

# APPROACHES REGARDING QUALITY AND SUSTAINABILITY STRATEGIES ON THE ROMANIAN BAKERY MARKET

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**Abstract:** *Lately, consumers have become more critical and alert to the quality of products and the factors that influence the sustainability of the society in which they live. The Romanian bakery market is in a continuous development, with a wide range of products. In order to attract and satisfy customers, manufacturers apply various quality strategies and sustainability measures. The study analyzes the quality strategies and sustainability measures adopted in this market. In order to achieve the objective of the paper, a quantitative marketing research was carried out.*

**Key words:** *quality strategies, sustainability, customer satisfaction, bakery products, marketing research.*

## 1. Introduction

The bakery market is dynamic, growing, with a high demand and always diversifying. The high demand is mainly due to the fact that these products are cheap and accessible to all categories of customers. The diversification of demand has led to a wide range of bakery products, so that consumers have a choice. Today, consumers are increasingly paying attention to what they choose to eat, both in terms of quality and sustainability. Consumers are more critical, have more varied tastes, so producers have adapted and paid more attention to issues related to quality, health, hygiene and sustainability. The superior quality of the products or services offered by the economic agents represents the basic criteria for obtaining the customers' satisfaction and the profitability of the companies (Madar, 2020).

Any society that is not sustainable cannot be maintained for long and will cease to function at some point (Heinberg, 2010). Sustainability encourages the responsible use of resources. Thus, companies that have a sustainable activity, not only make a profit, but also take care that the production process does not create environmental imbalances (EFDEN, 2020). Managers are interested in the strategy pursued by combining accounting policies as tools to increase profits (Anton, 2021) with sustainable development policies. Currently, the use of biodegradable and renewable materials that

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have a low impact on the environment is encouraged (Wojnowska-Baryła, Kulikowska, Bernat, 2020). A management tool has been developed which supports the successful implementation of corporate strategies, called Balanced Scorecard (Figge, Hahn, Schaltegger, Wagner, 2002). This tool allows the connection of the operational and non-financial activities of a company with the long-term strategy of the company and supports the alignment and management of all corporate activities according to their strategic relevance. Balanced Scorecard incorporates environmental and social aspects into a company's main management system.

## **2. Quality Strategies and Sustainable Development Practices on the Romanian Bakery Market**

The bakery and milling products market ranks first in the Romanian food industry, with around 4,500 companies operating on it (Wall Street, 2019). Of these companies, five are the largest and best known, being also nicknamed "Romanian Bakers": Vel Pitar, Boromir, Pambac, Dobrogea Grup and Agropna Prodcum. As compared to the U.S. media, bread in Romania is 50% cheaper. A Romanian eats, on average, 96 kilograms of bread and bakery products in a year, compared to a Spaniard, who eats, on average, 51 kilograms, so the individual consumption of bread is the highest in the EU, as shown by Eurostat data. The most expensive bread is sold in Denmark, where prices exceed the European average by 51%; a German eats about 72 kilograms of bread a year, followed by a Frenchman or an Italian who consume 69 kilograms each and the British who consumes about 57 kilograms of bakery products every year (Ziarul Financiar, 2020).

To meet customer requirements, manufacturers in the bakery market apply various quality strategies, such as: maximum performance strategy, quality domination strategy, quality concentration strategy, excellence strategy and continuous improvement strategy.

*The strategy of maximum performance* is promoted especially by companies that assume the role of market leader. Vel Pitar, Boromir, Dobrogea, Pambac and Barilla are some of the companies that adopt this strategy. They have a long history on the market, are constantly developing, often come with "premium" products and always diversify their product portfolio. For example, Barilla, the largest pasta company in the world, uses this strategy through continuous innovation. The latest product launched on the market is pasta made from vegetable flour, pasta made from red lentil flour, fresh carrots, chickpeas, gluten-free, which has attracted the attention of consumers.

*The strategy of quality domination* is usually used by the largest players in the bakery market, but also by small local producers who are limited to a certain market segment and certain types of products. For example, Vel Pitar holds the first place on the market in terms of toasts due to the ingredients and the freshness of the products.

*The strategy of concentrating on a level of quality* is generally applied in the bakery market by local producers. For example, the bakery company Genica from Braşov, which has several work points where "traditional bread" is mostly sold, which is highly appreciated among consumers due to its freshness and good quality ingredients.

