

## **Marketing approaches at European level – The case of Southern-European countries**

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**Abstract:** *The specialization of Marketing refers not only on specific focus on some domains, but, also, to its adaptation on regional issues. During the globalization process, marketers adapted their activity to new trends, such as: standardization, integrated distribution, production transfer, comparative advantage, etc. The common aspects of some regional markets determined the marketers to approach differently some homogeneous regions in the World economy. In this sense, the article intends to establish the main differences and the common aspects of a very important area in the European economy – The South East of Europe.*

**Key-words:** *Euro-marketing, Euro-producer, Euro-consumer, Euro-mix*

### **1. Introduction**

The European context generates some specific conditions regarding the attitude of the European producers and consumers. Despite of the impression that an European standardized product could make the production/selling easier, in European Union a number of multicultural areas determine a higher need for adaptation, distribution and even promotion. In the same time, the European Union assures easier ways to assure distribution, specific elements of promotion, standardized products, standardized quality, which determine positive effects on the Euro-consumers and Euro-producers activity.

### **2. Objectives**

The article focuses on three main directions:

- a. to describe the economic specific context of the Single European Market, in order to establish its own characteristics that influence the producers and consumers

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- b. to introduce some fundamental concepts regarding Marketing in European Union
- c. to describe some general aspects regarding the Southern Europe and to try to apply the Euro-marketing concepts to the countries from this area

### **3. Materials and methods**

#### **3.1. General considerations about the Single Market**

Started from the idea of the “United Europe”, European Union was not preoccupied mainly at the beginning by economic issues. Even though The Treaty of Paris (1951) that created the European Steel and Coal Community mentioned the idea of economic collaboration, this Community was not created for economic reasons.

After The Treaty of Rome (1957), concrete objectives of economic union were taken into consideration by the six member states of the Community – The Common Market program established by the Treaty. According to this, the European Economic Community fixed a given number of objectives, in order to accomplish the common market stage of integration (The Common European Market) – custom union, free movement of labour and capital, common politics, common funds and common institutions.

The Treaty of European Union (Maastricht, 1993) established new objectives that meant a new stage of integration. In addition to the Common European Market, the Treaty created the support for the economic and monetary union (EMU). In this context, The European Community’s market became the so called Single European Market.

#### **3.2. Fundamental concepts of “Euro-marketing”**

Euro-marketing represents a specialization of international marketing at European level. It is related to the globalization process, through regionalization, in the European area.

In the recent decades the process of globalization and its economic, technological political, social, cultural, environmental and other impacts have been in the centre of attention in politics, world of business and science. According to some specialists (Masteikiene&Venckuviene, 2015), there are some major factors that influence the globalization impact - the economic influence of multinational corporations; the influence of FDI; the financial liberalization and crises arisen from it; the increased levels of competition; the global value chains influence; the increased significance of outsourcing and services sector, being known that in the field of services, the outsourcing strategies have a strong influence on the firms’

market performance (Boşcor and Băltescu, 2014); the liberalization of trade, integration of previously non-connected markets and overall productivity growth.

Integration in Europe determined the appearance of the most developed integrational structure in the world. In this sense, The Single European Market makes possible a new approach regarding the classic concepts of Marketing. For instance, in the European Single Market a specific marketing mix can be defined – the so called „Euro – mix”, represented by:

- Euro-product – a product that takes care about the specific European segment’s needs, the consumer’s attachments for traditional products, common standards for products
- Euro-price - a price that takes into consideration different purchase power in different countries, some regulations regarding prices adjustments in EU
- Euro-distribution – encouraged by the free movement of goods/services and by the European transport infrastructure
- Euro-communication – sustained by a sort of standardization of the communication process.

Some general characteristics of these elements are the following:

<b>Euro – marketing mix element</b>	<b>Characteristic</b>
Euro-product	It is very hard to standardize it because of some factors: <ul style="list-style-type: none"> <li>• Different consuming habits</li> <li>• Attachment to traditional value</li> <li>• Common standards</li> <li>• Local specific conditions</li> </ul> determine the need to create different products
Euro-price	<ul style="list-style-type: none"> <li>• Different purchasing powers in different EU countries</li> <li>• Consuming habits</li> <li>• Taxes in EU</li> <li>• EURO</li> </ul>
Euro-distribution	<ul style="list-style-type: none"> <li>• Free movement of goods</li> <li>• European infrastructure (TEN)</li> <li>• UK, Germany, France – big commercial areas - Italy, Spain, Portugal, Greece – a lot of distributors</li> </ul>
Euro-promotion	<ul style="list-style-type: none"> <li>• New communication networks (Euro-news, Financial Times, Internet)</li> <li>• The product specificity, the “national rigidity”, national regulations</li> </ul>

Table 1. Euro-marketing mix elements

### 3.3. Considerations about the Southern European countries

The geographical area of Southern European Countries (SEC) includes the following countries: Portugal, Spain, Italy, Slovenia, Croatia, Serbia, Montenegro, Macedonia, Albania, Greece, Malta and Bosnia-Hertegovina.

