

Encouraging authentic marketing among small business entrepreneurs in the tourist cities of Romania.

Case study - Restaurant Bistro „La ceaun” Brasov

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Abstract. *This paper contains a theoretical analysis of the term “entrepreneurship”, making reference to the importance of developing entrepreneurship considering the advantages it holds. Ideas and knowledge are essential for innovation and growth in entrepreneurship. Considering this, the paper also follows some factual information about a small business success story, currently undergoing an elaborate process of expansion, with a marketing strategy oriented to authenticity and originality, designed to meet a particular consumer demand, that of Romanian traditions. The practical part of the paper consists of a qualitative research study that surveys the respondents opinion on the importance of authenticity in a business, the ideal image of a traditional and authentic restaurant and, not least, regarding the „La Ceaun” Restaurant.*

Keywords: *entrepreneurship, authentic marketing, traditional*

1. Introduction

This paper exhibits some theoretical aspects of entrepreneurship as a “development engine” of a business. Furthermore, it’s aimed at emphasizing the importance of adapting marketing strategies to today's consumer behaviour, considering nowadays the ever more presence of tribal marketing, authentic marketing, e-marketing, neomarketing, etc., theories favoured even by environmental issues.

The case study presents an initiative oriented towards authentic marketing, on a period of 18 successful months, in the touristic town of Brasov, represented by an authentic restaurant, located in the historical centre of the city, called „La Ceaun”.

The practical part of the paper is represented by qualitative research among loyal customers of the restaurant, made to identify perception of the respondents to the idea of the „traditional”, the ideal image of a traditional restaurant and ideas for

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improving the concept of „La Ceau”, in order to help this small business to grow, contributing also to the local economy.

The conclusions of the qualitative research will serve as objectives in starting a quantitative research, in order to make the results relevant and then to be implemented as ideas that improve the business.

2. Theoretical aspects regarding entrepreneurship

Over time it was found that small businesses, although characterized by a small number of employees, are the ones that create more jobs in an economy. They also favour an increasingly competitive environment and offer various opportunities and advantages that cannot be obtained otherwise.

Entrepreneurship is considered a “development engine” (Frunzăverde et al., 2005) in that it takes the risks and the responsibilities of a business. By the 1800s, French economist JB Say, said that the entrepreneur is the one that “takes the economic resources out of an environment with low productivity and introduces them in a field with different productivity and greater efficiency” (Crețoiu, 2007).

Schumpeter, the Austrian-American economist, formulated the theory of long business cycles and economic growth, seen as a result of innovation, consisting in generating new ideas and applying them through a new service that contributes to a dynamic growth of the national economy, increase in occupied labour force and net profit for innovative firms. (Schumpeter 2006, 548-657)

A considerable shift to an economy based on entrepreneurship took place between mid-1970s and early 1990s, through a change in industry structure, the main share of activity going from large to small and medium enterprises. Increasing the number of SMEs, the share of outsourcing in the business of large companies, represents a reaction to the growing dependence of flexibility, of knowledge as an input, driven by technological changes and intensified global competition. Smaller firms seem to be better suited to meet the conditions of increasing globalization, this showing greater predisposition to innovation and regarded as a “remarkable vehicle for channelling the entrepreneurial ambitions of individuals” (Audretsch et al., 2001).

Making a connection between spiritual entrepreneurial spirit and economic growth, Thurik and Wennekers (1999) established the following model shown in the figure 1.

The model shows a distinction on three levels of analysis: individual, company and economy. Basically, entrepreneurship comes from the individual and is followed by one person who is also the entrepreneur.

