	Credit	Debit	Net	Credit	Debit	Net	Credit	Debit	Net
Total services	368.1	321.7	46.4	402.9	350.0	52.9	441.6	373.1	68.5	501.4	413.0	88.4
Transport	93.5	79.5	14.0	104.4	87.7	16.8	109.7	96.2	13.6	118.5	102.0	16.5
Tourism	62.1	79.5	-17.4	65.4	83.8	-18.4	71.1	85.1	-14.0	76.7	94.1	-17.3
Communications	6.4	7.1	-0.7	7.4	8.3	-0.9	8.7	9.8	-1.2	9.8	10.7	-0.9
Construction	9.6	5.8	3.8	11.2	6.1	5.1	12.1	6.6	5.5	15.9	7.9	8.0
Insurance	10.7	8.4	2.3	6.1	8.4	-2.2	14.2	7.2	7.0	14.3	7.7	6.5
Financial Services	29.6	11.9	17.7	35.2	14.4	20.8	41.9	17.4	24.5	54.3	21.3	33.0
Information Services	16.3	8.1	8.2	17.3	8.7	8.6	21.0	9.7	11.3	23.6	10.3	13.2
Copyright and Permissions	20.4	29.4	-9.0	23.7	32.1	-8.4	23.4	32.6	-9.2	25.5	36.1	-10.6
Other business services	102.4	77.5	24.9	117.1	85.8	31.3	126.9	95.7	31.2	147.8	107.6	40.2
Recreation and culture services	5.1	6.3	-1.2	4.9	6.3	-1.4	4.6	5.8	-1.2	5.0	5.9	-0.9
Government services	9.1	5.5	3.7	7.9	6.1	1.8	7.9	6.9	1.1	7.7	7.2	0.7
Other	2.9	2.9	0.1	2.3	2.4	-0.1	0.0	0.0	0.0	2.5	2.2	0.3

Source: (European Economic Statistics, Eurostat 2008)

3. Conclusions

The scope of services has become increasingly large-scale social and economic life of the country and enhance the appearance of being stimulated by the need for social services. Social need can be defined as all desires whose satisfaction is considered as essential members of a community to ensure a level and style of life in accordance with the development level and group status (Plumb, Androniceanu and Abăluță, 2000).

Services market development is an important source of economic growth, in terms of growth, primarily labor productivity. Free access will only accelerate the market competitiveness, inviting service providers to streamline product quality, will encourage companies to invest in technologies that will eventually lead to increasing the share of employment in services sector.

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LOW-COST OPERATORS – AN OPPORTUNITY FOR THE INTERNATIONAL PASSENGER AIR TRANSPORTATION

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Abstract: *During the last decades, air transportation has encountered an increasing development, with the airplane ceasing to be an extravagant and exclusive mean of transportation. Its continuously growth in preferences is justified by being a fast and safe mean of transportation, by the good organization and deployment of the traffic, and by the comfort and speed of flights.*

The high extension of the low-cost operators will continue in opening new markets and airplanes will offer options for remote destinations. The research projections indicate an expected transition from the extremely inconstant changes in the last 4 years to an interval of global growth. The research indicates that by 2010 more than 2.3 billion passengers all over the world will have already used an flight operator throughout the world, both for personal as well as for business purposes. A faster increase of traffic and routes is anticipated in Central and Eastern Europe, more than in Western Europe.

Key words: low-cost operators, air transport, passengers,

JEL classification: R41, R49

1. What are the low-cost operators?

The low-cost operators are flight operators that offer tickets at lower costs, but with not providing conventional services for passengers. Such companies usually operate on short distances, from small or secondary airports (that charge less). Moreover, they use smaller aircrafts, with lower fuel consumption, a good enough reason for these planes to be mostly fully loaded.

Flight industry continues to be chased by the economic decrease throughout 2010, due to the fuel price growth, to the low demand of the customers, to the increase of the costs for infrastructure and consolidation. There are approximately 50 low-cost operators in Europe, the new ones expanding and the old ones withdrawing. The European low-cost operators industry seems to decelerate. We may expect a few major changes in the low-cost operators sector, mainly in Europe where the low-cost operators undergo unprecedented changes. With a new creation of the market which has reached a point of saturation, together with strong reactions from the charter operators, a consolidation trend among the low-cost operators is expected, both by purchasing and by removing from market of many newcomers.

The IATA (International Air Transport Association) forecasts regarding the air traffic between the states in Central and Eastern Europe are very good, with Poland, The Czech Republic and Romania being listed by IATA in the top 10 countries with the highest annual rate of passenger traffic, between 2005 and 2009. Poland is the leader of the group, with an AAGR (Average Annual Growth Rate) of 11.2%, whereas The Czech Republic is on the third place, with 9.5%, whereas the total AAGR is 5.6% for passengers in the international traffic between 2005 and 2009, with 5.1% in Europe.

.“*We believe that the boom in passenger traffic in the CEE region is the result of EU enlargement, strong economic growth and the ongoing liberalization of civil aviation in the region. While the EU enlargement and the strong economic growth have vigorously increased demand, the liberalization and privatization of civil aviation has resulted in improved supply coupled with a reduction of costs and prices,” says IATA Aviation Intelligence Assistant Director Charles De Ghelder* (www.air-scoop.com).

2. The growth of low-cost operators in the air transportation market

The constant increase of price of fuels, the green tax, the excessive capacity, the intense growing rivalry are only a few of the aspects that the low-cost operators have to deal with, besides the fact that the customers tends to spend less money, all having a negative impact on travels, be they for personal or business purpose.

That resulted in the decrease of the number of passengers and the decrease of the charges of top operators and will lead to a battle of prices and to a consolidation of the prices, sooner than it was forecasted, because all operators struggle to survive.

“*Analysts have also predicted that Estern European LCCs would need strong balance sheet to compete with deeper-pocketed rivals such as Ryanair and EasyJet*” (www.air-scoop.com).

The capacity of the air operators, based on the number of places they offer, has been continuously adjusted to the demand in 2008. The full service flight operators have slightly reduced their capacity by 1%, the regional operators by more than 5%. The holiday/charter flight operators have reduced their capacity by approximately 25%, as a result of the decreasing sales over 2008. Only the low-cost operators have significantly increased their networks on the price-sensitive market, which was definitely promoted by the increase of the ratio of price versus degree of awareness as induced by the crisis.

For the major 50 full-service flight operators, the load represented 76.9% in 2008, a decreasing trend compared to 2007 (77.3%).

„The 25 largest Low-cost Airlines of the EU Member States achieved a seat load factor of 76.4% (2007: 79%), compared to the 25 largest Regional Carriers which only achieved 75.1% (2007: 77.1%). The Holiday/Charter Airline business model achieved the highest seat load factor with 86% (based on the 15 largest airlines concerned) (2007: 84.1%)" (DLR European Commission, pag. 10).

In 2008 the low-cost flights networks have become idle. The opening of new routes has outnumbered the closed routes in 2002, but in 2008 they were even, from all points of view. However, there have been differences when the type of flight operator was analyzed. The low-cost flight operators outnumbered in opened routes, because most of the closed routes used to be offered by top flight operators. *„One example of this is the United Kingdom (the largest national passenger market in the EU) where of 273 newly created routes 236 were offered by LCCs but of 280 closed routes only 68 were attributed to LCCs*" (DLR European Commission, pag. 10).

3. The main low-cost operators in Central and Eastern European market

As to the low-cost operators in Central and Eastern Europe, the leader is Poland. *„The International Air Transport Association had forecasted that, during 2005-2009, Poland would become the fastest-growing air transport market in the world. Its average annual growth in passenger numbers was expected to be 11.2 percent over that period."* (http://www.wall-street.ro/slideshow/Turism/83726/Baneasa-vs-Otopeni-Dezvoltarea-segmentului-low-cost-a-dublat-traficul-de-pe-Baneasa-in-ultimii-trei-ani.html)

: This sudden increase of the low-cost operators is due to the fact that the Poles have developed strong air transport between Poland and The UK, after Poland adhered to the EU, as a consequence of the opening of the British and Irish labor market. Before the expansion of the EU, the passengers were able to fly straight to the UK only from Warsaw and Krakow to London or Manchester. But now, short term immigrants (mainly persons working in constructions) fly to England and Ireland on regular basis from almost any Polish airport. A research on the market trends showed that the number of passengers handled in Poland could reach 39 million within 15 years, and up to 63 million by 2030.

Amongst the most important flight operators, there are 5 low-cost companies: the Hungarian Wizz Air, the English EasyJet, the Irish Ryanair, the German Germanwings and the Polish Air Company Group emerging from Centralwings. The Hungarians are on the second place regarding the usage frequency in Central and Eastern Europe, according to a recent study issued by Easy Jet. According to the same research study on the market trends, 63% of the Hungarians prefer flying with low-cost operators, because the charges are low and because short distance flights are the most encouraging factors. The fact the ticket can be purchased online or 24 hours before the flight also encourages the Hungarians to prefer low-cost operators.

Ryanair, Easy Jet, Wizz Air, Germanwings are important low-cost operators on the Hungarian market. However, Hungary is one of those countries where the growth rate of the low-cost operators market has decreased under the normal growth rate of the European markets. The grounds for this low increase have been influenced by the small number of airports in the flight areas, as well as the high airport charges, thus preventing the low-cost operators to increase the number of routes or the capacity.

Romania has 17 civil airports, out of which currently 10 operate international flights on regular basis. Most of the flights are performed from Henri Coanda Airport (Otopeni), where 3.5 million passengers were handled in 2006.

The Baneasa Aurel Vlaicu International Airport is the airport where the major low-cost operators in Romania operate – Blue Air (1.71 million passengers handled in 2009) and Wizz Air (1.65 million passengers) – (http://www.wall-street.ro/slideshow/Turism/79240/Lupta-stransa-pe-low-cost-Blue-Air-castiga-la-mustata-in-fata-Wizz-Air.html#slide_title).

The second most preferred airport is Timisoara, which has handled 608,000 passengers in the same interval. Other international airports that accommodate low-cost operators are in Bacau (where low-cost flights are operated to important cities in Italy, as well as Barcelona and Paris), Arad (flights to Valencia, Verona, Barcelona, Stuttgart, Milan), Sibiu (flights to Vienna, Madrid, Valencia, Munich and Stuttgart), Iasi (flights to Vienna), Constanta (various occasional flights) and Targu Mures (daily flight to Budapest).

4. Blue Air – Romanian low-cost operator

Blue Air is the first Romanian low-cost operator, that was founded in 2004 and whose headquarters is located in Bucharest, and is a very strong competitor to Wizz Air. The increase of the low-cost services on the second Bucharest airport, Baneasa, was impressive, increasing from 5 routes in April 2006 to 22 routes in April 2007. The passengers wishing to travel from Bucharest to London or Paris had good chances to travel from this airport with low-cost operators such as Blue Air, My Air or Wizz Air. The first couple of months in 2007, the traffic between The UK and Romania increased up to 87% compared to the previous year.

The objective of the company was to offer quality services, for a decent price as an option to the existing road transportation. Blue Air is the first Romanian flight company, with headquarters in Bucharest. The company was grounded in 2004 and started operating with a fleet of 3 Boeing 737 S series aircrafts (with seat displays of 144, 136 and 123) from the second airport in Bucharest, Aurel Vlaicu (also known as Baneasa Airport). The operator handled 14 destinations, including one non-stop flight from Arad Airport to Valencia – Spain. The operator increases the income by offering charter services for holiday groups. The main airports of Blue Air are those in Bucharest, Arad, Sibiu and Bacau. The main competitors are Wizz Air, My Air and Sky Europe.

Their first destinations from Bucharest were Timisoara, Milan, Barcelona and Lyon. In 2006, they increased to 18 destinations to Italy, Spain, Germany, Belgium, France, Turkey and Portugal. Certain flights take off from other Romanian cities Bacau, Arad, Sibiu and Cluj Napoca.

Blue Air also operates on other 3 Romanian airports, besides Bucharest, namely Bacau, Arad and Sibiu and is also attempting to access the airports in the NW of the country (Satu Mare, Baia Mare and Oradea).

After Romania adhered to the EU, the main low-cost operators on the local market – Wizz Air, Blue Air, SkyEurope and My Air – have significantly increased the passenger traffic, by over 50%, whereas the common operators have increased only by 10-20%.

After 2009 when they have in turns claimed leadership on the local low-cost market, the results reported by Wizz Air and Blue Air, the major low-cost operators in Romania, are quite even. By 1.71 million passengers handled, Blue Air has a slight advantage against Wizz Air who have reported 1.65 million.

5. Conclusions

Due to the outcomes of the financial crisis over an increasing segment of the population, travels on short distances with low-cost operators are preferred, to the prejudice of the other traditional flight companies. The travel cost on short distances is a priority, no matter if it is a personal or a business trip. That would account for the increasing number of this type of flight operators in the recent years, as number, as transportation capacity and as destinations.

Although the services on board are minimal, the flight safety is the same as the safety on board of traditional operators.

Low-cost operators are seeking to increase the number of destinations in the countries where the population migrates towards better paid labor markets, this accounting for the increasing number of the low-cost operators after the iron curtain was demolished in most of the former communist countries. This type of operators focuses on people with low income, seeking seasonal work places, and also on people seeking holiday destinations at reasonable prices.

The drawbacks of flying with such companies are that they use secondary airports, which sometimes burdens the trip, the on board comfort is reduced, as compared to that on traditional operators and the fact that the amount of luggage is reduced to 2 pieces, 15 kgs each, the charge for each extra kilogram varying from EUR 7 to 10.

But considering that the duration of the trip is reduced and that the ticket fee is smaller, such inconveniences are easier to be accepted.

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INFORMING AND FORMING IN EDUCATION SYSTEMS

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Abstract: *What Aristotle suggested in antiquity regarding the expansion and generalization of public education (".. education needs to be a public, not a private concern") is happening concretely only in the 19th century, in different time intervals and at different pace. The impact on family and private education was not exactly the desired one. Nowadays, the person accessing to education, in whatever organizational form, finds itself in the situation to step back at nothing and to do things for which it is not suited. Due to this loss of consonance with the internal structure of the individual, this uprooting, the verbalism rises today, a strange phenomenon in which words suffice to give the impression of thought, which is comparable to hypnoses and which is not necessarily a bad thing if the ones who practice it are dedicated to education.*

Key Words: education, education, memory, informing, forming, verbalism, consonance.

JEL classification: A20

1. Institutional context of education development

For centuries institutions like governments, municipalities, churches, police, medical systems, education systems successfully balanced the economical and social lives of nations around the world. At the end of the 19th and beginning of the 20th century, as a result of the depressions shaking the world, institutionalization came as a solution to these struggles diminishing confidence in tradition, in personal strength and choices, in the capability of individuals and small groups. Governments, which had the role to protect people, were worshiped. Medical establishments, through the boom of scientific experiments, medical equipment and drugs, were seen as in ancient civilizations the sacred temples. Schools lightened the worry of parents for the education of their children and rose in them the need of belonging to social groups and the feeling of self esteem.

Before the spreading of public education, the educational role was assumed by the family and the church, the parents deciding to what extend their children should have access to education and the church ensuring this education. At this time, both in Europe and in America, schools were organized around churches and the children were taught in an elementary way to respect moral and religious values. In the absence of a law to make education mandatory, it was common that parents discarded this services of the church offering their children an informal education adapted to the needs of the family. Because of this, schools were attended mostly by children of wealthy families while the others were left out or received a precarious education. This social unbalance was exploited by those supporting public education and eventually led to Aristotle's prescription (".. education needs to be a public, not a private concern"), that is, extending the role of the state in family life. As an effect, the focus of the parents on the education of their children diminishes and this carelessness grows as the role played by the state grows and becomes permanent. While the public education system spreads, the private system is endangered not so much because of the competition but because of the coercion through the legislative system. (8)

Starting in the '70s, the system of public institutions in the US and throughout the world changes radically. The institutional inabilities and failures become obvious. How to protect civilians from war and how to handle poverty is not answered by the big governments, the medical society realizes the adverse effects of its own practices, the police is overwhelmed by the criminality and can no longer ensure social peace/security while schools, with a few exceptions, diminish visibly in quality. Disappointment grew and the question "who can we trust?" appeared. People become less trustful towards public institutions and seek to reactivate mutual support in small groups, confidence in tradition, and confidence in themselves, in other words they seek to reestablished what they have given up on. Because of this, private institutions appear, which have as purpose to refresh and restore social harmony inside the big systems, inside nations. In the US mutual aid takes considerable proportions. Fifteen million Americans gathered in five hundred thousand support groups determined to give up on institutional assistance of medical establishments, on social service agencies, on educational institutions in favor of cooperation with each other, with fellow citizens facing similar difficulties. There were support groups for almost anything: health, family, retirement, criminality, housing, nourishment etc. “Nobody believes any longer in salvation coming from the government” remarks Peter Drucker, a keen observer of social and economical problems in America at that time. This model of mutual aid, similar or not with the eastern European socialism, is a form of social activism.

Given these profound changes the disappointment with the public education system grows. The involvement of parents in the public school programs increases as well as the choice for private schools or homeschooling. In 1982 approximately one million US families school their children at home.

These changes required a legislative framework which was not easy to achieve given the decades of enrollment in the public health care system, police as well as the compulsory public education which developed into a sort of addiction, something that could not be easily corrected. “Change can truly happen when there exists a consonance, a convergence, a confluence of changing values and also a convergence of the economical and social needs of the nation.” (1 pg. 266) But public institutions were not competing with private institutions, instead they were often in conflict with them giving rise to litigations and thus, instead of rebuilding a qualitative balance in society the changes make the existing balance even more fragile.

Amplified by the geopolitical movements at the end of the 20th century, all these institutional changes seem sinuous to us.

2. The educational system in Romania

In Romania the evolution of the educational system is structured along the lines of the formation of Romania as a stat. Before 1800 there were few educational opportunities. During that time the education was mostly religious. The period was marked by Constantin Brâncoveanu who founded “Academia Domnească” of Bucharest in 1694 and by Antioh Cantemir who founded in 1707 “Academia Domnească” of Iași. These host lectures given in Latin, Greek, French and Italian. In 1821 the two academies were closed and replaced by educational institutions which used the Romanian language – the college Sfântul Sava and the Micăileanu Academy were founded. In Transylvania, during the same period, education is mostly religious or takes place inside a guild. In 1772 education becomes compulsory for the Saxon minority. The Theological Lyceum is founded in Bukovina and later becomes the University of Cernăuț.(9)

In the19th century and at the beginning of the 20th century an important role is played by the Theological School in Sibiu Transylvania (which was under the Habsburg Empire). After 1867, when the ruling over Transylvania was passed to Hungary, most German and Romanian schools were closed and Hungarian became the official language in public administration and public institutions. Between 1870 and 1880 with the help of ASTRA education in Romanian slowly recover. This period is also marked by the program of reform and modernization initiated by Spiru Haret in 1880.

After 1918 a main priority became the integration of the three educational systems due to the unification of the three Romanian lands. Fascism and the second World War had a negative impact on the educational systems as many teachers and professorswere killed or forced to retire. The soviet occupation had a grate impact on education in Romania changing its liberal French orientation to one of Stalinist type. During the communism the educational system was similar to the one in Russia.

3. The content of the education system. Informing and forming.

Nowadays in Romania both the public and the private educational system and education overall is constantly regressing. We ask ourselves if restructuring or replacing institutions or if a sort of mutual support like that in the '70 is beneficial for the Romanian society. “Education is for free in the sens that it leaks value for the one acceding to it” is a statement of the renown professor Panaite Nica which explains the fact that the system is in the impasse of not being able to offer value and quality. How do we explain this impasse? We say that we owe it to the educational system which is behind more advanced systems of other states, we say it is due to poverty or due to politics which is not granting enough time, money and is not sufficiently preoccupied with education or we say we owe it to a general crises... we forget to search for the causes inside people: the professor, the student, the parent, the leader, inside each one of them as humans.

Let us consider the following aspect: Through education individuals are informed and formed. According to the ideas of the vanguardist Odobleja, ideas may be considered merchandise, a material like any other which may be taken over, processed and offered for other uses and therefore it falls into the general categories of economics: production, distribution, consumption. This leads us further to the division of labor and specialized office workers:

8. the ones who produce and manufacture ideas (theorist, innovator)
9. traders, stakeholders, erudite (buyers and sellers of ideas)
10. distributors (informants)
11. consumers, beneficiary (using ideas in practical purposes)

As any scheme this presentation is overwhelmed by the complexity of reality. Maybe subdividing and detailing would be necessary. We could imagine a category of thinkers and one of experimenters, a category of translators and one of encoders, a category of critics and one of those who verify quality. One can imagine many other categories or ways of classification. Noica warned in 1943 that “a word as hollow as the word information today (further he talks about formation) may avenge the way it is being used”.