A first look at this area reveals some main similarities and, also, major differences:

#### SIMILARITIES

- Geography and climate
- Communication – appreciated
- Family-oriented culture

#### DIFFERENCES

- Mix of cultures
- Level of development
- The relationship with European Union \*

\*EU members - Spain, Portugal, Italy, Slovenia, Croatia, Greece, Malta

EU candidates – Macedonia, Serbia, Montenegro

EU potential candidates - Bosnia-Hertegovina, Albania

Comparing the general issues, SEC are generally small countries (0.2 - 11 millions of inhabitants), with one exception (Spain – 47 millions); most of them are not considered corrupted countries (with the exception of Croatia, Macedonia and Greece), with more than 50% of population using Internet and (with the exception of Macedonia) with very high level of development (HDI between 0.8-0.9), as the following table shows:

Country	Population (millions inhabitants)	Corruption (Transparency International Index)	Percent of the population that uses Internet	Human development Index
Spain	47	Clean – 64	67	0.876 (27)
Portugal	10	Clean – 63	55	0.830 (43)
Croatia	4	<i>Corrupt</i> – 46	71	0.818 (47)
Cyprus	0.8	Clean – 66	58	0.850 (32)
Former Yugoslav Republic of Macedonia	2	<i>Corrupt</i> – 43	52	0.747 (81)
Greece	11	<i>Corrupt</i> - 36	53	0.865 (29)
Malta	0.4	Clean – 57	70	0.839 (37)

Table 2. General issues about Southern European Countries

In terms of development, these countries are appreciated as developed and developing countries. The rising importance of marketing in both developed in developing countries is strongly connected to globalization process. Still the marketing expenditure needs to be effective in order to create added value for the companies (Surugiu and Surugiu, 2015).

#### 4. Results and discussions

According to all the aspects analyzed before, some main approaches regarding marketers preoccupations in SEC area are important. These aspects are focused especially on the products offered by the producers from this area, the distribution encouraged by the European corridors that cross the area and the specificity of the communication process, given by the regional channels.

Regarding the Euro-products in SEC, there are standardized products in this area. These countries are specialized especially in agricultural products (corns, cereals, olives, processed food, vineyard), industrial products (textile, automobiles) and services (mainly - tourism). Even though products are standardized some differences should be noted. For example, in Italy consumers prefer sparkling mineral water and in Spain – mineral water. Danone produces its yogurt in different ways regarding the sweetness, liquidity, etc, according to special needs. In the same time, the same products are used for different destinations.

Another marketing element is the distribution. The distribution channels are influenced by the European Corridors crossing the Southern European Countries:

- *The Mediterranean Corridor* – that links the Iberian Peninsula with the Hungarian-Ukrainian border. It follows the Mediterranean coastlines of Spain and France, crosses the Alps towards the east through Northern Italy, leaving the Adriatic coast in Slovenia and Croatia towards Hungary. Apart from the Po River and some other canals in Northern Italy, it consists of road and rail. Key railway projects along this corridor are the links Lyon – Turin and the section Venice – Ljubljana.
- *The Scandinavian-Mediterranean Corridor* - that crosses the Baltic Sea from Finland to Sweden and passes through Germany, the Alps and Italy. It links the major urban centres and ports of Scandinavia and Northern Germany to continue to the industrialised high production centres of Southern Germany, Austria and Northern Italy further to the Italian ports and Valletta. The most important projects in this corridor are the fixed Fehmarnbelt crossing and Brenner base tunnel, including their access routes. It extends, across the sea, from Southern Italy and Sicily to Malta.
- *The Baltic-Adriatic Corridor* - one of the most important trans-European road and railway axes. It connects the Baltic with the Adriatic Sea, through industrialized areas between Southern Poland (Upper Silesia), Vienna and Bratislava, the Eastern Alpine region and Northern Italy. It comprises important railway projects such as Semmering base tunnel and Koralm railway in Austria.

Regarding the communication process, some general and specific issues might be mentioned. In this area Facebook is by far the most well known social media platform and is commonly used both for private and professional purposes, but other local social networks such as Tuenti in Spain, Hi5 and Orkut in Portugal, Italylink

and Fubles in Italy have many users and followers. A special case might be mentioned in Turkey that witnesses an explosion in online social media networks; it is the 4th largest in global usage of Facebook and 8th largest for the use of Twitter.

## 5. Conclusions

The Single European Market offers the possibility to buy/sell specific European products. Although there are a lot of standardized products/services, different areas from Europe determine different approaches. In these circumstances, to study and to know the aspects of regional specific issues becomes very important for marketers, in order to adapt their activity to the local conditions.

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