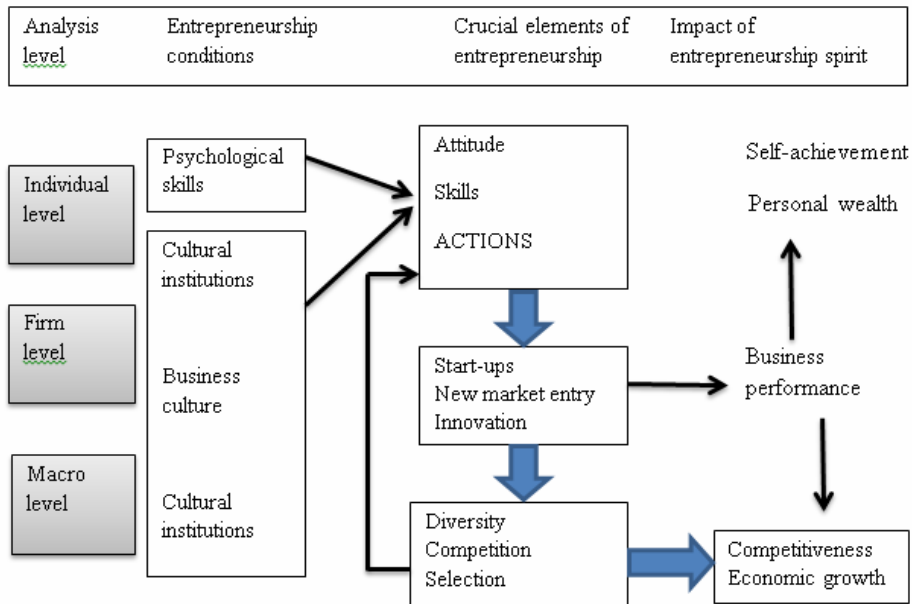


Fig 1. Connection between the entrepreneurial spirit and economic growth

Achievements are obtained by the company (start-ups or innovations) as vehicles of transformation of individual entrepreneurial qualities in actions. Looked at the macroeconomic level, the amount of entrepreneurial activities constitutes an accumulation of competing experiments, initiatives and ideas.

3. Case study: development, background and presentation of an authentic restaurant: „La Ceauñ

3.1. A brief presentation

It is well known that Brasov is one of the most diverse areas in terms of tourism offer in Romania both by natural objectives, winter sports, extreme sports - mountaineering, paragliding, hang gliding, hunting and fishing, and by the historical and archaeological objectives.

Due to its natural, historical and cultural objectives, Brasov is an important point of attraction, regardless of the season. In addition to cultural sights, tourists have also numerous leisure opportunities such as amusement parks for children and adults, swimming, sauna, massage, gymnastics, theatre and opportunities to increase their knowledge about Romania’s traditional culinary art and folklore.

Considering the previous mentioned conditions and the growing interest of tourists (up to 12.5% more visitors by December 2013 compared to previous year, according to National Statistics Institute), both Romanian and foreign, in the idea of traditional and authentic, it can be still identified a lot of potential in developing small business which are specifically built in this direction. Some of these businesses are represented by restaurants, and though there are numerous large and reputable units in Brasov, that have a certain history, it is still much potential in the market.

The Restaurant Bistro „La Ceau” is one of those initiatives aiming to speculate the above mentioned potential. The business was started a year and a half ago (end of 2013), in a relatively small location with a capacity of 10 seats, called „La Ceau Iute” and located in the centre of Brasov. The concept aimed to bring the tradition of the village in the city centre for foreign tourists and for those who work around the restaurant. The idea involves bringing together people at a large table and serving traditional dishes, made in large cauldrons in the country side, away from the bustle of the city. The products are freshly prepared each morning and brought from the country side, in large cauldrons, in the city centre. Although there are many restaurants promoting the traditional, this concept is unique in the area, and has had a great success in very little time, so that the location became soon too small compared to the increasing demand.



Fig. 2. Background and logo

Like any successful initiative, after six months, by renting a larger location, near the existing restaurant, the business grew with a second unit that was far more accommodating called „La Ceau Tihnit” with a capacity of 25 seats indoor and 50 people outdoor (in the summer season), and that promotes the same idea of combining traditional, country made meals, with modern elements brought by the chosen setting and through a greater variety of the menu.



Fig. 3. Background of the second unit

Highlighting the entrepreneurial success of this initiative are the monthly revenues presented below, considered from the opening of the second unit until now (May 2014 - May 2015):

No.	Month	Influx
1	May 2014	39.097,11
2	June 2014	66.732,90
3	July 2014	96.185,40
4	August 2014	113.469,00
5	September 2014	81.747,10
6	October 2014	74.129,70
7	November 2014	80.488,10
8	December 2014	85.763,60
9	January 2015	83.207,30
10	February 2015	89.895,30
11	March 2015	90.120,90
12	April 2015	86.964,90
13	May 2015	112.459,30

Table 1. Monthly revenues in the last 12 months

The month of May was considered to be representative as in this period the holidays season begins. It can be seen that revenues in May 2015 tripled compared to the same period of the previous year, which confirms, once again, that this business is successful and also the potential future benefits both for the business itself and for the contribution to local economy.