Where do we place the ones who form the educational system: professors, researchers, students? They are situated in all the above mentioned categories and depending on the professional stage they are in they may linger more in one or the other. In whatever category they may be at a certain moment they are in the process of informing or forming, simultaneously or successively, and it is important to harmonize thought and action, to reach a consonance. Referring to the philosophy of Aristotle, to inform means to form a content. The form is something determined, its purpose is to determine the matter, to outline it, to pull it out of anonymity. *Form it, inform and you brought something to existence.*

School as an institution is a well determined social structure where the student and also the teacher is the “matter”, the “clay” to model and it can take many shapes and appearances. If someone follows a school of sociology he/she becomes a sociologist, if she/he follows a school of economics she/he will become an economist etc. and it is in his/here destiny to define him/her-self in the shape received at school. This was the meaning of the term information in Latin.

What about those who inform themselves? Can we say that they shape themselves? In this case there is a shift from receiving (“informing”) to searching (“self informing”) from a passive state to an active one. The word “informing” has been trivialized and like a mantra it is revenging itself for the misuse. Nowadays the educational system offers students and young researchers the possibility to follow several domains simultaneously, to follow several specializations and the reason given is a bit silly “even if it is not necessary, it is better to do this because times are like that”. It happens that because of this students follow a master or doctorate adjacent but different from their professional training. How many shapes will these people have? But the majority of people reading the newspapers and following the television or other types of mass media, in how many shapes of sadness or light, fear or courage, ague or vivacity .. do they place themselves in and are modeled by?

If through an educational system one offers a set of ideas with words which are not in resonance with mental structure of the one being informed (yes, still in the process of forming), then this is similar to an implant which can by assimilated or quickly rejected. In the first case the shape was filled or refilled with content while in the second one we have the premise of a mutilation, of vengeance of the information on the lack of consonance. Today an individual is put in the situation to learn a domain for which he/she is poorly suited. Taking an inappropriate shape he will be placed in an inappropriate social and economical position and it is easy to see that this can lead to difficulties for him and the society. I am referring here to cases which are not at all rare: young people graduating from college with a specialization in mathematics and/or informatics which continue their studies in law or even sociology or history and end up as commercial agents. Or cases where high school graduates with a specialization in languages move their studies to economics or engineering and then work outside their area of expertise.

We arrive at the interface of the educational institution with the labor market. In planned economy the relation between the two was supervised and verified such that the disproportions do not reach a certain limit. After the communist period a certain balance survived only by inertia and lately this evolved into a rather hazardous situation. Maybe it is just an illusion of hazard coming from several circumstencial accidents which escape our reason, understanding and control because we no longer interpret ourselves other then through exterior action, separated from our nature. Aren't we in fact missing the essential point of differences in nature between people? Forming a human being for the labor market, do we have the consent of its human nature? Can we standardize human nature so that we can deliver a common education as if everyone is able to understand the same things, as if the same methods work for everyone? We have to ask ourselves whether or learning is placed before understanding and if memorizing is substituting intelligence in todays education (compulsory education) in the framework of which accent is laid on quantity not quality. What qualities do we mean? The one defined by inner acceptance, by consonance with the inner structure. But who can nowadays gain or regain consonance, restore the traditional (genealogical) thread and know about the genealogical inclinations gained in order to incline to a suitable education, in order to know what he/she wants? In this context of separation from tradition verbalism is growing - a strange phenomenon in which words suffice to give the impression of thought, which is comparable to hypnoses. In educational systems information is replaced by something close to hypnoses which is not necessarily a bad thing depending on who is doing it, on the professor, the professor professor, the professor parent, the professor politician. I discussed so far shaping/forming and the “free-fall” of informing due to the separation from personal nature. Let us now discuss the course of the sciences through which we inform.

Like individuals and social institutions, sciences take various forms. Mid of the past century Husserl and earlier, during the first half of the past century Guenon remarked that the sciences of our time leaks significance for life. If in a traditional acceptance intellectual intuition was central, the (derived) sciences today are considered “simple appendants, extensions or reflections of absolute knowledge”. From where did this situation emerge? Through the accumulation of knowledge on details, insignificant by themselves, which sacrificed a synthetic knowledge and lead to the inability of unifying. For example, for Aristotle physics was secondary in relation to metaphysics since it consisted of applying principles superior to nature. However, in modern concept sciences receive status of interdependency denying or ignoring what is beyond them. If astrology and alchemy degenerated into astronomy and chemistry then this is due to misunderstanding of symbols through atrophying the ability to contemplate and perceive what is sacred. Thus people began to “study”, to experiment in a more or less disoriented manner. This puts us on a veritable map of sciences with well fixed borders, where we disassemble and reassemble creating the illusion of progress. But, in view of the relations between the different sections of reality, the truth of inferior type expressed in modern sciences may be considered a support for gaining knowledge of superior type the one existing in traditional sciences. Studding chemistry, anatomy or psychology can bring one closer to contemplating divinity and to absolute principles. Like the individualism in social live, individualism in science creates disorder.

The leak of content in information and placing science beneath level of genuine knowledge are an involution, this brings disorder in education and life.If informing is not in compliance with the laws of human nature and science eludes genuine knowledge we get another reason for the analysis of the adaptation syndrome and the theory of stress. We study nowadays the stress issue, the adjustment of human nature to a certain shape, the adjustment of human mind to a science that may or may not suit it. Moreover, adaptation has to be treated wisely since “not what happens to you is important but the way in which you react” says Georgette Goupil in his book “Hans Selye - La Sagesse du stress”(6). The same author ask himself: “Isn't to much rigor in scientific and experimental proceeding an impediment in the way of knowledge?”

4. Conclusions

The main objective of an educational system needs to be forming and informing individuals for and of developing knowledge (regardless of the level and domain of study) based on a solid general knowledge and at the same time on self-knowledge. Understanding human nature in order to choose the right educational model, in order to harmonize human action with profession is mandatory for modeling the thoughts and minds of those who teach and those who learn. Transdisciplinarity, interdisciplinarity and multidisciplinarity have to make the educational system supple and flexible and have to reestablish the consonance of learning and knowledge with authenticity and human nature as a whole.

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ASSESSING THE POSSIBILITY OF REDUCING THE CARBON FOOTPRINT IN THE TOURIST VILLAGES OF MĂRGINIMEA SIBIULUI

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Abstract: *Increasing the awareness among the inhabitants of the tourist villages from Mărginimea Sibiului regarding the reduction of the carbon footprint, in the context of climate change, encourages the preservation of biodiversity in the "Frumoasa" site and the development of a sustainable bio-economic concept.*

Knowing, understanding, and interpreting the concepts and techniques of analyzing theoretical models regarding the carbon footprint and climate change allow the elaboration of a set of measures that aim to reduce the carbon footprint in the tourist villages from Mărginimea Sibiului, by raising the awareness and responsibility of the population, through the means of promoting unpolluting sources of energy, as well as an environmentally friendly demeanour, with the purpose of having a sustainable development of the area.

The difference in attitude, when it comes to ecology, has a lot to do with the income, the people with higher wages being more responsible with regard to the environment. The rural population once it is correctly informed and coherently made aware of the situation, can become more responsible in protecting the environment.

Key words: climate change, sustainable development, environment, the carbon footprint, tourist villages

JEL Classification: Q54, Q57, Q56

1. Introduction

Climate change is no longer an environment-related problem, but one of sustainable human development.

One of the main challenges of the 21st century, climate change has three distinct characteristics: a cumulative character, irreversible effects, and global manifestation. In order to avoid dangerous climate changes we have a common, but differentiated responsibility: the carbon footprint.

The exposure to the risks associated to climate disasters is not equal. In the developing countries 1 person in 19 is affected, while in the developed countries the proportion is of 1 to 1500 persons.

The impact of climate change regards five key elements: diminished agricultural productivity, increased insecurity of the water supply, increased exposure to extreme weather phenomena, collapse of ecosystems, increased health risks.

IN LIMITING THE EFFECTS OF CLIMATE CHANGE, PUBLIC POLICIES INTERVENE THROUGH REGLEMENTATION, RESEARCH, AND SUSTAINABLE DEVELOPMENT.

2. Material and Methods

The European Commission launched in 2008 the Play to Stop – Europe for Climate Program. According to OMM, in 2008 the atmosphere concentration of the greenhouse gases reached the record level of 385.3 parts per million (ppm), rising with 2 ppm as compared to 2007. The global emissions of greenhouse gases decreased with 2.5% in 2009, after having rapidly risen in the previous years. Climate changes result from the building-up of gases, not just from their emission, and a permanent decrease of 10% of gas emission would decrease the existing volume of greenhouse gases with only 0.1% in 2 years and with 2% until 2040. At the United Nations Climate Change Conference (Copenhagen, 2009), it was suggested to extend the commitments of the Kyoto Protocol on Climate Change, which fall in 2012 and which aim to hold the concentration of greenhouse gases in the atmosphere at a level that will not endanger the global climate.

Climate changes and the environment degradation threaten the security and the social and economic stability of the world's nations. Romania's engagement in enforcing the Kyoto targets is demonstrated by the reduction of greenhouse gases emissions with 37% below the assumed objective. Implementing the measures to reduce the carbon emissions represents a risk management instrument and an engine of sustainable economic growth. In 2009, the Green Generation Association from Romania initiated a campaign on the internet for calculating the carbon footprint.

3. Results and Discussions

Knowing your own carbon footprint enables a significant reduction of the negative impact on climate change. Quantifying the carbon footprint, analyzing and reducing it, might be the solution for preventing these changes from occurring. The difference in the ecological conduct is based on education. We wish to prove that also the rural population, if correctly informed and consequently made aware of the situation, can become more responsible in protecting the environment. Each of us has its own carbon footprint based on the different lifestyle. A Romanian pollutes on average with 9.2 tons of CO2/year, with 2 tons more than the European average. We can catch up by planting a tree for every ton of CO2 with which we annually pollute the nature.

The developing of a sustainable rural eco-economy depends on the global vision on natural resources and on a thorough understanding of the need to re-organize the economic conceptions and concepts so that this vision can be materialized.

From the beginnings of agricultural practice on our planet, the Earth's climate has been remarkably stable (Brown L., Eco-Economy). Nowadays, the air temperature is rising as a result of the greenhouse effect - the warming caused by the increase in the atmospheric concentration of gases that accumulate heat, especially CO2. The rise of CO2 comes from two sources: the burning of fossil fuels and deforestations. Annually, over 6 billion tons of CO2 reach the atmosphere as a result of burning fossil fuels, and about 1,5 billion tons through deforestations.

CO2 release through these sources exceeds the natural capacity to fix this gas. Being a caloric gas, CO2 determines the increase in the greenhouse effect and thus, global warming.

Systematic recordings made on the CO2 level reveal its annual growth since 1959, causing a dramatic increase in air temperature. It is anticipated not only a rapid heating, but also an alarming rise in air temperature by 1,4 to 5,8 ^{o}C. The effect of this global warming will generate extreme weather events (record-breaking heat waves, disastrous storms, the melting of glaciers and of the ice cap, the rise of the planetary ocean level).

Unfortunately, this is not a doomsday scenario, but the concrete reality. Thus the importance of quantifying the carbon footprint, of analyzing and reducing it by increasing the level of awareness and empowerment among the rural population of Marginimea Sibiului, by promoting the use of clean energy sources, an environmentally friendly behaviour, and through afforestation.

The periodic determination of the carbon footprint by monitoring the selected sample will help develop a plan of measures for reducing the carbon footprint in the tourist villages of Marginimea Sibiului by making the population more aware and responsible regarding the benefits of adapting the traditional activities to the principles of eco-economy, in order to ensure food security and safety, as well as for biodiversity conservation.

The difference in ecological attitude is based on education. The rural population properly informed and consistently made aware of this problem, can become more responsible in protecting the environment. At the same time, the carbon footprint can be reduced or even neutralized through afforestation.

Each of us has his own carbon footprint, depending on his lifestyle. A Romanian pollutes on average with 9.2 tons of CO2/year, with 2t more than the European average. We can catch up, by planting a tree for every ton of CO2 with which we annually pollute nature.

In order to actively contribute to the conservation of natural and cultural heritage, a key element is to include the local communities in the processes of sequential planning, development and operation that will help increase their welfare. The need for ecological agriculture, food safety, the use of clean technologies, and the implementation of eco- and bio-economy principles represents an educational challenge.

The changes in the weather and climate events of Sibiu region have begun to be of real concern. In Sibiu Depression, climate change is manifested through the rapid succession of days with temperatures higher or lower than normal, through episodes with very cold or frosty days, or on the contrary, very hot days, through the greater frequency with which risk weather phenomena occur: blizzards, increased wind, storms, torrential rain with heavy falls of precipitations.

The challenge of the 21st century is that of climate change. It has three distinctive features: a cumulative character, irreversible effects, and global manifestation. The measurements on a planetary scale showed that we have exceeded the threshold of dangerous increase in temperature, which is of 2^{o}C.

The common, yet differentiated responsibility to reduce the carbon footprint is achieved by developing a sustainable model of emission and implementing a set of measures meant to reduce CO2 emissions. The exposure to risks associated with climate disasters is asymmetrical. In the case of developing countries, one person in 19 is affected, while in developed countries the ratio is of 1 to 1500 people. The impact of climate change takes shape in five key elements:

- reduced agricultural productivity;
- increased uncertainty in what concerns the water supplies;
- increased exposure to extreme climatic phenomenon;
- the collapse of ecosystems;
- increased health risks.

Climate change is considered to be the most sensitive issue with which humanity is being faced at this moment. To avoid irreparable damage to the planet, we need to reduce the emissions of greenhouse gases. Switching to an economic development model based on activities which have a lower carbon footprint signify the reduction of pollution. According to reports and to European Commission experts, in less than 100 months, the fight to prevent climate change will turn into a battle for survival. The carbon footprint does not just mean the acknowledgement of a reality, it can be compensated by simple measures that each of us can take at home.

A Chinese proverb says that one generation plants the tree, and the next enjoys the shade. This approach can be a concrete step towards a green attitude.

Waters, forests, and mountains where flora and fauna thrive position Romania at the top of the list of European countries with a rich biodiversity. The classification made in 2010 - the year of biodiversity, places Romania only at number 23 of 29 in Europe, first places being occupied by Sweden, Switzerland, and Austria.

The greenest countries have the lowest total scores. The performance indicator on climate change shows that no country has taken sufficient measures to reduce the carbon footprint. Greenhouse gases are among the main factors influencing the planet's climate. Their volume has increased significantly, and this is due mainly to the burning of fossil fuels, to land use, and agriculture. The higher the profile of these factors, the greater the volume of energy consumed and the level of emissions released into the atmosphere. A low level of energy consumption involves the use of fewer fossil fuels and the reduction of $CO2$ emissions, thus ensuring a lower impact on the environment.

The impact that the number of visitors has on the community in the tourist villages of Marginimea Sibiului has a positive effect on the occupational level, but a negative effect on the environment. Based on questionnaires there have been identified the following aspects of tourism in the area:

- the means of transport by which the tourists travel,
- short visits versus long stays,
- the existence of accommodation offers accredited with a green label,
- the purchase of local food products and souvenirs,
- the degree of organization of the places with tourist attractions.

To reduce the carbon footprint in the tourist villages of Marginimea Sibiului it is important to promote a “green dream” type of tourism, in which the tourist is accommodated in an eco-hostel or tent for five days, travelling from his residence to the destination by train, rents a bicycle for a tour of the area, takes most meals in an agro-hostel at low prices, visits one tourist attraction every day, and ends his trip by attending a festival. The results of the questionnaires were made the subject of meetings and debates with the local community and the decision makers in the area, in order to identify ways to reduce the carbon footprint.

On a medium to long term, tourist villages can become models for the reduction of carbon footprint by developing and applying methods of organic agriculture, green tourism, and the use of clean energy sources. The idea may become an important piece an organic food system, organic agriculture, biodiversity conservation and eco-bio-economic development and allows post-accession structural funds for sustainable development of the Romanian village.

The idea may become an important piece in the system of organic agriculture - organic food - biodiversity conservation - bio- and eco-economic development, and enables the access to post-adherence structural funds for a sustainable development of the Romanian village.

4. Conclusions

Climate change is no longer an environment-related problem, but one of sustainable human development. One of the main challenges of the 21st century, climate change has three distinct characteristics: a cumulative character, irreversible effects, and global manifestation. In order to avoid dangerous climate changes we have a common, but differentiated responsibility: the carbon footprint.

The exposure to the risks associated to climate disasters is not equal. In the developing countries 1 person in 19 is affected, while in the developed countries the proportion is of 1 to 1500 persons.

The impact of climate change regards five key elements: diminished agricultural productivity, increased insecurity of the water supply, increased exposure to extreme weather phenomena, collapse of ecosystems, increased health risks.

IN LIMITING THE EFFECTS OF CLIMATE CHANGE, PUBLIC POLICIES INTERVENE THROUGH REGLEMENTATION, RESEARCH, AND SUSTAINABLE DEVELOPMENT.

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ONLINE METHODS USED IN MARKETING RESEARCH

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Abstract: *Market research is an important tool for any organization in search of trade opportunities, especially for small businesses who want to evolve. Starting from the discovery of a niche market to meet consumer needs and planning effective marketing campaigns, market research can provide information needed to increase competitiveness and maximize profits. On the whole market of marketing research, online research increasingly gaining more ground by setting up specialized companies and implementation of new methodologies.*

Key words: online methods, marketing research, online survey.

JEL classification: M31

1. Introduction

According to the definitions of the American Marketing Association, marketing research is the collection, recording and systematic analysis of data on consumer issues, customer, competition, markets and marketing. In light of this definition, mission marketing research is to apply scientific methods to obtain information about these issues (Catoiu, Iacob - Cercetari de Marketing- Tratat, Bucuresti, 2009, Editura Uranus).

According to Richard Wind, a spokesman for MRS (Market, Social and Opinion Research), the Internet offers many opportunities, most of them still unexplored. It is time for firms to consider online surveys and an extension of this area.

In terms of quantitative research online, self-administered survey via the Internet is an inexpensive alternative to the demanding and expensive method of land survey or phone interview. With the spread and adoption of e-mail among people in public and private companies, educational organizations and the general public, the prevalence of these surveys has become very easy and cheap.

There are basically three types of online surveys: mail surveys, polls, HTML and interactive applications that can be downloaded to your computer and then forwarded. Surveys by email is the quickest and most simplistic method having the advantage that can be used by all respondents.

However, because email is limited to text, surveys may not include logical leaps, randomization can not take drastic measures to prevention of errors, and respondents can not be required to complete all the questions. This type of survey is recommended for internal use (measurement of employee satisfaction and business partners).

Polls HTML offers the possibility to create more complex studies, with logical leaps over questions and even questions Grid inserting video advertisements or printed. This type of survey is designed to last longer, but the benefits are numerous: the possibility of testing before being released study (debug), a better control over collected data, survey design flexibility and interactivity to. Respondents are invited via email to participate in the study, and in the message body is inserted into a URL where they can complete the survey.

To create a poll and more interactive, some applications have been designed that can be downloaded, including a survey in which respondents executable file can save on their computer. How the content is built and downloaded files depends only on the imagination and creativity researcher. This online survey is preferred for long surveys to animate and keep alive the interest of the respondent. In addition to the relatively long time necessary for programming such a survey and the relatively high cost, scientists are confronted with the reluctance of respondents to download executable files contact for fear of viruses.

Switching from mail to telephone interviewing and other techniques to direct Internet signals as the next logical step in the evolution of electronic research methods. The next question that arises is how to measure qualitative data through the Internet such as attitudes, perceptions, feelings consumer. There are many similarities between online and traditional qualitative research: the methodology is similar, the procedure for online group discussions focused is virtually the same as in the classic. Differences are primarily used to conduct research on the environment, but also the typology of persons interviewed. One of the main advantages of the online environment is that this space is populated largely by innovators, especially persons affected by the researchers. In terms of population, Internet users are more educated than the average population and have higher incomes.

2. Methods used in online marketing research

Procedural focus group discussions are conducted entirely online over the Internet, from recruiting participants by e-mail, by itself moderate the discussion. Since there is assumed to be physically present participants, they respond right from their homes, which can be spread from geographically. In such a virtual “room” can be gathered from all respondents area of a country or people who speak the same language and live in different countries, adding value to international marketing. In addition, the fact that there are in the same room, safe and gives participants the courage to express their views honestly. Moreover, it is possible to change between moderator and respondents private messages, messages that can contribute to the success of the discussion. The moderator can, for example, one respondent discreetly urged to participate more actively, or a particular respondent may communicate frustrations moderator troubles some discussion.

Online focus group discussions typically take less than the classics than one hour. They are performing a "chat", the participants talked amongst themselves, and the moderator asking questions on various topics. Discussions are informal, friendly, but no eye contact and auditory specific focus group discussions classics. The fact that respondents only "see" the answers of others and not hear, increases the attention of the participants and allows them to better follow the discussion. It is also possible to carry more conversations simultaneously and return to the previous answers.