*The strategy of excellence* involves improving and diversifying product quality through a competitive price, short deadlines for responding to customer requests through quality, efficiency and time saving. An example is that of the Vel Pitar company that came on the market with the Keine Touch concept, where the consumer is the first to touch the bread. Thus, Vel Pitar responded to the needs of customers to benefit from high conditions of hygiene and food safety.

*The strategy of continuous improvement* is often used by competitors in the bakery market. This strategy involves the gradual, continuous improvement of the quality of products and services, productivity and competitiveness through the participation of all staff in all phases of production. Manufacturers in this market are constantly improving their product range to suit the taste of consumers. Thus, Vel Pitar and Boromir came up with new products from rye and whole wheat.

One of the most important sustainability measures applied to the bakery market is the change of packaging used by manufacturers, who have adopted the switch to biodegradable packaging. For example, Vel Pitar has adopted this move to help protect the environment. Thus, they thought of a "paper" packaging, and of a softer plastic packaging, made of polylactic acid, for products sold in bulk (wafers), packaging from renewable sources (corn, starch and sugar), which offers several solutions, such as: incineration, recycling together with paper and composting. They biodegrade faster than plastics that are found in shopping bags, classic bread bags, etc.

Another sustainability measure adopted on the bakery market is the example of Dobrogea Grup S.A., which implemented a program to prevent waste generation, managing to reduce packaging waste and industrial waste generated by production activity (Dobrogea Grup, 2021).

### **3. Research Methodology**

In order to determine the perceptions and opinions of consumers regarding the quality strategies and sustainability measures adopted on the bakery products market, a quantitative marketing research was conducted based on a sample of 276 respondents residing in Romania.

The research objectives were:

- Consumers' perceptions regarding the bakery products market in Romania;
- Consumers' opinions on quality strategies and sustainability measures adopted on the bakery market;
- To determine the degree of customer satisfaction regarding the quality of bakery products;
- To identify the factors that influence the choice of a bakery product.

In this research, a non-random sampling method was used, respectively, the voluntary sampling of respondents, based on a survey. The method of survey conducted in the electronic environment was used to collect data. The questionnaire (which includes 24 questions) was designed on the Google Forms platform and was distributed on various social networks. Being distributed online, the questionnaire collected 276 respondents, the researcher having no control over those who completed it.

Data collection was based on a questionnaire answered by 276 people. The questionnaire was structured in two parts. The first part contains questions about the bakery market, addressing issues related to the quality strategies and sustainability measures adopted in this market. The second part contains questions about the demographic characteristics of the respondents (sex, age, income, education, residence). The period in which this study was conducted is May 2021 - July 2021.

The structure of the sample according to age is presented in Table 1. Thus, the age range in which most respondents fall is 25-35 years (40.6%), in second place were respondents under 25 years with a percentage of 32.6%, followed by the interval 36-50 years with a percentage of 13%. By origin, 67.4% of respondents come from urban areas and 32.6% from rural areas. Depending on gender, the structure of respondents shows that 20.3% are men and 79.7% are women. The vast majority of those who participated in the survey (49.3%) are unmarried, 44.9% are married, the remaining 5.8% are divorced, separated or widowed. Almost half of those surveyed (50.7%) graduated from college, followed by 29% who graduated from high school, 14% graduated from a master's program and 6.3% of them graduated from a post-secondary school / college.

#### 4. Research Results

To begin with, the research aimed to identify which is the preferred place of respondents to purchase bakery products. The majority of respondents (65.2%) prefer buying bakery products from a store / manufacturer's office near the home, 29.3% of the subjects choose to buy these products from the supermarket / hypermarket in the neighborhood and on the last place is located artisanal bakeries (5.5%).

All subjects are consumers of bakery products, most (75.4%) consume these products daily, 17.4% consume weekly and 7.2% consume occasionally. Most subjects (91.3%) most often buy bread, the others buy pastries (pretzels, pies, croissants, etc.).

The research aimed to identify which are the main factors influencing the choice of a bakery product (figure 1). Thus, most subjects (42.03%) take into account the quality-price ratio, for other subjects (30.43%) the quality and type of ingredients matter, 17.03% of respondents consider the notoriety of the manufacturing company and 10.51% choose according to the most advantageous price .