In April and May 2015 we considered getting a statistics of loyal customers, meaning those who eat in the restaurants at least 2 times a week, tourists and locals. The results are shown in the chart below:

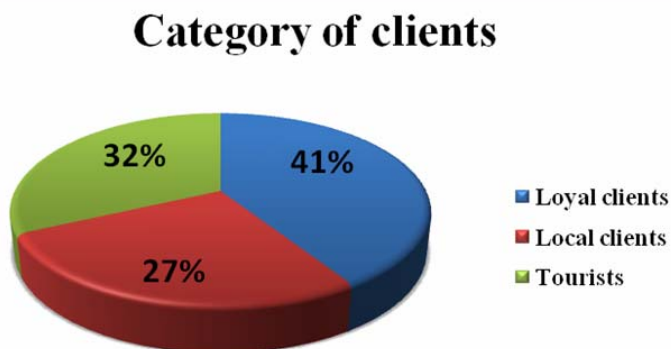


Fig. 4. *Categories of clients*

3.2. Qualitative research on the opinion of the restaurant's loyal customers regarding the importance of authenticity.

3.2.1. Research Methodology

Exploratory research is designed to identify and define a number of aspects which characterize the problem being investigated, geared towards obtaining a large volume of information in the form of detailed information on the topic being studied.

For this reason, given the researched topic, namely the authenticity of the Restaurant „La Ceaun”, we considered conducting such a research in the form of group interviews among students from Brasov, which were entitled “The opinion of loyal clients of the Restaurant „La Ceaun” on the importance and need for authenticity in the services it provides”. It is important to note that since the opening and through gaining an important segment of loyal customers, the restaurant tried to involve these loyal customers in all the changes that were made, in order to create a community and meet its needs. The research consisted of interviews with 3 groups, each consisting of 8 members, dichotomized based on: sex, age (18-55 years), loyal customer (meaning that they frequent the restaurant at least 2 times a week); each meeting lasted 90 minutes.

The research had the following objectives:

1. To identify the respondents' perception regarding authenticity within a business - associations, values, needs; relationship with this segment - emotions evoked, unmet needs, trends, the influence triggered by the that lack of authenticity on consumer behaviour.

2. To identify the opinions of the respondents, in terms of the ideal image of a restaurant which insists on originality and authenticity.
3. To identify the respondents' opinion on the Restaurant „La Ceaun” regarding the orientation to Romanian authenticity and traditions.
4. To identify ideas for improvement of the Restaurant „La Ceaun”.

The selection questionnaire was implemented after a face to face interview with customers that have frequented the restaurant, 48 interviews being made with people from the targeted population, arriving to 24 candidates and 6 reserves, which meet all selection criteria imposed by the parties and confirmed their participation during the interview. It should be noted also that members who were included in the sample were later interviewed using the same questionnaire and face to face interview method in order to eliminate potential problems that may appear in a qualitative research, and to verify the truthfulness and validity of the information contained in the database of the researcher.

The research team (moderators) consisted of 2 people, represented by the General Manager and the Executive Director, considering that the business is still small, and the people making the management research are specialized in the field.

3.2.2. Research results

The above mentioned qualitative research provided answers to most of the topics on the agenda. Firstly, it has been identified the perception of respondents regarding authenticity within a business. Most respondents (the majority being businessmen) consider authenticity as the key to success in such a business in a touristic town. Also, on the question regarding originality and authenticity they consider that these qualities are rarely found in 90% of the places they visited in Brasov.

The second part of the research was aimed to identify the respondents' opinion precisely on the business in study. All respondents considered that this primary concept, with daily fresh food, brought directly from the country side, cooked in a cauldron using ancient recipes, should be kept, as it better caught the public.

The last part of the qualitative research was targeted at culling suggestions from respondents to the concept of „La Ceaun”, most aiming the expansion through a franchise system in cities such as Bucharest, Sibiu, Constanta. Other suggestions referred to organizing events that could bring customers more often to the restaurant, and attract potential new customers in the less crowded moments of the week, given the location in the city centre and that traditional events are rarely organized.

Also, respondents considered that workshops regarding traditional craftsmanship involving children, should attract more interest. Given the terrace stretches over a large area, in the summer, such events could be made outdoor, so to delight and to attract passers-by.

As a general conclusion, it is important to consider starting a quantitative research among customers and take into account the fact that more consumers are paying attention and turning to what is authentic, traditional, constantly searching for that precise thing which makes them feel good.

4. Conclusions and proposals

Given that the concept on which is based today the Restaurant „La Ceau” is successful, an expansion of the business is only logical. Current conditions do not allow using the existing location, so the people behind the business considered an alternative. It is represented by a very large area, property of the entrepreneur himself, located in the foothills of Lempes (near Brasov), which is known by the beautiful landscape that it offers. It is a suitable framework for a new location, offering customers the opportunity to see how the food is being prepared, which is one of the concern of more and more customers, as emerged from the conducted research. It will also provide a playground for children and occasional workshops for making traditional items which will be then offered for sale or given to tourists. This is all for meeting the customers' expectations that are increasingly oriented to such products and services.

Also, on a medium and long term, plans are being made to expand in other major cities of Romania, like Bucharest, Constanța, Sibiu, Galați, through a franchise system.

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