While a physical meeting-related communication occurring elements mimic gesture and expressing emotional reactions, emotions can be suggested on the Internet using a special vocabulary (Breakenridge, Deidre - Cyberbranding: Brand building in the digital economy, Prentice Hall, 2001, pag.176). For example, the fact that the cry may be suggested by writing in capital letters. To overcome the shortcoming caused by the impossibility of studying non-verbal reactions, the tendency is dedicated to video-record the participants when typing.

An issue often raised in connection with online research refers to subjects' honesty, the fact that many personalities behind the "ghost", distorting research results. In the focus group discussions, it does not seem to be valid, since respondents participating voluntarily and not as a result of personalized invitations. In this way, behind anonymity, they are more willing to respond honestly.

Participation in a focus group on the Internet is much more enjoyable for the interviewee, do not need to look in the eye when you answer the moderator. The result is represented by more open and frank responses obtained. Sensitive subjects by their nature, such as medical and health issues, relationships at work can be approached in a relaxed and natural in an online discussion. As people become more comfortable participating in interviews, they realize the advantage of being in this situation. Enjoy the opportunity to answer questions when they want, without waiting for other participants to finish. The online focus groups, all involved while typing.

In the qualitative research, experts agree that online focus groups can not yet replace traditional methods of qualitative research.

Online research is an increasingly important component of marketing research. In the online environment, we can find the online marketing reseach throughout the research surveys. Online research surveys have many advantages. Respondents are easily accessible, surveys are sent quickly and cheaply through the Internet, and they can respond more readily to questions on your computer and expressing attitudes, opinions, intentions, with just a mouse click.

Together with other forms of data collection (mail, telephone, personal interview) survey plays an important role in the research process. "Magic" online electronic delivery, although it has many advantages, it does nothing to diminish the importance of a well-designed survey, formulated according organized in a logical manner. More difficult to work with the surveys are: convincing respondents to cooperate and engage them in a meaningful communication. A well designed survey is a work of art.

A. Vovici (formerly WebSurveyor), Zoomerang, Sphinx, confirmed SurveyPro CercetareOnline are just some of many software design and delivery of surveys in electronic format, available to marketing researchers.(http://www.vovici.com/products/overview/index.aspx (accessed on april 10 2011), pg. 1.)

Vovici (vovici.com) is a pioneer in online feedback handling, pulling out of two of the pioneers and market leaders in this field - Perseus and this creates tools and revolutionary solutions that redefine the experience in the field surveys and allow receiving feedback in online communities. Vovici works in partnership with its customers to create solutions with their business best and help to increase the degree of consumer loyalty, facilitate collaboration and innovation, influence critical business decisions and to give voice to online communities.

The company is 100% dedicated to handling the Feedback Enterprises (Enterprise Feedback Management), is less than 30 years in the industry, has over 5,000 customers and is contracted by 62% of registered companies in the Fortune 500 (310 companies). Vovici coined the term "Enterprise Feedback Management" as the first provider of this online community service that has trained to give feedback. The company processed more than 200 million surveys to its customers and feels that respondent's focus is unique in the industry experience and critical in helping its clients to create a continuous dialogue with customers, partners, prospects and employees.

It also claims to have a capacity Vovici services unique to this industry, enabling it to create solutions that meet the precise needs of its customers. The company has a wide range of products for customer needs, from sounding instruments to comprehensive feedback solutions.

Software polls the Vovici addresses multiple requirements:

Professional (Professional): a tool to address the needs of an individual user surveys;

Team (Team): capacity for multiple users, for teams and departments;

Enterprise (Enterprise): capacity for multiple users to multiple groups working to meet numerous requirements to handle feedback throughout the organization;

The manufacturer of a community (Community Builder): With his easy to create online communities and panels to engage employees, customers and other parties;

Marketing Research (MR) addresses the needs of marketing researchers.

B. Zoomerang (zoomerang.com) is an online survey tool that allows users to create and send surveys and analyze results also in demand. In addition, Zoomerang includes samples, "focus groups" - online sites, online panels and other solutions offered by marketing research company MarketTools, company owner, who created in September 1999. MarketTools, Inc.. is a private marketing research company founded in 1997 with headquarters in San Francisco, California. Zoomerang is among the first online survey software tools on the market. This amounts to a total of over 1.5 million registered users. (http://www.zoomerang.com/company/about.htm, accessed on 10.03.2011)

Zoomerang is the number one source for online surveys, helping hundreds of organizations - including 100 of those recorded in the Fortune 100 - in over one hundred countries. Zoomerang customers of educational, business and nonprofit has designed and delivered more than 200 million surveys to customers, employees and marketing researches. Zoomerang survey added professional services experts, including: programming, translation, analysis, recruitment and selection of groups of respondents.

Zoomerang Products and services offered include:

• Polls Zoomerang zPro (zPro Zoomerang Surveys) declared by the company as the world's leading survey, available in a variety of templeturi for business and educational and nonprofit organizations. Zoomerang Basic is a free introductory version zPro with reduced capacity and a more limited set of features;

• TrueSample: lets users know the opinions of several million people. It offers profiles of panels in niche market segments - more than 500 attributes of the profile for precise targeting. It was launched by MarketTools in April 2008, in order to improve in a measurable objective and quality of online sample;

• Zoomerang Professional Services (Zoomerang Professional Services) include the programming of surveys, translating into more than 40 languages, their analysis, expert telephone and online support and more.

C. Sphinx (sphinxsurvey.com) is a company with offices in the cities of Annecy and Grenoble (France) for 25 years, which sought to spread the survey methods and data analysis as much as possible. Thanks to close relationships with academia and research, and innovative educational dimensions are related to its software, which ensures its success. The main challenge of the development team consists of software functional richness combining ergonomics, with power flow, the rigor with rapidity. In an inventive and realistic manner, offers the latest technological advances for all users. (http://www.sphinxsurvey.com/en/softwares/all_softwares.php accesat la 10.03.2011, pg. 1.)

Sphinx is available in English, French, German, Spanish and Portuguese and allows customers to conduct surveys in more than 30 languages. Our solutions are recognized for Sphinx software integrated access to statistical data for everyone, friendly interface and open to all media. Sphinx toolbox are:

♣ latch: a tool created for use in particular temporary polls. With a rapid deployment, simplified latch provides access to all study phases: creation and processing of the survey, data collection and examination. Users do not need to install software, they may work directly on the Internet. Its price is 400 €;

♣ Sphinx Survey is a survey tool for managers, allowing their deployment across media: web, phone, scanner, PDA. It includes more than 1,500 functions for data handling, statistical analysis and text in one software, Sphinx Survey is successful because of its applications multipricepute, its integration and permanent sociality;

♣ SphinxOnline Manager: is a web platform for organizing and reporting analysis system controlled by a system resource that explores the latest technological innovations. It allows users unlimited hosting online surveys and implementing their subscription, evaluation and handling of the panels.

Thanks to 20 years of experience working with surveys, handling the many tools and statistical techniques, the company can interfere at any stage of its customer surveys. Thus, it can help with: writing the survey, creating the format (paper, web, scanner), advice on methods of sampling, placement and Internet hosting their studies, handling campaigns by emailing reminders customized integration of external data files, preparing reports and tables synthetic raw, making a decision table support, handling of questions open, qualitative studies.

D. Confirmit. Confirmit Platform, offered by Future Information Research Management (FIRM) was created to revolutionize the process of creating and reporting of market research conducted online, through automation and integration of certain research procedures. Confirmit is a specific software environment online that specializes in creating online surveys, collect information relating to quantitative research, and management of panels of respondents. (http://www.confirmit.com/home.aspx, accesat la 10.03.2011, pg. 1)

Confirmit was founded in 1996 by Bjorn Haugland. Currently, the company which is listed on the Oslo stock exchange, is headquartered in Oslo, but counting branches in London, New York and San Francisco. Within the four main branches, confirms the number of 114 employees, turnover divided between operations in North America and Europe. At the end of 2010, Confirmit clients include 412 companies, including: Countrywide Financial, Dow Chemical, Egg, GlaxoSmithKline, Halifax Bank of Scotland (HBOS), Hewlett Packard (HP), Safeco Insurance, Symantec, Virgin Media, and Ipsos Interactive Services.

This software is available for installation on a server method, and his acceasarea via registration (login) after being accessed by a URL.

There are two types of users confirmed: standard or advanced users and the administrator is able to decide Confirmit status. Advanced users should have quite extensive knowledge about the use of this software and deals, in principle:

- Creating a new project;
- Logic programming and their questions in a professional editor;
- Setting the project properties (permissions);
- Building panels of respondents;
- Compiling / generate files to launch interview;
- Extending the design of polls archive;
- Create and publish reports;
- The ability to offer end-beneficiaries access to online reports of studies.

Standard users have permission to build and administer surveys in standard editing mode and see reports on the frequency questions. This editing was designed for studies that do not require complex functionality.

Users can log in by visiting the URLs below: U.S. http://author.confirmit.com, EUROPE: http://author.euro.confirmit.com.

Accessing these links may be made only by typing user name and password. If the first login, the user will be asked to change their password.

eSurveysPro. eSurveysPro.com is one of the most effective sites to create online surveys. It allows users to create surveys for free using a powerful tool for Web surveys. eSurveysPro.com also offered a collection Query patterns free, free articles and tips for achieving accurate and efficient online surveys.

The platform allows the definition of 17 types of questions, of which we mention: (http://www.esurveyspro.com/, accesat la 10.03.2011, pg.1)

- Questions answered unique variant, variants placed vertically;
- Questions answered unique variant, variants placed horizontally
- Multiple choice questions response options placed vertically;
- Questions with multiple choice, options placed horizontally
- Matrix unique choice questions answered on line;
- Matrix of multiple choice questions on line;
- Free response form with a single line;
- free answer form with multiple rows;
- free form text response box;
- Form the question using the constant-sum scale;

• Matrix slide battery of questions (arranged in three dimensions);
• Matrix pop-up set of questions;
• Matrix spreadsheet free-choice response;
• Comment text form;
• Form the image imposed;

There are a total of five types of patterns from which users can choose from in order to create the desired survey. They are:

• Customer satisfaction surveys
• Human Resources Surveys
• Marketing research surveys
• Evaluation Services surveys
• Academic survey templates

Users can choose between several types of accounts, each with its cost, depending on the number of options you want.

In terms of the number of results found by the search engine Google from entering the name of a software tool for designing online surveys, where the five tools listed above, the order is as follows: Zoomerang takes place, with the number of results displayed, followed by eSurveyPro.ro, and Sphinxsurvey Vovici. So far the Zoomerang tool is most often found in Internet searches (three times more often than Vovici) compared with the other set.

3. Conclusions

Using online marketing research, a greater number of respondents can be interviewed simultaneously. In the virtual environment there are no international bounderies, global research can be done easily and quickly. It provides a quick and cheap research, thousands of answers can be collected for several thousand dollars / euros. In marketing research field is very important and useful the insurance of the existence of panels of respondents, many respondents providers have viable panels, ready to fill in online surveys.

In our century, speed and accuracy of data collection and analysis (the data is recorded predominantly in a database, should not be entered manually) is essential. The possibility of making researches media (audio-visual exposure).

In online research we are confrunting also with a couple of disadvantages like low degree of representativeness of the Internet compromise.

Distance and anonymity of the respondent can be made more sincerity, but they do not eliminate the tendency of respondents to cheat, the real identity of respondents uncertainty.

Virtual envirnoment also can be very flexible for the respondent by the rate of leaving the panels is quite large and that does not help the researcher.

For qualitative research, people who type faster group can dominate, can not capture the elements of nonverbal communication.

These are a few advantages and disadvantages for using or not using the the virtual environment in the marketing research field.

Although, in 2010, marketing research companies experienced a decrease in using online environment, but, the Internet stays the future of all marketing activities worldwide. The facilities that online marketing research offers is much bigger importance that anyother methods, because of it costs, rapidity and spending few time in analyzing and concluding.

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SPECIFIC TOOLS IN ONLINE MARKETING RESEARCH

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Abstract: *Understand the concept of online research involves distinguishing two other concepts which might be confused with online research: research on the Web and online research surveys. Research on the Web is through Web applications, using both traditional and online research. Some research popularity of Web applications include Web pages, studies of effectiveness of advertising pop-ups "on websites, or research to measure consumer reactions to various components of Web sites. Research online surveys using data collection refers to computer networks. For example, collecting data on customer satisfaction using a company intranet is an online research sample.*

Key words: online marketing research, online platforms, online survey.

JEL classification: M31

1. Introduction

Area of marketing research that can be achieved in the virtual environment is basically just developed as the area covered by them in the real economy. Business warmly embraced online research, which requires researchers to move in the same direction. Professional organizations, including ESOMAR, have already produced useful guides for using Internet as marketing research methodology[1] .

Online marketing research can be defined as "the use of computer networks including the Internet, to assist at every stage of development, including marketing research problem, research design, data collection and analysis and report writing." had been used in online research limited applications of the research process since 1960. BITNET data transfer, a data transfer system of early Internet foregoing, or more recently, accessing online information services such as Lexis-Nexis in 1980 are examples of online research.

2. Specific tools in online marketing research

After 1990 industry marketing research designed ingenious applications that use the power of computers and communication networks and environmental advantages of digital design, operation, monitoring and assisting the activities involved in the research.

The rapid growth of Internet penetration and considerable band broadening access to virtual network creates great opportunities for conducting online marketing research. It is estimated that approximately 77% of the U.S. population and 65% of the EU population has Internet access. Also, these regions comprise a major proportion of global purchasing power, according to British Marketing Research Association and ESOMAR. Separately, some regions of Asia (South Korea - 81%, Singapore - 77%, Taiwan - 70%) also show a significant increase in Internet access. This makes possible the spread of Internet access to a major section of the population through the Internet and also provides a substantial representation of consumers online.

The Internet enables companies of any size to conduct relevant market research. For example, Microsoft in MSN.com carries up to 50 month study on the internet to gather attitudes of those who use the website. Many of these studies takes only two days and collect responses from over 3000 people.

Traditional methodologies (interview pencil - paper) began to familiar response rates ever lower because of either high frequency overload and interviews, either due to the use of increasingly higher voice mail. Moreover, today's corporate management requires information in a time of increasingly short and, in many cases, can not wait for data cleaning, checking results and deep analysis of data collected through interviews and paper-based manual processing tasks easily achievable through IT&C and Web technologies.

The Internet facilitates the collection of responses 24 hours a day, with special software for the web. Through online surveys may automatically collect responses, thus avoiding the waiting time that they require manually processed studies. Studies Online offers a range of superior facilities offline methods: online testing, polls and rapid reporting of results, these methods are proving to be more flexible formatting options allowing respondents to respond quickly to the types of questions more complex. In addition, the Internet

[1] www.esomar.org / guidelines

offers the possibility to analyze the results much lower costs, no shipping cost, no cost needed for the implementation of the focus group, etc. These are some of the reasons that companies such as Procter and Gamble conducted more than 50% of marketing research via the Internet. Tom Miller, director of the Center A.C. Nielsen from the University of Wisconsin said that over 93% of organizations that conducted studies said they would use more online research. Online marketing research gave much better results than traditional research in terms of speed, cost and lack of response errors. Very interesting conclusions are noted in the study of Global Market Research 2010, ESOMAR developed the tools, methods and trends in online marketing research.

Over 87% of market research companies have conducted online surveys and have invested heavily to be able to compete in this market. 63% of them were able to finally lead to studies using only its own resources, while 37% used both its own resources and external resources. In the U.S., although it seems strange, only 44% of market players have been able to fully carry out online surveys using their own resources.

Globally, we can speak of a delineation of the resources online. Thus:

• 86% of companies conducting online research program has its own resources (and have completed 95% of programming using these resources);

• 77% either own or have access to housing resources;

• 63% have their own panels, specialized or not;

• 40% do research on the Internet using their own software platforms.

In general, the most significant efforts in online research refers to research traditional lending arrangements, such as: testing the concept (concept testing) and product (Product testing), advertising and brand testing, measuring customer satisfaction (Customer Satisfaction), and measurement of attitude (Usage & Attitude), qualitative research focus group interviews online or online video.

There are however some types of online market research products that are pure Internet audience measurement and web sites. Specialists in the field of online research are not necessarily interested in the "migration "of traditional research methods in the online environment, and especially the maximum exploitation of the benefits of the interactive nature of the online environment, leading studies that were impossible in the offline:

- virtual environments / simulated shopping;
- interactive product configuration platforms;
- advertising research - research advertising effectiveness;
- pop-up surveys - surveys to assess the pop-up Web sites;

Social networks and patterns of behavior in virtual communities

Some of these innovative applications are:

• Design of sampling techniques, sample design and hosting online (SSI-SNAP software from Survey Sampling, Inc..; software company Greenfield Online River)

• Design questionnaires using an online software for achieving them (Vovici - WebSurveyor former, the company Zoomerang Market Tool, Insight Express, Sphinx, SurveyPro, CercetareOnline)

Create Online Surveys - Comparative Tables

	Questions per Survey	Responses per Survey	Question Types	Distribution	Later Editing
LimeSurvey	Unlimited	Unlimited	14	YES	YES
Survey.io	N/A	Unlimited	NO	YES	NO
SurveyGizmo	Unlimited	250 / month	21	YES	YES
SurveyMonkey	10	100	15	YES	YES
Zoomerang	30	100	15	NO	YES
PollDaddy	10	100	11	YES	NO
Google Docs	Unlimited	Unlimited	7	YES	YES
eSurveysPro	Unlimited	Unlimited	14	NO	NO
Wufoo	10	N/A	7	YES	NO
QuestionForm	5	Unlimited	8	YES	YES
KwikSurveys	Unlimited	Unlimited	7	NO	NO

Table 1 Comparative online survey platforms[2]

• Distribution of online questionnaires and their use in data collection on the Web (AOL / DMS, Harris Interactive, Socratic Technologies, Knowledge Networks; Vividence)

• Analysis of data in a central location for processing and use of computer networks for the distribution of outcome data analysis (SPSS, SAS);

[2] http://danielschristian.com/learning-ecosystems/2011/04/22/create-online-surveys-guide-to-the-best-free-services-good-bazzano-lombardi/

• Distribution of research reports through computer networks in a format that allows users to manipulate the outcome and further analysis (Consumer Metrics, Inc.., Beyond 20/20, Digital Dashboard from the company Burke);

• Using the Internet for testing concepts (Decision Analyst, Inc.. and Affinova).

A number of software tools used in online research are:

• SPSS, SAS, Statistica, Minitab, NCSS, S Language, Language R (free) used in statistical analysis;

• Amazon, IBM, Sun Microsystems: to take advantage of advanced data analysis algorithms (in a way cheaper, paying and receiving unlimited computing power);

• Technorati.com, blogpulse.com: to find and organize information contained in blogs

• Risk-E (the CMR Group): reeşantionează bias in the analysis of responses to online questionnaires;

• Facebook, MySpace, Hi5, Secondlife.com, ning.com, twitter.com: to build their own virtual social network and to test a product.

Through the Internet, marketing researchers have access to a growing range of analytical methods. There are, for example, programs on the Web - called "ASP solutions (Application Service Provider) - for data analysis, responses to open coding, sampling, administration panels, questionnaire design. Use of these services do not require the purchase and installation of computer software applicant. It may pay to each request in part or prinliza monthly data. For these opportunities and show that the immediate benefits of the Internet's largest marketing research is not in gathering information, but analyze and disseminate data and in linking researchers to a complex reservoir of resources for research.

3. Classification of online survey platforms

There are 10 online survey platforms in front of al applications used by marketers, very popular, and full of features that helps developping the online marketing research field.