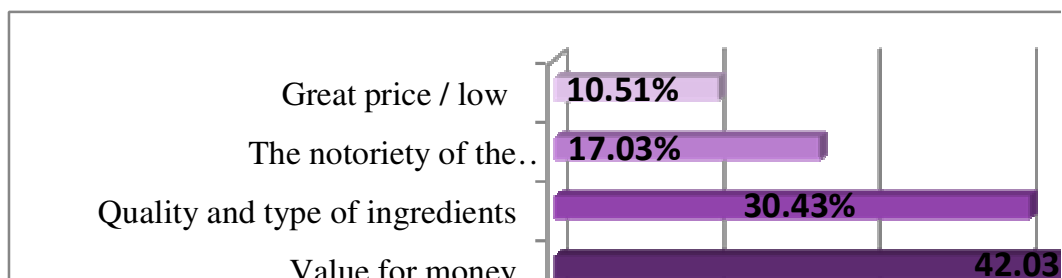


Fig. 1. Factors influencing the choice of a bakery product

Source: *Own research of the authors*

By a quality bakery product, most respondents (36.23%) understand a product without E's and with natural ingredients, others (32.97%) associate quality with freshness, and others understand a product that contains wholemeal flours (22.10%).

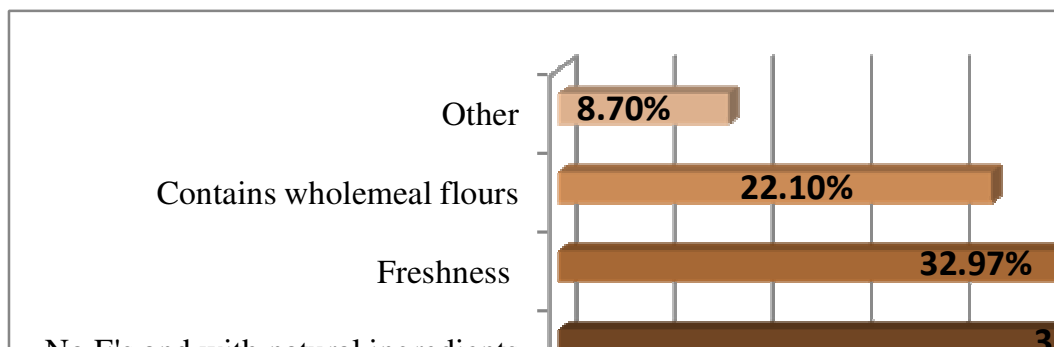


Fig. 2. *What do the subjects understand by a quality bakery product*

Source: *Own research of the authors*

A large part of consumers (60.4%) consider that they know the meaning of the concept of "food safety", the main source of information being the specialized press and television. Among the subjects, only 30.9% consider that they know the meaning of the concept of "sustainability".

A large proportion of consumers (49.3%) attach great importance to the packaging of bakery products. They are interested in the material from which the packaging is made and how it influences the quality of the product. They are also interested in the impact that the packaging has on the environment. Of the respondents, 43.5% who give average importance to packaging and only 7.2% do not give importance to packaging for bakery products.

Most respondents (65.2%) read the information on the packaging of bakery products, while 34.8% are not interested in such information.

The majority of subjects (63.04%) choose bakery products produced by local, smaller companies, which they consider to have higher quality products.

The study aimed to identify consumer perceptions about the bakery market in Romania and the importance given to quality and sustainability in this industry.

## 5. Conclusions

Quality is a very important factor in any industry, but especially in the bakery industry. The quality can be improved, of course through a lot of effort and a special ability to achieve this. In particular, more attention must be paid to food, as there are people who react differently to the ingredients used and that is why large and small producers must take this into account.

Due to the pandemic concept act, consumers have begun to give more importance to lifestyle, including bakery products because they are the most consumed ones in addition to food of animal origin. Large manufacturers have begun to include in their

product range, E-free bread, preservatives specialized and accordance with customer demands in an attempt to improve their production techniques.

Most producers in the bakery market have implemented or are in the process of implementing various quality strategies and sustainability measures. In this sense, an example is the company Vel Pitar which adhered to the concept of "keine touch" (excluding the touch of bread in general or derived products) and switched to packaging that is not toxic to the environment, either cardboard or biodegradable bags (for white bags), or bags that are also made of polyethylene, but which are more environmentally friendly and have a faster degree of destruction than classic bags.

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