1. **LimeSurvey**

LimeSurvey is a free open-source survey application that allows you to create your online surveys with ease. The service supports quite a number of common and less-known features and it is regarded as high-quality inside marketing, customer satisfaction and quality management surveys. LimeSurvey supports an unlimited number of surveys plus unlimited questions and responses. In fact, the only limitation is the size of your database. A template editor allows the integration of pictures and movies. Skip logic, 20 question types, export functionality and distribution via email, URL or embedded link make this a comparable software application. Advanced features include account management and multi-lingual support. .(http://www.masternewmedia.org/create-online-surveys-guide-to-the-best-free-services/)

2. **Survey.io**

Survey.io is a free web-based service that allows you to create a customer development survey using three data points. You can generate an unlimited number of responses and a redirect to your product is usually displayed at the end of the survey. As far as distribution is concerned, you can share a direct link to your survey, embed it inside a web page, or share it via e-mail. Edits, skip logic and export functionality are not available. Survey.io requires a free account before you can start utilizing the service. (http://www.masternewmedia.org/create-online-surveys-guide-to-the-best-free-services/)

3. **SurveyGizmo**

SurveyGizmo is an online service that allows you to create surveys. An unlimited number of questions based on 20 question types is allowed and monthly responses range from 250 (free) to 1 million (dedicated). Custom templates, editing after publication, exporting and distribution through URL, embedded, email and other methods are available on all pricing plans. Three monthly pay plans ($19, $49 and $159) offer various features: phone support, brand control, skip logic, secure link and multiple users for team collaboration. A dedicated plan ($7,888/year) allows 40 users, professional services and a dedicated database. .(http://www.masternewmedia.org/create-online-surveys-guide-to-the-best-free-services/)

4. **SurveyMonkey**

Survey Monkey is a web service that lets you create online surveys. You can start how many surveys you want, limited to 10 questions and 100 responses per survey. There is a wide range of question types you can add to your survey. Some of these are: multiple choice (one and multiple answers), matrix of choices, drop-down menu, rating scale, textbox, and more. To create your surveys you can also choose among several ready-made templates. Once your survey is ready, you can provide a link back to your survey or embed it on any web page or social media site using a standard snippet of embed code. It is always possible, even after you publish your survey, to edit your questions. At a free level, you do not have export / download features, private / public option, neither you can use a skip logic to add questions based on previous answers. Premium accounts start at $19.95/month and allow you to have unlimited questions per survey, unlimited custom themes, branding options, custom "*thank you*" pages and much more. .(http://www.masternewmedia.org/create-online-surveys-guide-to-the-best-free-services/)

5. **Zoomeran**

Zoomerang is a powerful online survey creator with a large research analysis business behind it. At a free level, you can start unlimited surveys with 30 questions and 100 responses for each. There are many question types you can choose from, like: matrix of choices, multiple choice (one and multiple answers), rating scale, textbox, drop-down menu and more. Questions can always be modified, even after you publish your survey and people have already started responding. Zoomerang also offers customers to access their 2+ million survey takers to find out anything you want. No embed, export / download feature, public / private option, custom templates nor skip logic are available. To enable all these features, you must switch to one of the premium accounts available. The first level of premium accounts is priced at $199/year and also allows you to have unlimited questions and responses for each survey and use ready-made templates. (http://www.masternewmedia.org/create-online-surveys-guide-to-the-best-free-services/)

6. **PollDadd**

PollDaddy is an online service to create embeddable surveys and polls. You can start unlimited surveys with 10 questions and 100 responses each, completely free of charge. You have up to 11 different types of questions spanning from multiple choices to matrix of choices, from drop-down menu to textboxes and more. An option to use skip logic (create questions that depend on previous answers) is also available. You cannot edit your questions once the survey is open and published. Once your survey is ready, you can customize it using a ready-made theme and then embed your survey using a snippet of embed code. No export / download feature, nor public / private option are supported. Premium plans for PollDaddy start from $200/year and give you unlimited questions, 1000 responses for each survey, more customization possibilities and survey data export. .(http://www.masternewmedia.org/create-online-surveys-guide-to-the-best-free-services/)

7. **Google Forms**

Google Forms is a web-based service inside Google Docs that allows you to create free online surveys. You can start unlimited surveys, with no limit for questions and responses. You can also choose among seven types of questions like: multiple choices, drop-down menus, textboxes, and also use the so-called "skip logic" which allows you to create questions based on previous answers. Like any other document published on Google Docs, you can always modify your survey after publication. Once your survey is ready, you can customize it with a ready-made theme and then embed your survey on any web page or social media site using a standard snippet of embed code. If you need to export your survey data, you can do so from the Google Docs dashboard. By default, your survey is set as private, unless you publish or embed it somewhere on the web. No premium features are available. .(http://www.masternewmedia.org/create-online-surveys-guide-to-the-best-free-services/)

8. **eSurveysPro**

eSurveysPro is a web-based survey creator that lets you create as many surveys you want with unlimited questions and responses. You also have a wide range of question types available, like: multiple choice (one and multiple answers), matrix of choices, drop-down menu, rating scale, textbox, and more. Skip logic (a feature to create questions that depend on previous answers) is available as well. No embed option, export / download feature. ready-made themes, nor private / public settings are available. Changing questions on your published surveys is also not supported. Premium plans for eSurveyPro start from $100/year and allow you to go ads-free, export the data of your surveys, have priority e-mail support and receive e-mail notifications related to your surveys. .(http://www.masternewmedia.org/create-online-surveys-guide-to-the-best-free-services/)

9. **Wufoo**

Wufoo is an online form builder that you can use to create embeddable surveys. The free account of Wufoo allows you to create up to three online forms with 10 questions each. The number of available responses per survey is not specified. Your surveys can either be public or private and you have a range of seven question types to choose when building your forms, like: multiple choices, matrix of choices, textboxes, drop-down menus and much more. Editing your questions after publishing your survey is not possible. Once your form is completed, you can personalize your survey with one of the ready-made templates available. No skip logic (creating questions that depend on previous answers), nor the export of your survey data are available. Wufoo premium accounts grant you access to extended features like: higher number of surveys you can create, file attachments, password-protected surveys and export / download option. Premium accounts start from $9.95/month. .(http://www.masternewmedia.org/create-online-surveys-guide-to-the-best-free-services/)

10. **QuestionForm**

QuestionForm is a web service that you can use to create embeddable online surveys. You can build two surveys with five questions each and unlimited responses, free of charge. You also have up to eight types of questions you can use, including: multiple choice (one and multiple answers), matrix of choices, drop-down menu, rating scale, textbox, and more. You are able to create, edit or delete questions even after your online survey has been published. Also, if you need to export your data you can do so from the QuestionForm dashboard. No ready-made templates, private / public option, nor skip logic (a feature to create questions that depend on previous answers) are available. Premium accounts of QuestionForm start from $9.95 and allow you to create up to four surveys with 15 question each, use custom templates, add file attachments to online surveys and receive technical support via e-mail. .(http://www.masternewmedia.org/create-online-surveys-guide-to-the-best-free-services/)

11. **KwikSurveys**

KwikSurveys is a free online survey creator that allows you to build unlimited surveys with no restriction to the number of questions you can include and responses you can receive. Also, you have up to seven different question types to create your survey like: matrix of choices, drop-down menu, multiple choice (one and multiple answers), textbox, rating scale and more. If you need to export your survey data, the web service gives you an option to do so. Using KwikSurveys you cannot embed your online surveys, nor you have the option to edit your questions after your survey has been published. Also custom templates, private / public option and skip logic feature to create conditional questions are not available. No premium accounts either.(http://www.masternewmedia.org/create-online-surveys-guide-to-the-best-free-services/)

4. Advantages and disadvantages in using the tools of online marketing research

Advantages and disadvantages in using onlinse surveys in online quantitative research:

- Advantages:
  - lower costs and reduce time spent on research
  - participants can talk more freely and because of the anonymity offered by this type of research
  - quality of the Internet to provide various images, movies etc. long text messages.
- Disadvantages:
  - Online research can occur during technical problems such as loss of connection to the Internet.
- saving costs and time;

- you want to analyze an image, packaging, advertising, etc.., It becomes much easier for their online presentation through multimedia technology;
- when carrying out an internal research within an organization has an Intranet;
- when you want a survey of people living in other countries or social or managerial positions important and very difficult to reached by traditional means;
- it is precisely the target group of users online.

A sample of Internet users may be representative only for the population using the Internet.

If you want to analyze all the people in a country, an online survey may be representative only if the share of people who have Internet access, the total population is high.

One of the problems with the implementation of an online survey is that most people do not wish to receive unsolicited mail (spam). In order to overcome this barrier panels were created online sites, representative in the community investigated.

This panel lists sites are chosen on the basis of an algorithm and a benefit for completing surveys. They are available from specialist operators.

The advantages of quantitative research are practically the same as for the quality.

However, there are disadvantages to the use of online panels, such as:

- number of sites participating in the panel is quite limited and the continually rising interest costs can become "professionals" in the panel's multiple benefits. An interesting article is presented by Joe Melk, site owner on-line questionnaires.
- response rate is much improved, there are instead a "profile" specific enough non-respondents (men, young social evolution, married people and people with low educational level), which allows "corrected" by increasing these categories
- There are conflicting tendencies caused by anonymous responses. On the one hand it allows honest answers, but encourages and negligent responses without real consistency. The method of protection for these situations is to determine a minimum time required for completion and the elimination of respondents who completed the questionnaire before this time.

5. Conclusions

At first use of the Internet in marketing research was only a new source of information. Now the research can be done directly, not just surveys, but qualitative research as in-depth interviews and focus groups.

It is useful to make a distinction between online research and business analysis. Those who do business on the basis of analyzing existing data, possibly collected in current operations, and try to find solutions between variables (or responses to marketing variables). In contrast, online marketing research are introduced intentionally marketing variables are changed and collected responses. Data from market research are therefore more suitable in order to establish the relationship between marketing and the variable response. For example, a manufacturer wants to know to design a new product, the associated (utility) which assigns to its customers. Such information allows the manufacturer to implement the desirable traits and eliminate those that have utility for the buyer. Traditional business analysis will attempt to discover the usefulness of historical data of sales or other similar models that the manufacturer has sold. In these circumstances, there is no certainty that if certain features always present in the absence of influence and that their purchase will be affected sales. On the other hand, marketing research seeks to determine the availability of buyers to purchase the product. Through marketing research can make correlations between product characteristics and their response resulted in sales.

Changing variables in online marketing research are made online and the answer is also collected online. Because the process of changing the variables of marketing and collection of responses can not interfere with normal operations of the site, but first described the site and then how the change in marketing variables is reached.

An important part of online marketing research is given to changes due to changes in marketing variables (price, package products and others). This is possible by eliminating any variables other than test. Online marketing research can do this by comparing the experimental with the control cell. To illustrate how growth influences accuracy, assuming that a retailer wants to determine the application at different prices. For example, a consumer group is formed by multiple random basis and each product group is offered at a price. The total difference in responses from all groups can not be attributed entirely to price change (unless the size of each group is very large). This is because there are differences in population characteristics that contribute to differences in the responses. Therefore uses the concept of a cell compare with the experimental control.

Below are some examples that can be used online marketing research:

- Determination of sensitivity to price: it can be measured by comparing the groups, each group being exposed to different stimuli, such as: discount coupons based on it ranging from one group to another. The answer can be used to approximate the relationship between demand and price.
- Determination of the effect of cannibalization / brand loyalty: often reducing increases in sales for that product over another. To estimate the cannibalization is to select groups that already use your product and expose the various offers of competing products. Number of individuals who drop to use original product is compared with that remaining loyal to measure brand loyalty, it also causes, and the threshold at which they renounce their product to competing brands.
- repurchase: the products shown are related to sales. The products in the promotion are more visible. By simple observation and comparison with the experimental control group is possible to extrapolate an optimal sequence for arranging an online store, for example.
- utility derived attributes: the construction of orthogonal axes is possible to see the difference between test and control group with some different attributes. The usefulness of each attribute can be determined.
- Innovation. The rapid growth of Internet penetration and medium business that emphasized the continuing need for innovation. Made up of small business virtual business partners redefined the next generation of applications for online services. The online marketing research, investigate more, such as buyers reaction to promotions, from commercials, magazine advertisements, etc.. When done correctly, online marketing research at all levels increase business benefits, increased competition and its perceived value by consumers. Based on research results and the manufacturer can make relevant offers at the same time to increase consumer purchasing power.

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ASPECTS REGARDING CONSUMERS' PERCEPTION OF CSR IN ROMANIA

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Abstract: *The present paper studies the theoretical concept of corporate social responsibility (CSR) which is subsequently transposed on the reality of the Romanian society. To achieve this purpose, we initiated a research on consumers' perception of CSR in Romania. Because of the increasing importance of CSR in today's global business world, companies are called to be more responsible for the social and ecological impact of their actions in order to survive the expectations and requirements of stakeholders.*

The elaborated research follows a series of objectives connected by the attitudes of the consumer, taking into account the structure of the interviewed persons from the point of view of gender, education, income and hometown.

Key words: *consumers, corporate social responsibility, marketing*

JEL classification: M14

1. Introduction

The social commitment of companies has become a significant competitive edge in the new economy, and Romania follows this international trend, CSR actions becoming more and more visible and numerous, both in the business environments and at governmental level. One group that is extremely important for a company to inform of its activities is the consumers. In order to make a trustworthy impression and gain the most benefits, the choice of CSR activity and way of communication is crucial for the company, and therefore the perceptions of the consumers are very important to know more about and understand. Little research has been done about the consumers' perception of CSR, especially for Romanian consumers.

According to the European Commission the definition for CSR is: "A concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis". Corporate Social Responsibility is part of the Europe 2020 strategy for smart, sustainable and inclusive growth, says the same Commission.

The purpose of the carried out research is to study the perception of the Romanian consumers regarding CSR.

The elaborated research follows a series of objectives connected by the attitudes of the consumer, taking into account the structure of the interviewed persons from the point of view of gender, education, income and hometown. The profile of the interviewed persons is: Romanian citizen, living in Romania, owner of a bachelor degree or who is in the last year of college and who, at least, has heard of CSR before filling in the questionnaire, and was using internet in a certain day.

The primary objectives of the research are:

- Identification of what consumers understand by the concept of CSR, the way they perceive it and the knowledge about its benefits;
- Establishing the level of agreement with the way companies choose to inform the stakeholders about their CSR initiatives and the reaction to that;
- Knowing the preference of people regarding buying or paying more for products or services of a socially responsible business;
- Identifying the industries that need more oversight and the level of importance of the role of government in ensuring that companies are socially responsible;
- Knowing the means by which consumers are more likely to gather information about CSR initiatives and the degree of credibility they assign to different sources;

The list of *information wished to be obtained* refer to: knowing the criteria by which the interviewers judge a company; the degree of knowledge about the concept of CSR and its benefits; how important they perceive CSR to be; the motivations of companies to adopt CSR practices; the agreement with the way companies choose to inform the stakeholders about their CSR initiatives; the preference in buying or paying more for products or services of a socially responsible business; the industries which require more oversight regarding the responsibility of the business practices of companies; the importance of the Romanian government in ensuring that companies are socially responsible; the reaction caused by being informed of CSR initiatives by companies; the means from which the interviewers are more likely to gather information about CSR initiatives of companies; the degree of credibility regarding information coming from different sources; name of companies which consumers perceive as being responsible; socio-demographic indicators: gender, education, income and hometown.

2. Research methodology

The size of the sample and of the sampling method. Due to the fact that this research was elaborated in our attempt to satisfy our curiosity about consumers' perception of corporate social responsibility in a certain day, the number of the interviewed persons was 50, practically the persons we have met that day online. Not having any survey basis in hand, a sample was made using the method of *convenience sampling*, which consists in choosing any person who corresponds with approximation to the characteristics of the studied target and who willingly accepts to answer the questions from the questionnaire. The studied population consists of persons who are Romanian citizens, live in Romania, are owners of a bachelor degree or are in their last year of college, are between 21 and 40 years old and have at least heard about CSR before filling in the questionnaire.

Methods and techniques of gathering the data. An *online investigation* was used as the method of gathering data because it can give information on attitudes, motivations, opinions and behavior of the persons interviewed. A punctual investigation was used – thus the individuals who constituted the sample were interviewed only once.

The research instruments. The online questionnaire was chosen as a research instrument for gathering the necessary data. The questionnaire was composed from an aggregate of questions and is the most commonly used instrument in the marketing research, being extremely flexible and able to incorporate a wide range of questions.

3. Gathering of data

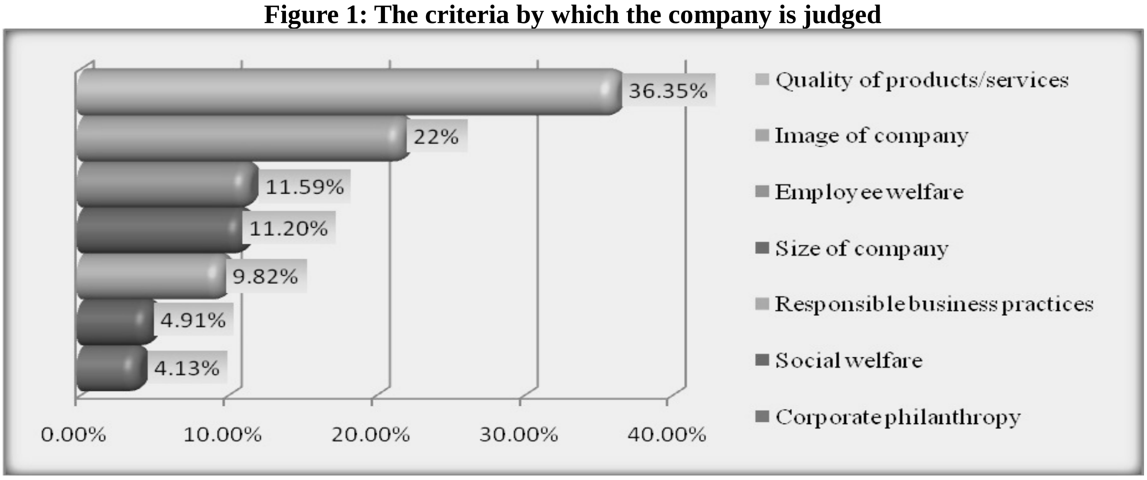
Because the problem could not be solved with the help of external and internal secondary sources, primary information was collected from consumers.

A quantitative research was used, based on surveys with the help of a questionnaire. The individuals who constitute the sample were interviewed only once (punctual investigation). The quantitative studies have as a first major characteristic the representativeness of the results: they must be able to be extrapolated with a calculated error margin to all the studied population. The second characteristic is the measuring instrument that can be standardized and easily codified so that obtained information can be processed on the computer. Thus, a structured questionnaire was elaborated which comprises mostly closed questions. The quantitative research provided also qualitative data, these being complementary.

4. Data analysis

- *The analysis of responses to the questions about the understanding of the concept of CSR and its perception*

Figure 1: The criteria by which the company is judged

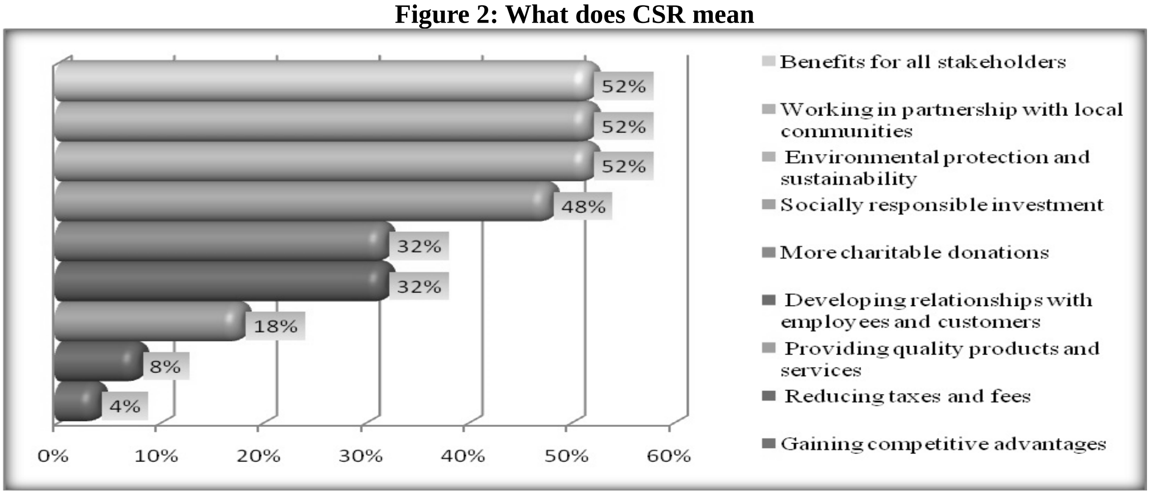


With a percentage of 36.35%, the "Quality of products and services" is the first criteria by which the interviewed persons are judging a company, followed by the "Image of the company", with a percentage of

22%. At close distance are “Employee welfare” and “Size of company” with 11.59%, respectively 11.20%. The percentages of each of the criteria and the classification from Figure 1 were made using the weighted mean. For every criteria of the 4th total, there was a weight attributed to them, the criteria chosen on 1st place got 4, the one chosen on the 2nd place got 3, the one on the 3rd place got 2 and the one on the 4th got 1.

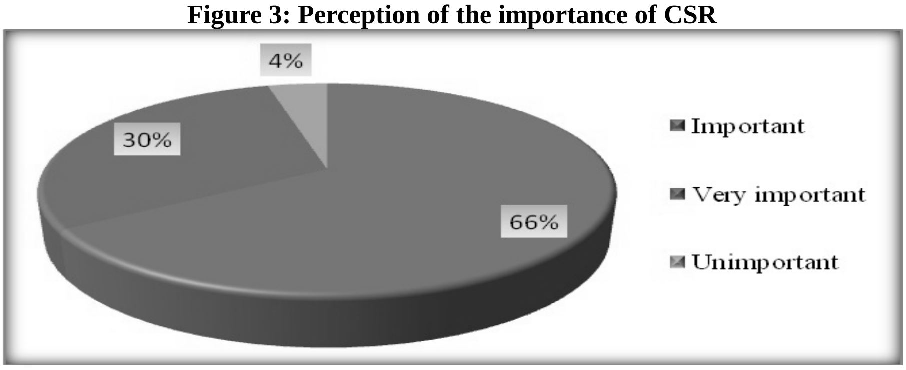
“Benefits for all stakeholders (employees, owners, suppliers, society, government, creditors, shareholders, customers)”, “Working in partnership with local communities” and “Environmental protection and sustainability”, with 52%, are the characteristics by which most of the interviewed people understand CSR, followed by “Socially responsible investment” with 48%. Only 18% of the questioned people linked the “Providing quality products and services” with the notion of CSR, the quality of products and services being thought the first criteria by which they judge a company. “Reducing taxes and fees” and “Gaining competitive advantages” are the last in line, with 8% and 4%, respectively.

Figure 2: What does CSR mean



Most of the interviewed persons (66%) perceive CSR as being important and 30% of them as being very important. Only 4% from the questioned people consider CSR is unimportant.

Figure 3: Perception of the importance of CSR



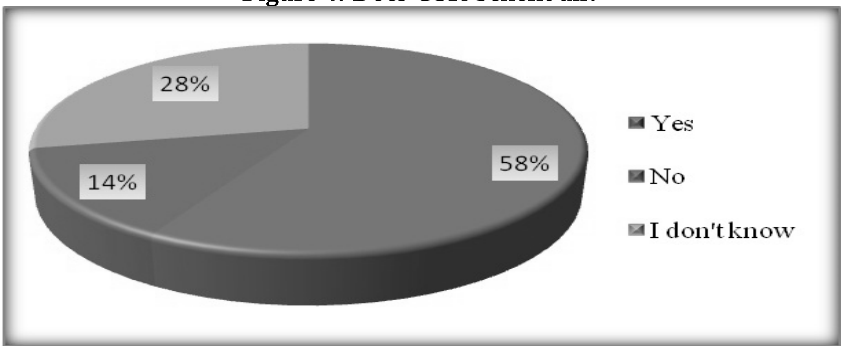
As it can be seen in Table 1, the value of the mean (the expected value) is 1.78, which means that even if the size of the sample grows the perception of people regarding CSR will be close to the second variant, “Important”. The value of the median is 2, which means that it is separating the higher half of the sample, the variants “Very important” and “Important” from the lower half of the sample, meaning the rest of the variants. The value of the mode is 2, which means that variant 2, “Important”, has the largest number of observations.

Table 1: Perception of CSR

Valid	50
Missing	0
Mean	1,78
Median	2,00
Mode	2

More than half of the interviewed persons (58%) consider that CSR benefits everyone and only 14% consider that it doesn't. A percentage of 28% don't know if CSR benefits everyone.

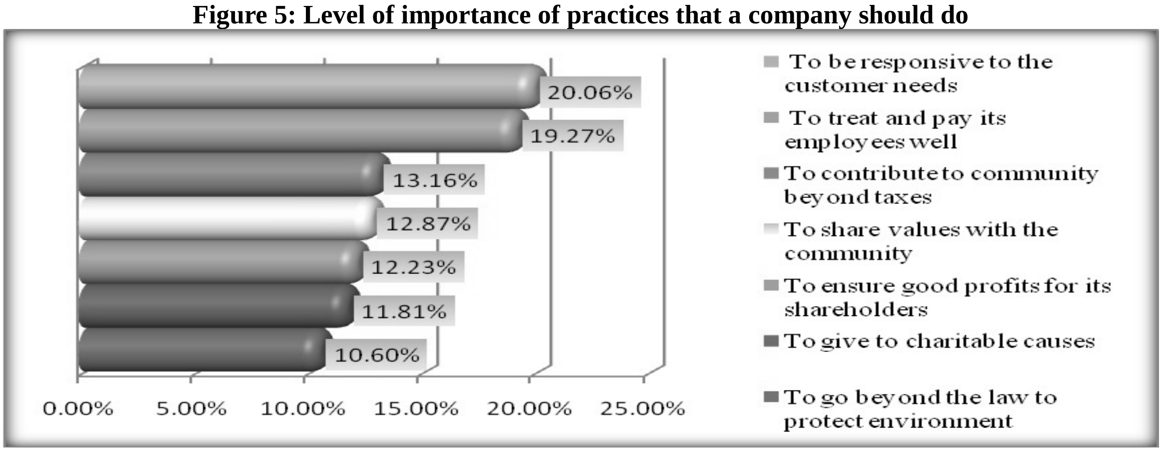
Figure 4: Does CSR benefit all?



The majority of people with studies in Economics (66.7%), Polytechnics (71.4%) and Medicine and Pharmacy (66.7%) consider that CSR benefits everyone. The majority of people with studies in Architecture and Urbanism (66.7%) consider that CSR doesn't benefit everyone. The majority of people with studies in Philology (60.0%) and Psychology (66.7%) do not know if CSR benefits everyone or not. 50% of the respondents with studies in History consider that CSR benefits everyone and 50% don't know.

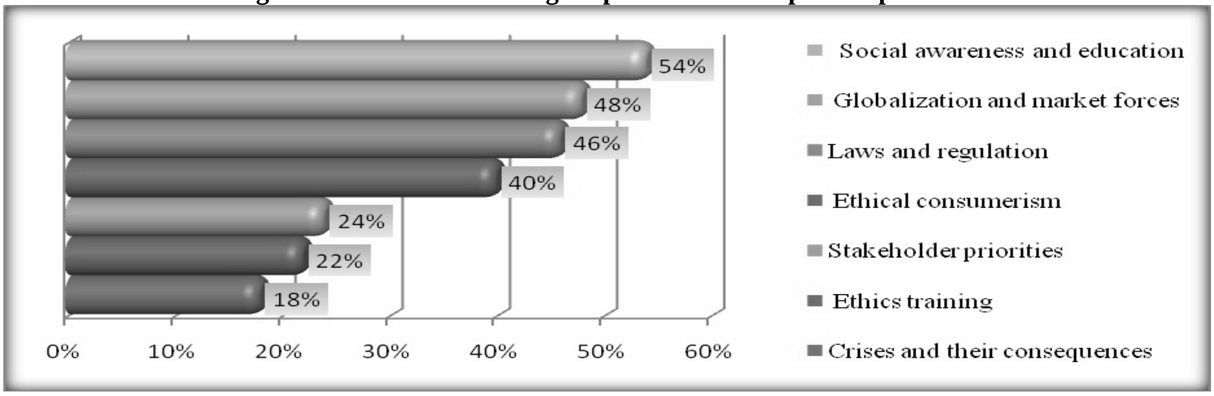
From all the 7 practices mentioned underneath, on what a company should do, "To be responsive to the customer needs", with 20.06%, is the practice with the highest level of importance for the questioned people. It is followed by "To treat and pay its employees well", with 19.27%. The last in the classification is "To go beyond the law to protect environment", with 10.60%. The percentages and the classification in Figure 10 were made using the weighted mean. The practice that got chosen on 1st place of importance got 7, the practice chosen on 2nd place got 6, and so on until the practice that got chosen last, on 7th place got 1.

Figure 5: Level of importance of practices that a company should do



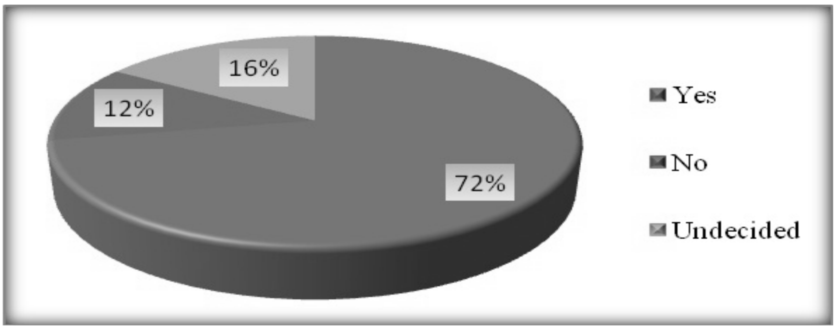
The factors that motivate corporations to adopt CSR practices and the agreement with the way companies choose to inform the stakeholders about their CSR initiatives are analyzed in Figure 5. The factor with the highest percentage, 54%, chosen by half of the interviewed people is "Social awareness and education", followed by "Globalization and market forces" and "Laws and regulation" with 48%, respectively 46%. On the last places of the classification are "Ethics training" with 22% and "Crises and their consequences" with only 18%.

Figure 6: Factors motivating corporations to adopt CSR practices



Almost half of the questioned persons (72%) say that they prefer to buy or pay more for products or services of a socially responsible business. Only 12% don't prefer doing that and the rest of 16% are undecided.

Figure 7: The preference in buying or paying more for products or services of a socially responsible business

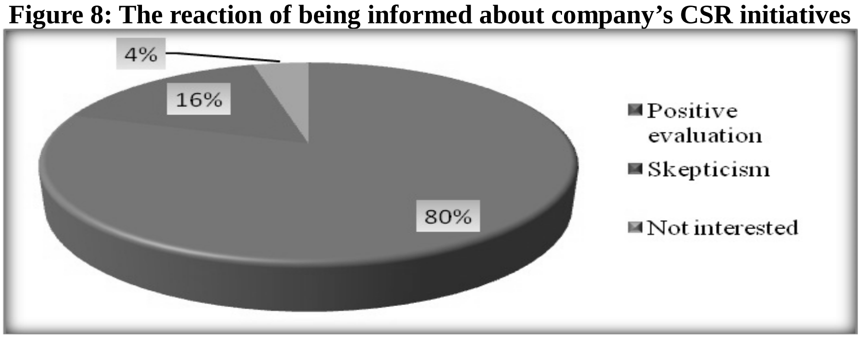


A difference in buying or paying more for products or services of a socially responsible business can be seen when the variable "Income" is analyzed with the variable "Buying and paying more". 100% of the respondents with the net income higher than 3500 RON are buying or paying more for products or services of a socially responsible business, while the answers of the people with lower income levels are dispersed on all three answers to the question, but mostly also pro buying and paying more.

- *The analysis of responses to the questions about reaction on information about CSR initiatives, the means from which the information can be gathered and the level of credibility of different sources of information*

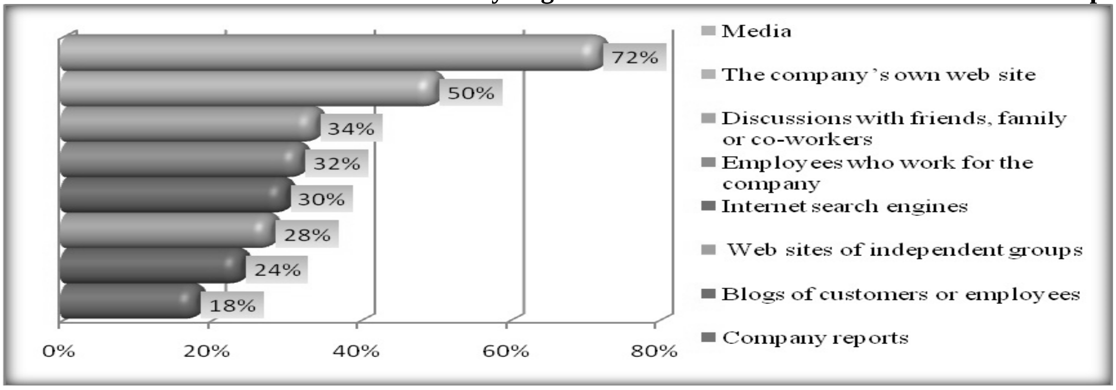
With a majority of 80%, the questioned persons consider they would have a more positive evaluation of a company's products or services if that company informs them of its CSR initiatives. 16% of the people will receive it with skepticism, while only 4% would not be interested in that.

Figure 8: The reaction of being informed about company's CSR initiatives



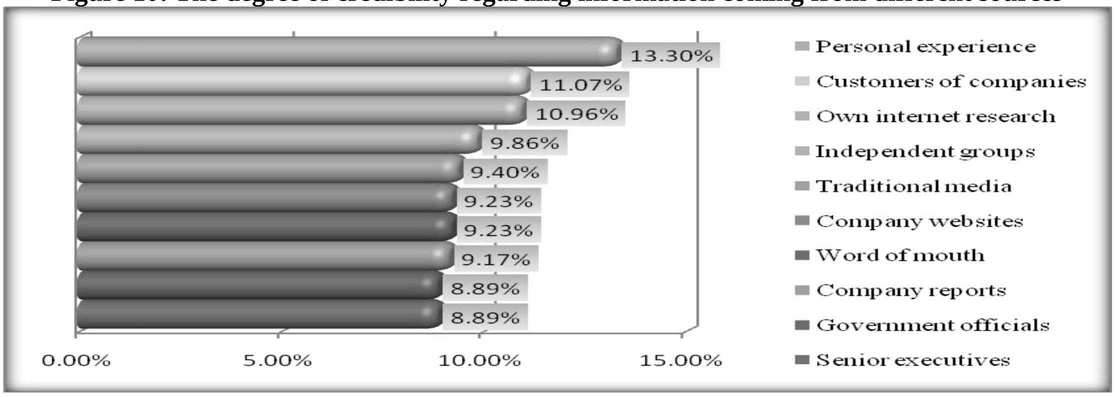
The "media" - articles in newspapers and magazines, TV, radio, has the highest percentage of the mean from which the interviewed persons are more likely to gather information about CSR initiatives of the companies, with 72%. It is followed by "the company's own website" with 50%. On the last place are "company reports" with only 18% of the questioned people.

Figure 9: The means from which it is more likely to gather information about CSR initiatives of companies



The most credible source of information regarding information about CSR is “personal experience” with 13.30%, followed by “customers of companies” with 11.07%. The sources on the last place of the classification are “government officials” and “senior executives” both with 8.89%. This classification and the percentages were done using the weighted mean. For each level of credibility, from very credible to very incredible, there was a weight attributed for each of them, as follows: very credible got 5, credible 4, not credible/not incredible 3, incredible 2 and very incredible got 1.

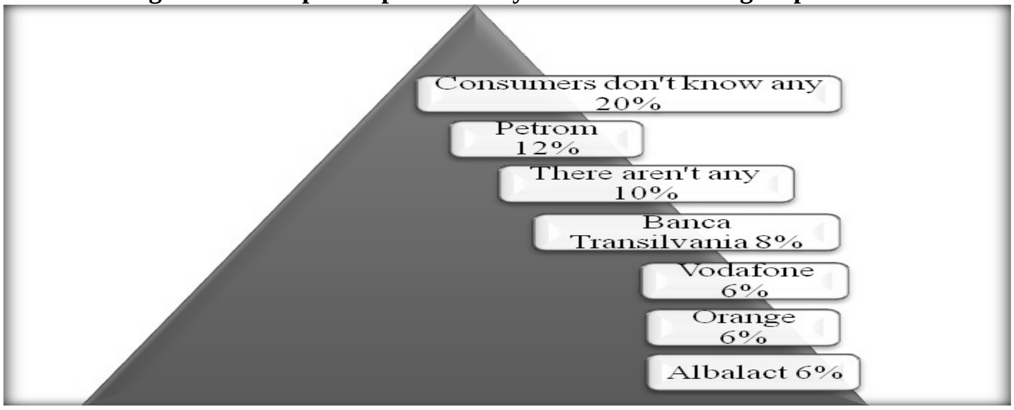
Figure 10: The degree of credibility regarding information coming from different sources



- *Names of companies which consumers perceive as being responsible*

20% of the questioned persons don’t know any responsible company, while 10% of them consider that there aren’t any responsible companies in Romania. On the first place is Petrom with 12%, followed by Banca Transilvania with 18%. Vodafone, Orange and Albalact got 6%. Other companies mentioned by the respondents that got only 2% are: Unilever SC Europe, Televiziunea Română, Farmec, INTACT, Teranis Silcobut, Bechtel, McDonald’s, Toyota, Arctic, Nokia, Sofwin, Transavia, Sanofi-Avensis, Ursus Breweries, Vitacon Electronics, Jolidon.

Figure 11: Companies perceived by consumers as being responsible



- *Socio-demographic indicators: gender, education, income and hometown*
  - ✓ 46% of the interviewed persons are men and 54% are women.

- ✓ Most of the respondents (48%) have studies in the “Economic Sciences”, 14% in “Polytechnics”, 6% in “Architecture and Urbanism”, 12% in “Medicine and Pharmacy”, 10% in “Philology”, 6% in “Psychology and Education Sciences” and 4% in “History and Philosophy”.
- ✓ Most respondents (70%) have a net income under 1500 RON, 16% have it between 1500-2500 RON, 8% between 2500-3500 RON and 6% have the net income above 3500 RON.
- ✓ 40% of the interviewed persons are from Alba Iulia, 22% from Cluj-Napoca, 6% from Baia Mare and also Satu Mare, 4% from Zalău, Târgu Mureş, Bistrița and Hunedoara, and 2% of the respondents are from Braşov, Piatra Neamț, Giurgiu, Râmnicu Vâlcea and Timişoara.

5. Research results

After the completion of the research on perception of consumers regarding CSR, the following *conclusions* were drawn up:

- The criteria by which the interviewers judge a company is, first of all, the quality of products and services, followed by the image of company, employee welfare and size of company. The last thing on the classification was the corporate philanthropy.
- The concept of CSR is seen by respondents as benefits for all stakeholders, the companies working in partnership with local communities and environmental protection and sustainability. More than half of the interviewed people consider that CSR benefits everyone.
- Almost all the respondents perceive CSR as being important and very important.
- The factors that motivate companies to adopt CSR practices are social awareness, followed by globalization and market forces, and laws and regulation.
- Half of the people agree and strongly agree with a company that informs the consumer about environmental issues and encourages them to donate money directly to research about this issue. More than three quarters of the interviewed people strongly agree and agree with this initiative of a company to donate a fixed percentage from the profit directly to application for helping protect the environment. A very high percentage, more than three quarters, of the questioned persons is strongly agreeing and agreeing with the initiative of a company to donate a fixed percentage from profits directly to application for better working conditions for the workers. Almost three quarters of the people agree and strongly agree with a company that indulges in ecological marketing/production and marketing of environment friendly products. A half of the people agrees and strongly agrees with a company that donates the money directly to the charities. Almost all the people are in favor of financing education projects by companies.
- Almost three quarters of the respondents prefer buying or paying more for products or services of a socially responsible business.
- The industries which require more oversight regarding the responsibility of the business practices of companies are the food industry, followed by the chemical, transportation and agricultural industries.
- The importance of the Romanian government in ensuring that companies are socially responsible is perceived by most of the respondents as being important and very important.
- The reaction caused by being informed of CSR initiatives by companies is for more than three quarters of the interviewed persons a positive evaluation of the company’s products and services.
- The means from which the interviewers are more likely to gather information about CSR initiatives of companies are media (articles in newspapers and magazines, TV, radio), followed by the company’s own website and discussions with friends, family or co-workers.
- The most credible sources regarding information about CSR are personal experience, customers of companies and own internet research. The most incredible are government officials and senior executives.

In conclusion, the following are being recommended:

- The companies should offer, first of all, good quality products and services for the consumers, to have a good image and reputation and also to take into account the employee welfare, since these are the first criteria by which consumers judge a company.
- Improving knowledge of consumers about CSR because most of them see it as an important aspect, although only half consider that it benefits everyone.
- Even if all the initiatives of companies gave a positive influence on the respondents’ perceptions, it is recommended that companies should be involved more in financing education projects, donating a fixed percentage from profits directly to application for better working conditions for the workers and also for helping protect the environment.

- Companies should have good communication with its stakeholders and to inform more the consumers about their CSR initiatives since almost three quarters of the respondents prefer buying or paying more for products or services of a socially responsible business, and they would have a better perception of the companies if the latter does so.
- The Romanian government should interfere more in ensuring that companies are socially responsible since its role is perceived to be important by most of the respondents.
- Special attention should be pointed to the media and the companies' own websites in offering information to the consumers and also the clients of companies should be considered extremely important since they are one of the most credible sources of information regarding CSR.

6. GENERAL CONCLUSIONS AND RECOMMENDATIONS

At the European level, social responsibility is much more than a program or a campaign. It is a philosophy, a way of ethical and responsible behavior which covers all aspects, from company to the relation with employees, with clients, with shareholders, suppliers, with environment and of course with local communities.

It is a matter of time when this policy will become a reality also for Romania. The dialogue with partners – mass media, local authorities and other stakeholders - is now not very well organized, and only a few companies, most of them multinationals having important budgets, have a strategy which includes social responsibility.

Involvement of the government is necessary because law stabilization and enforcement to environment, social protection and corporate governance might be in the view of evolutionary theory a tight selection that would direct the firms towards a path of healthy development. The government has also the role of main evaluator of the needs of Romanian society so that CSR programs may be well directed sized and applied. A similar role could have the associations of promoting CSR, rather founded on regional criteria. Facilities and national or communitarian complementary funds granted to the firms that have CSR programs are an interesting instrument, too.

In the near future all interested parties should make more in connection with CSR: companies must develop their own strategies, in accordance to their sector of activity and the needs of communities; but at the same time the public sector and civil society must develop and make known long term projects. Mass-media has also an important role in informing and educating all the companies and the community.

The fact that more and more debates, conferences, seminars on the topic of social responsibility are organized is important for the future development of CSR in Romania. In Romanian society there is a need for ethics in business, social involvement, quality services, environment protection, and employees' protection. If more and more actors will be involved seriously in all these topics, the things will start to move quickly and the results will appear soon.

Final *recommendations* addressed to enterprises and their stakeholders and to public authorities:

- Public authorities and all other stakeholders should increase awareness of the key principles and reference texts in the field of CSR. This could be achieved in a variety of ways, including codes of practice, collective agreements, partnerships and global framework agreements. Stakeholders should ensure that they cooperate, particularly in the area of how to turn values and principles into practice.
- All stakeholders should contribute to the process of collecting, exchanging and disseminating information about CSR and that, in order to make information publicly and easily available.
- There is a lack of empirical research on CSR and therefore it is recommended that more comparative, qualitative research be undertaken, and in particular multi-disciplinary, multi-stakeholder and 'action' research, based on real case studies, in order to improve knowledge about and action on CSR.
- There should be more cooperation within and between companies, business organizations and stakeholders concerning the development and implementation of CSR policies. There should also be more exchange of experience between purchasers and suppliers so as to build capacities in sustainable supply-chain management.
- There are certain organizations that can play a catalyzing or support role for companies in the area of CSR. These include business advisors, consumer organizations, investors, trade unions and the media. The forum therefore recommends that these organizations develop relevant understanding, skills and capacities in the area of CSR. In particular, business advisors and support organizations should, if they wish, develop know-how on effective CSR practices and assist businesses in their CSR efforts. Finally, public authorities, companies and other stakeholders should support capacity-building activities.

- Business schools, universities and other education institutions have an important role to play in building the necessary capacity for CSR strategies. It therefore recommends that CSR and related topics be mainstreamed into traditional courses, in the curricula of future managers and graduate students, in executive education and in other educational institutions.
- Creating the right conditions for CSR. The government should step up its effort towards a coordinated policy approach. The public authorities should ensure that there is both a legal framework and the right economic and social conditions in place to allow companies that want to implement CSR to benefit from this in the marketplace, both in the EU and globally.
- In the case of companies, they should: ensure that information reaching different stakeholders is meaningful and credible; identify the items that are pertinent to the company's vision and objectives; and use relevant tools and frameworks to help them in the development of CSR strategies.
- Maintaining that constructive dialogue is very important in furthering the aims of CSR, the forum recommends that companies and stakeholders contribute to this. There should be a clear understanding of roles and expectations and a willingness to pursue 'innovative, inclusive and dynamic cooperation'. It stresses that dialogue with employees and trade union/worker representatives at company level is particularly important.
- The government should be consistent across policy areas and set a context for CSR. It should also assist to ratify and implement international conventions protecting human and social rights and the environment. Public authorities should recognize the role they can play in driving CSR and should evaluate how to use public funds in the most responsible and effective manner.

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SOME CONSIDERATIONS REGARDING THE NEW ECO-ECONOMY- DIMENSIONS AND INDUCED STRUCTURAL CHANGES

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Abstract: The concept of sustainable development represents a bridge between a wish of the development that has been followed for four decades with no satisfying outcomes, and a movement to save Nature and environment. Sustainable development, also named eco-development means the achievement of an interdependence among the main ways to reach this goal: education, scientific research, political activity. It is possible to consider the impact of rapid technological change and globalization on employment through three broad lenses: the international division of labor, the creation of purchasing power, and technology-enabled capital mobility. While it is recognized that technological innovations in products, industrial processes, and services can enhance our quality of life, these innovations can also bring with them social and environmental detrimental consequences.

Key words: changes, sustainable development, ecoeconomy

JEL classification: A11

Changes are being considered phenomena that bring both economic, and social structures into a new dimension. Within the social context the changing stages may be more difficult to quantify than within the economic context where economic indexes tie us quicker to reality. A last major economic change was that entailed by the political change in Eastern Europe, but changes determined by the present economic crisis are not neglectable. Changes hit the structures and hence inevitably new sizing of the economic processes comes out, with other structures, other ratio among the branches of the national economies, other interhuman relations, other technological demands.

Environmental issues got a very special importance today. Almost 40 years passed since the first alarm signal drawn by the scientific community on the deepening conflict between industrial civilization and environment: the first report of the Club of Rome, which underlined:

- *at quantitative level* - the tendency to drain natural resources, of energy, raw materials and food
- *at qualitative level* **-** the physical and chemical worsening of environmental factors (water, air and soil) and recommend the stopping of the economic growth, namely the *zero growth.*

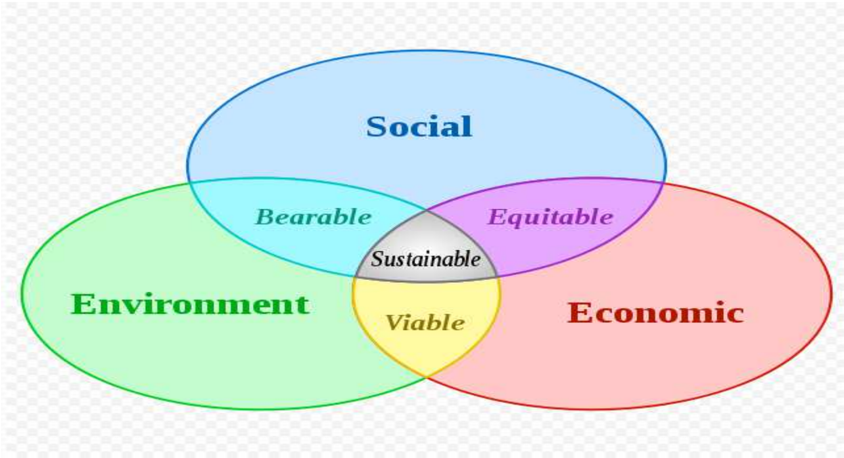
The concept of sustainable development represents a bridge between a wish of the development that has been followed for four decades with no satisfying outcomes, and a movement to save Nature and environment. Sustainable development, also named eco-development means the achievement of an interdependence among the main ways to reach this goal: education, scientific research, political activity. Human development is ecologically sustainable in relation with the environment, if the interventions and outcomes imposed by human activities either economic, technological, social or cultural do not alter the rate of nature change and of the ecosystems in an uncontrolable way or an irreversible form from the point of view regarding the future generations.

It is now widely agreed that there are three pillars of sustainable development:

- *Economy (Profit)*: The creation of wealth and livelihoods;
- *Society (People)*: The elimination of poverty and improvement of quality of life;
- *Environment (Planet):* The enhancement of natural resources for future generations.

Traditionally, societies have attempted to set social, economic and environmental goals, but often in isolation from one another. Decision-makers are now becoming aware that environmental goals can only be achieved by integrating them into mainstream social and economic policy-making. Thus, sustainable development will entail integration of these three objectives where possible, and making hard choices and negotiating trade-offs between objectives where integration is not possible.

Figure 1 Prevalent Scheme of Sustainable Development



Source: (UCN 2006

While the 'sustainability sphere' is often defined as the intersection between economy, environment, and society (Figure 1), Ashford and Hall (2011) propose a different scheme (Figure 2), arguing that considerations of social impact and fairness occur in each corner of the triangle. Thus, "social" is replaced with employment since technological change and globalization have direct implications on employment in both developed and developing nations, and labor market policies share importance with government policies focusing on improving economic competitiveness and environmental quality. In addition, if we are to meet the basic human needs for food, clothing, shelter, etc., the only practical way to do this is to satisfy the basic need for a sustainable livelihood by creating employment opportunities with adequate purchasing power (Ashford and Hall 2011).

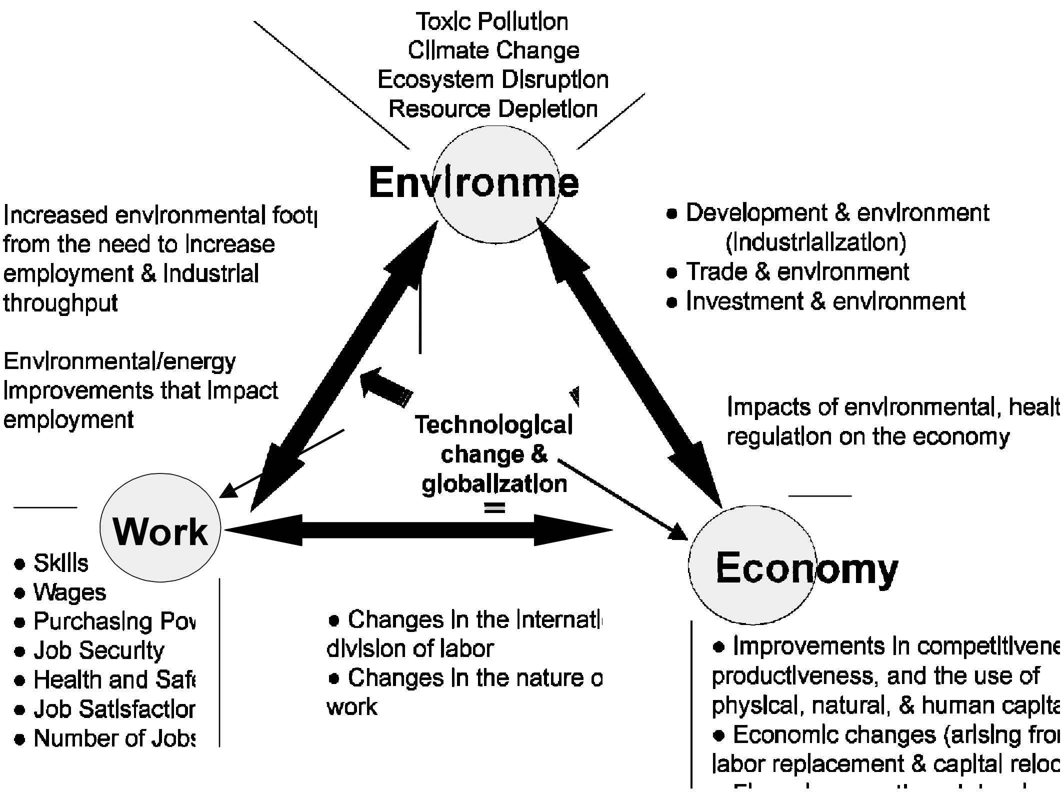


Figure 2: The Dimensions of Sustainability
Source: (Ashford and Hall 2011)

It is possible to consider the impact of rapid technological changes and globalization on employment through three broad lenses: the international division of labor, the creation of purchasing power, and technology-enabled capital mobility. While it is recognized that technological innovations in products, industrial processes, and services can enhance our quality of life, these innovations can also bring with them social and environmental consequences.

It is largely accepted that contemporary changes involve investments in new technology (eco-technology), research and education. Human resources employed in science and technology constitute a pool of employees who participate actively in the development of science and technology activities and technological innovation. Statistical data indicate a constant increase in EU (27 countries) of human resources in science and technology. (see table 1)

Table 1. Human resources in science and technology (HRST) as a share of the economically active population in the age group 25-64[3].

Geo year	2005	2006	2007	2008	2009	2010
EU (27 countries)	**37,8**	**38,6**	**39,2**	**39,6**	**40,1**	40,5
Belgium	**46,2**	**46,6**	**46,7**	**47,0**	**48,2**	49,3
Bulgaria	**31,6**	**30,5**	**30,8**	**31,0**	**32,2**	31,6
Czech republic	**34,5**	**34,8**	**36,0**	**37,1**	**37,9**	37,8
Denmark	**49,1**	**50,4**	**48,8**	**50,1**	**51,8**	51,9
Germany	**43,1**	**43,2**	**43,6**	**44,0**	**44,8**	44,8
Ireland	**39,1**	**39,5**	**41,2**	**42,2**	**44,7**	45,9
Greece	**29,3**	**30,8**	**31,2**	**31,7**	**31,8**	32,4
France	**40,2**	**41,2**	**41,7**	**42,6**	**43,3**	43,9
Luxembourg	**43,4**	**43,0**	**43,3**	**45,5**	**55,3**	55,9
Hungary	**31,6**	**31,9**	**31,7**	**33,2**	**33,2**	33,0
Netherlands	**49,3**	**48,1**	**49,8**	**50,5**	**50,9**	51,9
Romania	**22,0**	**22,8**	**23,0**	**23,8**	**24,1**	24,4
Norway	48,0	48,8	49,4	50,1	51,3	51,5

Source: EUROSTAT

Lester Brown has the merit to have given the first definition of sustainable development from the environmental point of view, pleading for changing the ratio between economy and environment. The economists regard the environment as a subsystem of the economy; ecologists on the contrary, consider economy as a subsystem of the environment. He proposes as such that both the economists and ecologists work together in order to shape a new economy, tolerable by environment, namely by him ***eco-economy***.

Therefore, the restructuring of the global economy by ”assimilating” the ecological trends entails a paradigm transfer towards an eco-economy. These trends (Lester R. Brown, 2001) for long time being marginalized by politicians as being of special interest came to influence directly the life of people. Eco-economy is that economy satisfying the needs of the present population without affecting the future generations and its existence will affect and change each segment of our life. The coming into being of a new economy entails a recession of the old industry, the restructuring of the existent ones and the creation of the new ones and the new economy will affect each part of our life (Lester R. Brown, 2001)

By working out a new model for the development of the human society we have in view a change regarding the old concepts, namely the economic ones as well as their link with the specific of environmental management and the conditions of the present crisis. Within this context, the importance of the labor force market in adjusting the phenomena and processes in economy and society, in preventing some conflict situations, in promoting principles for stimulating and social justice becomes more and more important. Restructuring global economy will create not only new

[3] This indicator gives the percentage of the total labour force in the age group 25-64, that is classified as HRST, i.e. having either successfully completed an education at the third level in an S&T field of study or is employed in an occupation where such an education is normally required.

industries but working places, new professions, new professions, new specializations. Therefore, other qualifications, other terms among professions, even other professions! The one who will have a working place will have a future! This is the statement we hear more and more often within a varied way of tonalities.

Creation of eco-economy means a global process starting with every country by strategies to optimize the carbon balance, the steady population, the water quota, the preservation of forests and soils and the diversity of the animal and vegetarian kingdom; of developing a new technical way of production.

The chart illustrates the structural changes the economy is to undergo both regarding the industrial activities and the professions to be developed.

Table 2. The shape of the eco-economy

Examples of Eco-Economy Industries	***Examples of Eco-Economy Sunset Industries***	***Expanding Professions in an Eco-Economy***
Fish farming	Coal mining	Family planning midwives
Bicycle manufacturing	Oil pumping	Wind meteorologists
Wind turbine manufacturing	Nuclear power generation	Foresters
Wind farm construction	Clearcut logging	Hydrologists
Hydrogen generation	Manufacture of throwaway products	Recycling engineers
Fuel cell manufacturing	Automobile manufacturing	Aquacultural veterinarians
Solar cell manufacturing		Ecological Economists
Light rail construction		Geothermal geologists
Tree planting		Environmental Architects
Ecotourism		Bicycle mechanics
		Wind turbine engineers

Source: Brown, L. (2001), Eco-economy. Building an economy for the earth, W. W. Norton & Co., NY, p.87, 89, 91

These are trends anticipated starting with well known elements: burning of fossil fuels that determines the increase of the pollution index, disposable products manufactured from non-biodegradable materials, high environmental costs to produce wind energy, etc.

A sustainable solution for the undeveloped areas (here we can include many rural areas in Romania) is Ecotourism, but the large-scaling of this activity is hindered by the loss of young qualified workers and Ecotourism should offer incentives to local youngsters to remain in their communities. Apart from directly supporting local employment, this business should also offer the opportunity to local entrepreneurs to sell products that are based on the area's nature, history and culture (Nicula, 2010).

In order to enhance these goals on a worldwide basis, eco-economy policy must be made in a dynamic environment in which economic linkages between nations are increasingly deep and pervasive, and changes in technology and these economic linkages are becoming more rapid and interconnected.

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ADVERTISING STRATEGY IN NATIONAL AND GLOBAL ECONOMIC CRISIS HOW CAN WE MANAGE THE BUDGETS ?

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Abstract : *Advertising is more complicated than it used to be. In this research paper i will present the advertising strategy and what it contains, and also the best options in advertising for the national and international companies.*

Also, I will present the current situation on the advertising market and some estimates for the next period, from media groups and individuals specializing in the field. I hope that this paper will highlight very clear an advertising strategy for the period of crisis.

Key Words: evolution, advertising, strategy, budgets

JEL classification: M 37

Figure 1 : Outdoor advertising in 2007 **Figure 2 : Outdoor advertising in 2010**

Source : (http://www.a1.ro/news/economic)

versus

Source : (http://www.apiip.ro)

1. Introduction

The Evolution Of Advertising Strategy

As technology, media and the marketplace evolve, the way we plan needs to adapt and change as well. This is truly one of the great challenges of modern marketing and it requires us to not only think differently than in the past, but also acquire the skills to meet new challenges and grasp emerging opportunities. To gain perspective, let's review how we got to this point and then look to what the future holds.

Creative Planning

After World War II, most of the globe went through several decades of seemingly boundless economic expansion. People had ever more money to spend and business expanded to satisfy the demand. It was the dawn of the branding age and marketers strove to make their products popular with consumers hungry to join the consumer culture.

Communications Planning

In the 80's and 90's, cable and satellite technology transformed the media landscape and fragmented audiences. No longer could you be sure that your target consumer would see your message no matter how big the idea was. In the new environment, media agencies moved upstream and communications planning was born. The central strategic question became "where is our consumer?" When you can't reach everyone, you need to target your messaging, before you can target your message.

Strategic Marketing Planning

The current marketplace requires us not only to choose the best communication channel to reach our consumer, but also to focus on what we want our marketing to achieve. Raising awareness will do little if we are not converting awareness to sales, just as increasing market share alone is a short sighted strategy if our competitor has built a strong community of consumer advocates.

The New Creativity

Most of all, the new marketplace requires a new notion of creativity. Big ideas aren’t enough anymore. Creativity needs to be integrated across a variety of platforms by people with a diverse set of skills. Today’s marketing problems need to be solved by cross functional teams that are often ad hoc and diffuse with weak operational interfaces.

2. Finding The Best Place To Advertise Your Business

With so many media options out there these days, from the Internet to outdoor advertising to old-fashioned print products, you may very well be asking yourself which platform is the best, most cost-effective, and most visible means of advertising your business. Aside from doing costly market research or hiring an ad agency to create a sophisticated media plan, there are a few simple ways to figure this out for yourself:

When it comes to selecting an ad medium, the most important factor, of course, is who is looking at or hearing those ads? As you yourself are both a business operator and a consumer of advertising and media in your market, you may be your own best test market, as are the customers, colleagues, and family members whose opinions you value. Just think for a minute: What is your own favorite media? Which do you find you spend the most time with or are exposed to the most, be it Web sites, newspapers, radio or TV stations, or billboards?

Next, seek out information directly from the media venue you’re curious about doing business with. If it’s a TV station, contact the local sales director to check on rates, information about producing TV ads, and demographic data. If it’s a newspaper, check the paper’s Web site or give the sales department a call to obtain what’s known as a rate card, which details basic advertising information, including pricing and guidelines. Any Web site, naturally, is going to include a tab whereby users can obtain basic information about advertising as well as contacts for further information or placing an order. A quick check with the venue itself will provide basic answers that may be valuable in deciding whether that medium is for you.

Looking to do even deeper research on your own? A host of directories is available at any local library, which will contain useful information about most local media. Seek out directories published by the newspaper trade journal Editor & Publisher, for example, if you want data about a particular newspaper. The E&P Year Book (as the name suggests, published annually) is a rich resource for background about every daily newspaper in every market in the United States.

Other than who is looking at an ad, another important thing to consider is the advertising environment of the medium you’re looking at. That is to say, which other kinds of businesses are advertising in that medium? If you are a retailer, for example, you’re in good company if you use the daily newspaper to promote your business. In fact, depending on the type of business you’re in and who you’re competing against every day, a particular medium may in fact demand that you embrace it. Even though newspapers’ reach has diminished as consumers in larger numbers turn to the Web for their news, the local daily remains a powerful and highly effective means of getting the word out about your business to a receptive and relevant audience. Just check out any morning’s paper and there you will find pages upon pages of ads for department stores and other retailers.

The content of the proposed medium is also an important consideration

Depending on your type of business, you may choose not to advertise alongside the personals listings in the local weekly. You may or may not want to promote your business during morning “shock jock” radio programming (suitable perhaps for a nightclub, but maybe not for a funeral home). A billboard or bus-shelter ad for a financial-planning company likely would reach its target more effectively in a downtown business district than in a beach town popular with day-tripping teenagers. Much of this may seem common sense, but as you’ve probably noticed, a lot of local ad placement (much of it placed by ad agencies or the vendors themselves) doesn’t make much sense at all, which is why oftentimes you, as the business owner, are the very best judge about how and where to promote yourself.

3. Online Advertising Vs Offline Advertising

Online Advertising

To use the term online advertising, or “new-media advertising” makes it sound so simple. Yet it is complicated and constantly evolving. What you have figured out today will most likely be ineffective, outdated, or highly evolved a year from today. Google rules the roost with its pay-per-click Adwords model. Even though paid search advertising is up, I think that will change over the next year. Independent social networks like Facebook and LinkedIn will gain importance and spending share because of their ability to target more specifically by lifestyle and demographic.

Pay Per Click Advertising

To do well with pay-per-click advertising you have to be on your game and constantly pay attention. You also need a website that is built to convert pay-per-click traffic into customers. So before you launch a campaign, invest time and money into a website and landing pages that naturally lead visitors into a sales funnel. I also recommend spending some time educating yourself or hire a company that specializes in paid search advertising.

Social Network Advertising

As for advertising on social networks I've personally achieved mixed results and nothing that could be considered gangbusters. That doesn't mean it won't work for you. Facebook has a simple, easy-to-understand advertising interface and allows you to control your budget. You can experiment with a limited budget and test response rates. But just as in paid search advertising, have a landing site that is built to convert visitors into prospects. Some common techniques are to use Facebook advertising to gain Facebook page likes, or obtain email addresses through newsletter subscriptions.

Free Online Advertising

More effective, are Google's free tools such as Google Places and getting listed in Google's local 7-pack. We can attract more website traffic through local search results and do it with less money. With a few tweaks to the website and an update to his Google Places page, one local client shot to the top of local search results for sprinkler repair. His phone has been ringing all summer.

Offline Advertising

Also known as traditional advertising, we will hear many marketers declare its death. This is not so, of course. Things rarely die, they evolve. I personally use traditional advertising for local clients with excellent results, specifically for brand enhancement. So where is Traditional advertising evolving?

Television and Cable

I believe we are moving toward an on-demand entertainment model where we won't be bound by network/provider schedules. Anything you want to see, you will be able to see when you want to see it, and where you want to see it. I don't know what that means for the visual media such as broadcast TV and Cable. With the advent of DVR and on-demand entertainment, local advertising will mostly go away in the visual media. You may see broadcast and cable go to a programming schedule of teasers or promos on air, while making their money via subscriptions and forced advertising through internet delivery of some sort. This is pretty bad news for local television stations and cable outlets who have little to no local programming to re-sell.

Radio

Local radio stations will not be immune to on-demand entertainment. When internet access becomes widely available in cars and every entertainment device, listeners will be able to call up any song or program they want to hear at any time. Local radio stations will have to evolve, or surrender even more of their small piece of the advertising pie.

Outdoor Billboards

The industry is positively evolving. You will see more digital billboards pop up in your community. For location and event advertising billboards can be a good choice. But the drawback for billboards is that they can be very expensive to gain significant market reach.

Direct Mail

It's relatively inexpensive, plus we can somewhat control who receives your message, and when and where they receive it. Use a commercial mailing house to help you find the right mailing list and reduce your postage costs.

4. Mobile Advertising - A Wise Choice For 2011

One must recognize that the mobile phone is now an indispensable tool for all of us. If you ask "what are the three things you always take when you go, you'll notice that the answers are almost always the same: keys, wallet and mobile phone.

The fact that each potential customer's pocket there is a cell phone, the importance given to information received through this device (usually read each message as you receive), the possibilities of interactivity and measurement of results which allows mobile phone transforms into a channel media very effectively.

Evolution of the global mobile advertising market is a fast, active involvement of companies like Google (which recently acquired AdMob), Microsoft (whose forecasts show that mobile advertising will take over 10% of the total expenditure for promotion within 5 years) and Vodafone (whose department specializing develop new channels and new possibilities for targeting advertising) come to confirm this.

This year, worldwide mobile advertising was directed by a percentage of total expenditure on advertising, up 55% from last year, a period of substantial declines in all other environments. And in

Romania, this new media channel has a very rapid evolution, last year recorded a doubling in the number of campaigns, while marketing budgets allocated area increased by 85%.

The advantages of this media channel is why the rapid growth of the field. Among the advantages are quickly propelled mobile advertising solutions in several agencies' media strategies include:

- The possibility of differentiation from the competition in terms of the channel is not clutter
- The large number of potential customers who may be targeted, number of channels similar to ATL;
- Relevant messages received extensive targeting capabilities due to age, gender, purchasing power, location, type of phone use, etc..
- Ability to discuss with potential clients through various forms of interactivity (click2call to call after advertisement, click2sms to send SMS to visit click2browse mobile advertiser's website, click2buy to buy the advertised product).
- Reporting capabilities and campaign success measurement.

5. Advertising Market Is Estimated Worldwide In 2011

Advertising market will grow by 4.7% in 2011, Asia and Latin America are the main areas that will sustain its upward trend, according to new estimates the agency Carat, informs WARC.

Latin America will emerge as the biggest growth area, 14%, followed by Asia Pacific and Central and Eastern Europe. For Britain, France or Italy, Carat announced a positive trend of 4.1%, 2.7% and 2.9%, while forecasts for Spain and Germany are more reluctant, both states are characterized by stagnation in what publicity concerning the markets

In China and Russia are expected to increase investment levels, reaching a value of 15.3% in 2011, every state party, and Brazil and it will fit the same trend, with growth of 14.4% in the right investments advertising.

Budgets will be allocated mainly for online, TV, radio and outdoor advertising in print media law being less likely to halt the decline.

Figure 3 : Top 10 of countries that have invested the largest advertising budgets

Top ten advertising markets 2007

Country	Ad expenditure (US$ million)
USA	179,251
Japan	41,017
Germany	25,758
UK	25,429
China	16,049
France	13,890
Italy	12,249
Spain	10,738
South Korea	9,967
Australia	9,831

Top ten advertising markets 2010

Country	Ad expenditure (US$ million)
USA	196,971
Japan	43,335
UK	31,237
Germany	27,759
China	26,243
Brazil	17,426
Russia	17,205
France	14,480
Italy	13,382
South Korea	12,121

(Source : http://www.marketingcharts.com)

6. Smaller budgets in 2010 for Advertising in Romania

The crisis gave a new face of local advertising in 2010, approaching the volume, in 2005. Advertisers do not spend in a country without consumption. All traditional media are losing the Internet grows alone, but with small volumes. These are the premises of an advertising market that's held back only by the major international advertisers, filmmakers say Media Fact Book annual survey.

Nobody escaped the crisis. After a slight recovery in the first three months of 2010, when advertisers began to give way to the bag in May (up 2.5% over the same period last year - no), April and May have returned everything to 180 degrees. Budgeting may remain without income, the government announced austerity measures, the question arises "follows a new wave of crisis? Consumption has begun to fall, after he noticed a touch of irony the filmmakers Media Fact Book, budgetary expenditure increased by 2.6% in 2010 vs. 2009.

7. Forecast for the advertising market in 2011

In 2011 the advertising market would stagnate at 2010 levels. “Our customers make their budgets for 2011 based on 2010 figures”, said Nora Marcovici, CEO BBDO Group Romania. Basically, this is a sign that advertisers are leaving for the scenario in which next year will be at least at the level of 2010. Also, the most important medium of communication - TV - could be priced up to 20% higher in 2011, in the context of rising demand and sold-out appearance phenomenon, announces CEO BBDO Romania.

Media market in Romania in 2011 will grow by 4%.

The print media, the biggest drawback

The only media channel that will be faced with lower revenues in 2011 will be print media (mainly newspapers and magazines) , which will lose about 6% compared with 2010.

TV – the winner book

Turning to media markets in the region, the analysis indicates the TV media as the least affected of the traditional media.

“Year 2011 will be one as difficult as 2010, then you have to start growth”, said for Agerpres, president of Manufacturers and Importers Association of Advertising Industry (APIIP), Liviu Rogojinaru, who attended the official inauguration of the Fair Print Digital and Signage. “I would like to be right who say that the brunt of the crisis has passed. I think that we are all on the sea bed and I feel that 2011 will be a year at least as difficult. Perhaps we can not fall lower than we are, and then you need to start increasing”, said Liviu Rogojinaru.

“Getting money to cut the budget during the crisis are the publishers, so that our members are among the first to have been affected by the crisis. Speaking of the evolution of turnover, however, people should not we refer to the years 2007 or 2008, which were peak years. Perhaps it would be enlightening to make comparisons with 2002 or 2003, which were more specific about the Romanian market”, said President APIIP.

In the past two years, some companies have gone on the advertising market, new ones have emerged. Among the large foreign firms, not only did not retreat either, but come May and a large Greek company. “The Romanian market is a serious market that attracts businesses. Unfortunately, it seems that there are some companies who put the padlock on the door măricele. But, ultimately, is that the flu crisis. It produces a kind of natural selection”, added Chief APIIP.

Initiative Media estimations 2009 vs. 2010:

- TV ad spend - drop from 222 million euro to 209 million euro
- Print - drop from 37 million euro to 27 million euro
- Radio - drop from 25 to 23 million euro
- OOH - drop from 42 to 35 million euro
- Internet/Cinema - rise from 13 to 14 million euro

8. Conclusions

For a more optimal allocation of advertising budget, should be a very good cooperation with an advertising agency, nationally and internationally. This collaboration should exist at all companies that invest large sums in advertising.

Especially in this time of economic crisis, it is recommended that the invested budgets in advertising to be used more efficiently. After this, the advertising campaign should have a bigger impact, even if the investment budget is relatively low.

In my opinion, will follow a period in which some companies will invest low budgets in advertising and other companies will invest large budgets in advertising.

For advertising market in Romania, was an intense growth period (2003-2008), but since 2008 the advertising is in crisis.

This crisis has led companies to reduce their budgets they invest in advertising, to terminate ongoing contracts, to stop the production of commercials in November and use them on those 2-3 years ago, where you pay a lot then. Currently, the largest advertising budgets of their foreign companies in Romania, taking advantage of the fact that many Romanian companies and not only blocked the advertising budgets.

I mention it's a good time to make yourself noticed in a field, much easier than three years ago. Who has the power to invest in advertising now, will have much to gain in the current period, from my point of view. The situation is similar to European and international level. The print media has and will suffer the most. Radio and television are almost constant, even if they have lost quite large budgets. The Internet is a growing, and my opinion is that Internet advertising will take an even greater scale in future.

Finally, I want to note that the budgets invested in advertising market were exaggerated (between 2006-2008) and was normal to appear this "crisis" that gives a refresh for all media companies and advertising, and in my opinion the things will return to normal in the next period.

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THE RELATION BETWEEN TRADE AND CONFLICT, A FACTOR OF STABILITY IN THE BLACK SEA REGION

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Abstract: *Trade can act as a twofold factor, on the one side diminishing the probability of conflict among nations, and on the other, in the case of strategically vital materials, lifting the stakes and making an intervention more likely. Although the exact relation between the scale of trade among nations and the degree of hostility that exists has been intensely debated, it has generally been accepted that economic cooperation serves as an incentive for peace and stability in any region. This incentive for amiable affairs, calculated in relation to the overall wealth of the nations and their ability to wage open conflict will be identified in the case of the nations in the Black Sea Region, and can be compared to those in other areas, generating comprehensive conclusions.*

Key words: conflict, international trade, equilibrium, incentive for cooperation.

JEL classification: F19

1. Introduction

The expansion of business activities in a new geographical region has to be preceded by a careful study of not only the opportunities but also the risks associated. The least controllable of these are the country risks, consisting in potential loss or restrictions on the business due to the changes that can occur in the policy and the foreign relations of the particular states. Recent events in the Middle East and North Africa have shown that the business environment and the economic development of the world's nations are closely connected to conflicts and civil unrest regardless of the distance from the troubled area.

The economic crisis of the last few years has indicated the unstable and hard to control pattern of the modern world phenomenon. Even in fields of research where many theses have been written in support of the notion of equilibrium, this concept, along with that of convergence to a certain stable point, has been placed under scrutiny, long accepted theories being now reevaluated and rethought.

This discussion can easily be extended to the study of international relations, where the notion of balance or equilibrium has dominated policies and strategies. Under one form or another, the equilibrium has underlined the relations between communities since ancient times. This concept, opposed to that of instability, disproportion or unbalance can be understood in many different ways. Restricting its definition to an equivalence of just the economic strengths of nations or military power can prove misleading and prone to mistakes and instability.

The equilibrium among nations or communities can be seen as a combination of all the elements of interest in social relations. A week state by the measure of its military power can compensate for this weakness through the range and the efficiency of its foreign relations, commercial strength or the intense export of its values. An example of such a situation could be Sweden during the Second World War, when despite its relatively weak military power compared to the main belligerents, unlike all its neighboring countries, it was never invaded. Through the value of its foreign commerce and the policies adopted, it managed to maintain a balance with all the conflicting powers of that time. Thus the discussion points again towards the importance of equilibrium. The most difficult part of developing any real strategy is actually trying to see a pattern in such phenomena and to develop a model that would help predict future events.

The complexity of international trade relations and also the wide specter of political interests can undermine any undertaking of trying to establish a model that could give clear indications of an impending conflict that could generally apply to any group of countries in the world. Nevertheless, if any conflict between communities is determined by pragmatic thinking, excluding thus the tensions generated by religion, racism or hidden personal agendas, trade and economic cooperation can surely be seen as an incentive for peace and cooperation.

The games and negotiation theory uses as a main principle, forming the basis of every theorem, the notion that all sides in a scenario act perfectly rational. In practice, this rationality is difficult to predict, observe and measure, yet it must be accepted as an underlying factor of every scientific discussion.

2. Literature review

Economic factors have always determined the outcome of policies and cooperation between communities. While theories that describe this interactions have only been proposed and accepted in the relative recent history, since ancient times peoples have interacted and have collided following specific interests from the gaining of territory and resources to bolstering personal and national prestige. Liberal theories, developed by Immanuel Kant have pointed out that since the appearance of democratic entities, cooperation has continuously grown and commerce has substituted war and occupation.

Studies that analyzed pairs of nations have indicated that the relation between trade and conflict is negative, meaning that the intensifying of one side reduces the occurrence of the other (Polachek, 1980). Mainstream thinking suggests that conflict between neighboring countries, more than in other instances, would be greater than observed if not for the mitigating effect of trade (Polachek, Robst, Chang, 1999).

In order to describe and assess the stability and profile of a geographical region certain aspects have to be taken into account, most important of these being external relations, economy, ethnicity and military factors (Gass, 1994).

The political and military factors have to be observed and interpreted correctly so as to be able to construct a realistic image of the business environment in the goal of bolstering trade and cooperation.

The level of democracy and the protection of rights are thought to be closely connected with economic cooperation over state boundaries. The studies have indicated results that democracies have a tendency to trade more intensely with each other as the flow of ideas are transmitted along with goods and services (Decker, Lim, 2008).

Edward D. Mansfield points out that while other previous studies have focused on the relation between trading and conflicts, they have not analyzed the implications generated at the institutional level by PTA (Preferential Trading Arrangements). PTA have represent extra incentives for cooperation by the creating the expectation of future economic growth (Mansfield, 1998). Preferential groupings have institutions that help mute the military tensions. The same author proposes the theory that an efficient open trade system at a global level can only be achieved in the presence of a hegemonic state or entity. Eroding the position of the hegemonic entity determines a systematic closure of foreign markets and creates the prerequisites for seeking stability at a regional level through a form of PTA (Mansfield, 1998).

Although it is sometimes assumed that being part of international economic institutions reduces the risk of conflicts, some studies have indicated that this is not necessarily true (Powers, 2006).

Contradictory findings have also indicated that even in situations in which trade increases welfare and war is Pareto dominated by peace, intensifying trade flows do not lead to more peaceful situations. This can be attributed partially to the fact that different entities view problems from different perspectives, each developing and maintaining a type of rationality. Such may be the case in conflicts in which at least one side has other agendas than lucrative, economic factors, varying from religion to political ideals.

Some recent researches have suggested that only above or below certain values in the flow of goods does trade influence the peace or conflict of countries (Hamid, Sheriff, 2007).

Intense bilateral trade between countries generates high opportunity costs and thus decreases the propensity for conflict. On the other hand, by signing multiple trading treaties, these costs, seen as risks can be diversified and in so doing making conflict with a particular entity more acceptable in economic terms (Bohmelt, 2011).

Other studies have indicated that the function created by the interdependency between trade and conflict appears in a curvilinear form, declining to a certain point and then suddenly beginning to rise (Barbieri, 1996). This is generated by the fact that trade up to a moderate quantity reduces the probability of conflict, yet, when an extreme dependency on certain goods and services arises between two parties open conflict is more probable, careful policies being needed in order to maintain the status quo.

Katherine Barbieri has emerged as a leading critic of liberal peace, the concept that implies that international trade reduces conflict. Although not contradicting the idea entirely, the author points out that while symmetric trade encourages understanding and cooperation, asymmetric trade, such as that existing between developed and developing countries leads to disequilibrium and thus to more tensions (Barbieri, 2002).

Though there is no absolute consensus on the matter of trade versus conflict, a fraction of the theory, that trade serves as an opportunity cost to conflict seems to be accepted by experts in this field. A stable and intense trade flow as well as other forms of economic cooperation gives a state the leverage it sometimes needs to achieve its goals.

While the asymmetric trade or the asymmetric position by military strength of trading partners can in some instances increase the probability of tensions, it does not mean that trade should be restricted or limited, but rather that the policies that accompany it should keep up the pace with the development of the situation.

3. Research description

Returning to the topic of decision making in foreign relations, if rationality is accepted and viewed by all sides in the same manor, every conflict in history can be placed in accordance to a single equilibrium formula between the world countries:

$$\mathbf{P(B+R+I) = T+K+R+I} \qquad \text{Equation (1)}$$

P – Probability of success;
B – Value gained if conflict is won;
R – Reputation of a country;
I – Infrastructure and investment in defense forces;
T – Value of trade between countries;
K – Knowledge imported from the other country.

This formula can be extended to also comprise the value generated by tourism between the two countries and the foreign investment taking place in peace time. In support of the liberal theories, first developed by Immanuel Kant, in which the intensity of trade and the degree of democracy tend to reduce the probability of conflict between nations, the result of this formula on countries in the Black Sea Extended Region compared to results obtained on other developed nations can highlight specific conclusions. The arguments of liberals are that democratic nations resolve their disputes in accordance with their rational interests and not through the manifestation of personal ambitions such as might be the case in autocratic systems of government (Ye, 2002).

Although difficult to calculate in any practical example without restricting some of the factors, the formula indicates the rational, lucrative way of deciding if conflict and its benefits are superior to the rewards of maintaining the peaceful relation which allows for trade, change of ideas and also preserves the existing defenses of a state and improves its international standing. The restrictions, such as considering the value gained by conflict as 5% of the GDP of the other state, and deciding that the probability of success is for all cases the percentage represented by their defense budget in the overall defense budget of the two nations does not affect the conclusions, as they will not be drawn on the actual value of the results but from the comparison of these results among different partners. Thus applying the same restrictions to all situations, the outcomes are comparable and consistent.

As not to lead the discussion in a biased field, the reputation, although necessary in theoretical purposes for commenting on past events, in the current calculations comparisons, would be considered as equal to 0, meaning that it has no impact on the decision making process.

The reference for the study of trade relations versus conflict in the Black Sea Region are the results obtained by applying the same model for the main states of the European Union, where commerce and cooperation has been a long standing alternative to conflict. After the Second World War the area of Western Europe has been one of the peaceful regions in the world, in which any debate has been resolved amiably. The results will be compared to those among the main countries in The Black Sea Area, in order to evaluate the similarities and differences.

The first part of the study will identify the points of equilibrium for each pair of countries and discuss the relevance of this in relation to the GDP of the deciding country. The actual equilibrium value of the benefit gained by possible conflict can indicate the scale and importance of the topic for which the particular state would be willing to go to war.

For the second part of the research the benefit gained by conflict will be considered for each situation as 5% of the GDP of the counterpart state, thus calculating the gains of trade and cooperation on the one side and of conflict on the other and elaborate conclusions based of the ratio between the two.

The analysis does not take into account the actions derived by the decisions of third parties which could also break relations and stop trading in the advent of open conflict.

4. Results

By applying the mentioned model, the equilibrium would be represented by the values for which the equation takes place, meaning that the right side is equal to the left component. The probability (**P**) has been considered as being the ratio of one state's defense investment in relation to the sum for the two countries. Investment in defense (I) can be obtained as the percentage of GDP officially allocated to this purpose and the trade flow (T) represents the trade between the countries analyzed. The only factor of the equation that has to be identified is the equilibrium benefit of conflict, meaning the value for which, according to the present model, the state would gain the same amount indifferent of the fact that it starts a conflict or it maintains friendly cooperative relations.

The results, as seen in the table, indicate a high benefit of conflict needed in order for countries in the West to break relations, while in the Black Sea region with the exception of Turkey in relation to the Russian Federation, the values are relatively lower and asymmetry is also present. As the theories suggest, the existence of asymmetric relations generate tensions and careful measures have to be taken.

Table 1: Equilibrium benefits and trade to conflict ratio by pairs of countries

Country 1	Country 2	Equilibrium conflict benefit country 1	Equilibrium conflict benefit country 2	Trade to Conflict for country 1	Trade to Conflict for country 2
Western Europe					
Germany	Netherlands	243028	977845	3.66	2.22
Germany	UK	353811	323622	3.32	5.57
Germany	France	600356	448166	2.48	1.72
Germany	Italy	298114	403193	2.30	2.18
Netherlands	UK	379403	86249	3.13	1.51
Netherlands	France	448581	83226	3.29	1.43
Netherlands	Italy	192552	64724	1.79	1.35
UK	France	219386	179049	1.50	1.37
UK	Italy	100414	148477	0.99	1.24
France	Italy	176806	320331	1.45	2.17
Black Sea Region					
Turkey	Russian Fed.	127128	85282	1.47	1.52
Turkey	Ukraine	7255	146603	1.01	3.87
Russian Fed.	Ukraine	30955	932399	1.37	12.33
Romania	Ukraine	3802	5983	0.69	0.80
Romania	Russian Fed.	124532	6506	1.66	0.98
Romania	Turkey	105280	8200	2.74	1.01
Case study Romania					
Romania	Ukraine	3802	5983	0.69	0.80
Romania	Moldova	687	96422	1.13	12.14
Romania	Russian Fed.	124532	6506	1.66	0.98
Romania	Turkey	105280	8200	2.74	1.01
Romania	Serbia	1757	7303	0.97	0.93
Romania	Bulgaria	3468	8953	1.23	1.11
Romania	Georgia	402	5672	0.90	0.72

Source: Calculated using data from Central Intelligence Agency, The world Factbook and World Trade Organization databases

In the cases of the main European Union countries the stakes on which conflicts can occur are extremely high, most notably the Netherlands, Germany and France in relation to each other, need a stake for conflict larger than the GDP of the target country. The lowest value for this region is obtained in the case of Great Britain and Italy, though this is inferior only by comparison with others, the equilibrium benefit being around $1000 billion, a great sum in comparisons with the respective GDP of the two sides. This last argument added to the fact that there is no great asymmetry means that the model explains a stable situation in Western Europe, where because of similarities among countries and high values of trade it proposes very large stakes needed for a conflict.

This pattern does not exist in the analysis of the Black Sea countries. While the Russian Federation has a balanced relation with Turkey, it has an extremely asymmetric collaboration with the Ukraine, the latter being dependant on the trade with the former country. The model indicates balanced, yet very low intensity relation between Romania and the Ukraine, and also a severe unbalance between Romania and the main two countries in the region.

By deciding on setting the benefit of conflict at 5% of the target country's GDP, the model generates the ratio between peaceful collaborative relations and conflict as seen in the last two columns of the table.

A value above 1 indicates that trade is preferable than wining a conflict with the stake of 5% of the defeated state's GDP, while values below 1 indicate the opposite. The value 1 shows the existence of equilibrium, the deciding country being indifferent to trade or conflict.

The ratios for the main European Union countries again show a level of stability, with the exception of the United Kingdom to Italy relation which is approximately 1. This can be explained by the relative distance between the two and the fact that the two countries each have other main partners for trade.

In the case of countries in the Black Sea Region, one can observe the asymmetric relations as mentioned before between the Russian Federation and the Ukraine and also the values below 1 as obtained by some countries in relation to Romania. The explanation for these last values can be that for its level of GDP, Romania engages in far less foreign trade than recommended with the other countries in the region.

By trying to establish if this is a general situation in Romania's trade with its neighboring nations, the table shows the model results for most of the country's regional relations. Other than the extreme asymmetry between Romania and Moldova, indicating a very small incentive for the latter to enter into a conflict, the values with other countries are close to 1 or below again pointing out the lack of integration and foreign cooperation. In order to increase the values of the trade to conflict ratio, and thus diminishing the incentives for war and other conflicts Romania needs to encourage the regional trade and bolster the stability of its foreign relations.

5. Conclusions

The relation between foreign trade and interstate conflict works as a very complex and sensitive mechanism, and although theories disagree on the exact type of interaction between the two, there is general consensus that trade and other forms of cooperation such as tourism and foreign investment serve as incentives for peace and stability.

The study examines the relations between pairs of countries, by simplifying the restraints not to include collaborations or dependencies to third parity nations which might also break relations in case of conflict.

By examining the main four countries of the Black Sea Region by comparison with the main countries of the European Union, the research has shown a rather unstable situation, with many asymmetries and also some low trading practices that can prove risky for the countries involved.

The only countries in the Black Sea area found to be similar to those in the West are the Russian Federation and Turkey when compared to each other. The least favorable results among these countries were obtained by Romania, suggesting the existence of a very limited foreign trade in the region compared to its GDP.

The model depicted shows these results as little incentive for other countries not to start a conflict with Romania.

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ADDING A SOCIAL DIMENSION TO THE MULTI-CHANNEL MARKETING APPROACH OF THE ROMANIAN CONSUMERS: AN EXPLORATORY EVIDENCE

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Abstract: The multi-channel marketing attempts to target audiences, generate interactions and build lasting relationships with consumers by providing information and support through an one-to-one and personalized approach employing two or more synchronized communication channels. Used daily by millions of consumers, the social networks, initially developed as online communities of people sharing common concerns and ideas, social networks represent today one of the online marketing tools with the highest potential to maintain and enhance the relationships with the consumers. The paper intends to assess, in an exploratory manner the opportunity of integrating social networks in the multi-channel marketing approach of the consumers.

Keywords: social networks, multi-channel marketing, Romanian consumers

JEL classification: M31

1. Introduction

The multi-channel marketing originates in the former idea of media mix, stating essentially that targeted audiences are to be reached in different moments and ways aiming to help the organizations to get top-of-mind positions when consumers were ready to buy. Multi-channel marketing attempts to build lasting relationships with consumer by simultaneously offering information and support to the customers and prospects through two or more synchronized channels, where all the participating entities act as one unit in meeting their needs (Rangaswamy and Van Bruggen, 2005). Multi-channel marketing refers to the ways organizations coordinate and use online, e-mail, print, RSS feed and other communication media to fulfill marketing communication objectives such as brand management, customer and prospect interaction and lead generation (SDL Tridion, 2010).

Consumers and organizations perceive differently the multi-channel marketing: customers and prospects can reach businesses using their preferred channels from an increased number of available options (Internet, salesforce, or value-added reseller), while companies tend to adopt optimized multi-channel strategies to increase their presence, awareness, trial and sales (Sharma and Mehrotra, 2007). Key issues of the firm's multi-channel customer management decisions framework are: "Which customers should we choose to serve through which channels, with which products, prices, and marketing programs, for which decision and life cycle stages, under which organization structure?" (Neslin and Shankar, 2007). In this context, managers must find and employ innovative channels that change the way the company operates and interacts with its customers, and need to keep the organisation operating as a single, coherent entity in order to create innovative channel combinations and deliver consistent service (Wilson and Daniel, 2007).

Oferring the opportunities to generate and track real-time interactions with customers and prospects, the Internet has expanded and diversified the ways organizations approach, connect and relate with the consumers leading to the appeareance of the multi-channel marketing systems demanding for integration, coordination, and the oversight of components that previously functioned in a relatively independent manner (Weinberg, Parise, and Guinan, 2007). Database technologies and personalization advancements were making possible the one-to-one communication with consumers through a variety of channels, such as print, e-mail, web and telemarketing, combined in integrated, multi-channel campaigns generating stunning results (Banta Corporation, 2004).

Knowledge associated with the consumers' private space – as it was defined through the personal data regarding the demographic, psychographic and behavioral characteristics, and the rights consumer should have to disclose or not, and to have protected this information (Veghes, Pantea, and Balan, 2010) –

provides the framework for approaching them in a personalized manner, now in a multi-channel context.

In this context, an extending number of companies have considered the online marketing and its tools in promoting effectively their products, services, and brands using email marketing, online advertising, search engine optimization, sponsored links or advergaming, e-newsletters, instant messaging, blogs and RSS feed, forums and online discussion groups and social networks.

The boost in the usage of the internet, the development of the online communities as well as the CGC (consumer generated content) are three of the main factors that influenced the launching and development of social networking. The *online communities*, defined as a collective group of entities, individuals or organizations that come together either temporarily or permanently through an electronic medium to interact in a common problem or interest space (Plant, 2004), are the basis of social networking: since people can not network if they do not belong to a group, to a community, than the emergence of the social media, defined as a variety of new sources of online information that are created, initiated, circulated and used by consumers intent on educating each other about products, brands, services, personalities, and issues (Blackshaw and Nazzaro, 2006), has changed the way organizations communicate with customers and played a significant role in the development of the social networks.

Social networks have been defined by Boyd and Ellison (2007) as web-based services that allow 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 traverse their list of connections and those made by others within the system. Social networking sites are built around the needs and interests of like-minded individuals, and are built by these individuals that are creating profiles for themselves and groups, enhanced with privacy controls over the users' profiles and their employment (Wertime and Fenwick, 2008).

An international study conducted by InSites Consulting, between December 2009 and January 2010, on sample including 2.884 consumers aged 18 and more from 14 countries of the world – Belgium, The Netherlands, United Kingdom, Spain, Italy, Portugal, France, Germany, USA, Brazil, Australia, Russia, China, and Romania, revealed the following regarding the ways consumers are perceiving and using the social networks (Van Belleghem, 2010):

- 90% of the study participants reported to know at least one social network website;
- 72% of all participants are member of at least one social network website;
- on average, users have two memberships; Facebook turns out to be the most used social network;
- users of social network websites seems to be saturated: they have no intentions to stop any of their memberships and no further intentions to expand their participation;
- on average, the social network users log in twice a day;
- sending personal messages is the most popular online activity;
- on average, connected people have about 195 friends;
- everyone removes friends sometimes, a tendency more common on personal websites.

2. Methodological notes

In order to assess the opportunity of expanding the social dimension of the multi-channel marketing approach of the consumers, have been considered the results provided by two exploratory surveys conducted on samples including Romanian urban consumers aged 18 to 30, with an average and higher education, that have generated information about the channels preferred by the consumers to receive commercial information about the different products, services, brands, and marketing events they are interested in, the combinations of channels the organizations should take into consideration in order to plan and conduct multi-channel marketing campaigns, the importance of personalization and the preferences for searching versus receiving commercial information about the products, services, and brands they intend to buy, respectively about the associated degree of awareness, participation within, reasons of participation and behavioral patterns related to the social networks. Data have been collected in March-April 2009, respectively in January 2010.

3. Major findings

Overall, the average number of channels indicated by the respondents as preferred to get commercial information has been of 2.22: the *meaning of "multi"* in terms of the multi-channel marketing approach refers to a combination of two or three channels. Almost a half of the respondents indicated that they prefer *only one channel* to obtain this information: considering this result, the average number of channels that can be integrated in a multi-channel direct approach raises to 3.26.

The *Internet* (mentioned by three quarters of the respondents) and *e-mail* (mentioned by almost a half of the respondents) seem to represent the most important channels consumers prefer to receive information about the products and services they are interested in. Television is the third channel in this respect, but there is a significant distance separating it from the Internet and e-mail, as only a quarter of the respondents have mentioned it as a preferred source of information (see Table 1).

Table 1. Channels preferred by consumers to receive information about different products and services.

Channels	Count	Percentages of:		Channels	Count	Percentages of:	
		Responses	Cases			Responses	Cases
Daily press	9	5.2	11.5	Mail	11	6.4	14.1
Periodical press	8	4.6	10.3	Phone	4	2.3	5.1
Radio	5	2.9	6.4	Mobile phone	10	5.8	12.8
Television	18	10.4	23.1	E-mail	34	19.7	43.6
Outdoor	15	8.7	19.2	Internet	58	33.5	74.4

Source: Vegheş, Acatrinei, Dugulan, Lalu & Rusescu (2010).

The Internet appears also to be the most preferred channel for the single-channel respondents, followed by the e-mail, and the television. Daily press, radio and the outdoor can be seen as rather peripheral channels for this category of respondents. There are no significant differences between the single-channel and multi-channel consumers: the hierarchy of the Internet, e-mail and television remains the most preferred channels used as sources of commercial information. In terms of the *traditional channels*, television and outdoor appear to be the most important channels, while in terms of the *direct channels*, the Internet and e-mail hold the first two positions within the channels preferred by the respondents to receive commercial information.

In order to increase the effectiveness of the multi-channel marketing campaigns, the combination Internet – e-mail should be extended attaching more channels the consumers prefer to use to get commercial information: thus, customers and prospects could get the commercial information displayed on the Internet, at TV or through outdoor advertising, and may receive this information, supposedly in a personalized manner, as a result of the e-mail, direct mail and mobile marketing campaigns.

The context of the multi-channel marketing approach can be defined in terms of the consumers' preferences for searching/receiving commercial information and the importance consumers associate to the possibility to receive commercial information in a personalized manner. Only a minority of consumers prefers to receive commercial information about different products, services, brands, and events they are interested in while the majority of the consumers prefer both to search and to receive this information. The multi-channel marketing approach should not neglect the overall reserved attitude of the consumers toward receiving commercial information: organizations must develop multi-channel marketing campaigns capable to cope with and, overall, approaching the consumers' private space with caution as consumers tend to appreciate a personalized but safe in terms of their privacy concern approach.

Table 2. Social networks awareness and participation at the level of the investigated sample

Social Networks	Awareness		Participation	
	Frequency	Percentage	Frequency	Percentage
Delicious	9	7.3	2	1.6
Facebook	102	82.3	45	36.3
Hi5	119	96.0	102	82.3
LinkedIn	23	18.5	6	4.8
MySpace	84	67.7	20	16.1
Netlog	56	45.2	20	16.1
Noi2	22	17.7	4	3.2
Ringo	22	17.7	1	0.8
Other	5	4.0	4	3.2

Notes: "Other" – Ce-faci.ro, Ingeri.ro, Last.fm, Neogen, Twitter (in the case of awareness), respectively DeviantArt, Ingeri.ro, Last.Fm, Twitter (in the case of participation). Source: Pantea and Vegheş (2009).

Social networks should represent an important option in the reconfiguration of the multi-channel marketing approach of the consumers. Social networks are extremely well-known among the investigated consumers as all the respondents have answered that they know about at least one network. The best in terms of the awareness networks are Hi5 and Facebook, followed by MySpace and Netlog. Less-known social networks were, at the moment of the study, LinkedIn, Noi2, Ringo, Delicious and some other rather peripheral networks (Ce-faci.ro, Ingeri.ro, Last.fm, Neogen, Twitter).

Participation in the social networks appeared to be rather low at least by comparison to their awareness: with the exception of Hi5, with an impressive weight of the respondents having and using profile, all the other networks are less used at the level of the investigated sample. Participation within a social network can be motivated by the social aspects of the respondents' day-to-day life (communication with the friends and/or relatives, dating and/or flirting, getting new friends) or the need for entertainment and information (enjoying things, online gaming, and getting information about products, services, brands, events, etc.) – see Table 3.

Table 3. Reasons for participating the social networks

Reasons	Frequency	Percentage
Communication with friends	81	65.3
Dating / flirting	9	7.3
Enjoying different things	56	45.2
Getting interesting information	24	19.4
Getting new friends	43	34.7
Online gaming	17	13.7
Personal branding	19	15.3
Relationship with business partners	5	4.0
Supporting public persons	5	4.0
Supporting products, organizations, campaigns	4	3.2

Source: Pantea and Vegheş (2009).

Social networks seemed to succeed in accomplishing their mission: a majority of the respondents used them as a communication platform with friends, with a *networking side* better illustrated by the respondents' desire to get new friends, dating and flirting, while the *social side* (support given to the public persons, products, organizations, and campaigns) being less visible.

Infotainment, a combination of spending the time in a pleasant and, in the same time, useful way, appears to provide a relatively strong motivation for accessing and participating the social networks as an important part of the respondents seek to enjoy the content available within the network, to search for interesting information, and to play online network games.

Personal branding represents another interesting reason for participation in the social networks due to the intrinsic opportunities offered by the social networks (such as the access to a community of people sharing the same interests, beliefs, and lifestyle) and a replication of the businesslike behavior (participation in a social network being as important for the individual like having a website for the organization).

Relationships with the business partners represent a reason for accessing and participating in the social networks for a minority of respondents, due mainly to their demographic profile and to a relatively limited employment of the social networks for business-related purposes in the Romanian market.

Table 4. Behavioral patterns within the social networks at the level of the investigated sample

Patterns	Frequency	Percentage
Accessing commercial links	16	12.9
Activating in thematic networks	12	9.7
Delivering/exchanging ideas	41	33.1
Searching for a job	14	11.3
Searching old friends	68	54.8
Self-promoting the profile	35	28.2
Supporting a/an brand/person, event	6	4.8

Source: Pantea and Vegheş (2009).

Searching for old friends and, probably, *making new ones* represents the main type of activity conducted through the participation within a social network (see Table 4). A rather small part of the respondents use social networks to deliver the community their ideas, to discuss and exchange them even inside more specialized networks (comparable with the special interest groups).

Self-promotion of the personal profile appears to be important for slightly more than a quarter of the respondents and this may be seen in connection with the opportunities for personal branding as a reason for participating in a social network, while *accessing the commercial links* and *searching for a job* represent activities done by slightly more than one out of ten respondents suggesting that although there is an important potential in these directions, the social networks have, like the concept itself implies, a rather social and not a business and/or commercial dimension.

4. Conclusions

Although the multi-channel marketing approach of the consumer provides significant advantages for both the customers (prospects) and the organizations, the fact that almost a half of the respondents prefered to receive commercial information through only one channel suggest that this approach still has to grow in the Romanian market: organizations should become more convinced about the effects generated through the channels' integration while consumers should be educated to consider a more variate range of channels when getting commercial information.

Internet, e-mail and television remain, in this order, the most preferred channels consumers tend to use as sources of information regarding the products, services, brands, and marketing events they are interested in. Therefore, a recipe of an effective multi-channel approach of the consumers must include the *Internet* and *e-mail* as main channels combining the passive employment of the Internet (used mainly to display and to provide specific support to the consumers searching for commercial information) and the active employment of the e-mail (used mainly to deliver commercial information to the consumers willing to receive).

Consumers should be approached employing a combination of channels that display commercial information, to which can be added channels supporting the direct, personalized and interactive communication, without neglecting the overall reserved attitude of the consumers toward receiving commercial information. Employment of the direct and interactive marketing channels, providing opportunities for approaching the consumer's private space in a direct, personalized and interactive manner, is significantly associated with a cluster of potential concerns and risks regarding the procesing of the consumers' personal data: that is why the multi-channel marketing approach should carefully consider these aspects.

Employment of the social networks in the context of the multi-channel marketing approach of the consumer it is supported by the increased awareness and participation of the consumers within the major social networks: awareness of the social networks seems to follow the same pattern at the level of the investigated sample with that registered worldwide, with Hi5, Facebook and MySpace being the most well-known networks; yet, there is a significant distance between being aware of a social network and having and account and participating effectively within the network.

Social networks seem to be very close in accomplishing their basic mission, being used mainly as a communication platform, with a *networking side* more visible than the *social* ones: communication with the friends and/or relatives, enjoying different things, and getting new friends are the main participation reasons while relationship with business partners, and supporting public persons, products, organizations and campaigns represent peripheral motivators for joining and participating within a social network. The fact that the social networks have, a rather limited business and/or commercial dimension may represent the major drawback in the employment of these networks in the multi-channel marketing approach of the consumer.

Further directions of research to be considered refer to the:

(1) expanding the dimension of the investigated population through getting out from Bucharest and covering the whole country (including the urban and rural areas), respectively through extending the demographic profile of the sample covering not only the group aged 18-30 but also consumers from other categories, respectively to the

(2) increasing the complexity of the information generated through the research by introducing supplementary questions about joining, participating and the experiences registered within the social networks, and about the position, employment, and effectiveness of the social networks within the multi-channel marketing approach.

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