

# EVALUATING BUYING BEHAVIOURS ON THE CONSUMPTION GOODS MARKET IN EUROPE AND ROMANIA

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**Abstract:** *The tendencies in the buying and consumption behaviour in Europe has recorded a series of modifications over the last years, the most important of the recent ones being caused by the international economic context. Europeans head more and more towards large commercial chains, to the disadvantage of traditional commerce. The same situation is visible in Romania as well. The present paper focuses on consumption behaviour and tendencies in the Europeans' and Romanians' shopping basket.*

**Key words:** *consumption, buying behaviour, retail, market.*

## 1. The Analysis of the Europeans' Buying Behaviour

A study made by GFK as a synthesis of the main tendencies of the consumption goods market, reveals that:

- Buyers become more and more “modern”, more demanding and more complex in structure; they are pretentious, susceptible to influence, pragmatic, loyal, conservatory, economical;
- Buyers become more satisfied with the conditions offered by retailers, but...not more loyal to a shopping place.

If by 2005, promotions had been the most important for Romanians, as well as for Hungarians, the people of Benelux, UK and northern countries and most Occidental countries considered the ease of finding goods highly important. For the Spanish and the Portuguese, the most important attribute of a shop was the price/quality ratio, which was also valid

for the Russians. Poland and Baltic countries were focusing in 2005 on the access to shops while the Swiss considered fresh goods highly important.

### 1.1. The Analysis of the Buying Behaviour in Bulgaria

The buying behaviour of Bulgarians is characterized by frequent visits to the shops, and about 1-2 times per week to the supermarkets. This is due to the fact that there are very few hypermarkets in the areas surrounding urban agglomerations. The shopping average in supermarkets is 5 times bigger than in hypermarkets. Loyalty is defined as a quota of strictly necessary goods bought in hypermarkets/ supermarkets divided by the total number of buyers. The brands of the large retailers are more and more famous in Europe. This is a global trend that is not yet manifest in south-eastern countries.

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## 1.2. The Analysis of the Buying Behaviour in France

France has a huge commercial network comprising traditional and modern stores, even though traditional commerce is in

decline. Ever since 1970, the market share of super and hypermarkets has doubled. More than 60% of the French consumers started shopping in this type of stores as shown in the following table:

*The market share of the main commercial forms in France* Table 1.

Type of store	1970	1980	1997
Hypermarkets (>2 500sqm )	30.6	14.3	33
Supermarkets(400 – 2500sqm)	9	16.8	28.3
Other large forms	20.7	13.7	1.5
Small and specialized shops	66.7	55.2	37.2

Source: [www.insse.fr/fr/theme/tableau.asp?reg\\_id=0&ref\\_id=NATTEF12305](http://www.insse.fr/fr/theme/tableau.asp?reg_id=0&ref_id=NATTEF12305)

In 1998, according to INSSE, 36% of the French consumers were shopping from 2 stores, 29% from 3 stores and 15% were not shopping from supermarkets at all.

The national consumption of food differs significantly. Northern countries consume more potatoes and fats, southern ones consume cereals and oils. 80 litres of mineral water per inhabitant are consumed in France, while in Ireland 24 litres. 144 litres of beer are consumed in Germany per inhabitant, while in Italy 23 litres are consumed.

## 2. The Evolution of the Buying Behaviour in Romania

In the last few years, Romanian buyers have evolved from being naïve (1996), to being available (2000), loyal (2003) up to being exigent and demanding (2006), being loyal to categories and level of quality (premium, average, accessible). Definitely the following years will bring an even greater devotion to brands, both as regards the goods domain and services.

In the last years, Romanians have started to shop more often in large stores.

Therefore, the share of supermarkets increased from 2% up to 16% to the disadvantage of most local markets and stands that registered the greatest decrease from 19% down to 5% between 1998 and 2005. At the same time, booths maintained their market share at about 43%.

An important increase in the preferences of consumers was registered by specialized food shops, which reached a market share of 8% in 2008 from 2% in 2006. The most dramatic reduction was registered by mini-markets, which reached 6% in 2008 from 12% in 2005. Traditional neighbouring shops still remain on the first place as share, due to the fact that 33% of the consumers shop here.

Therefore, in order to be sure that it is close to buyers, a retailer must know its buyers' behaviour.

For 2010, the GfK prognosis shows a massive increase, up to 50%, of the share of large shopping chains, as regards the Romanians' preferences.

In a report of Eurostat – the European Statistics Office, made in 2008, it was shown that food prices on the Bulgarian

market represent almost 79% of food prices in Romania, which lead to a growth of the migrations in Bulgaria with a commercial aim, after the opening of the borders in 2007.

From all member states, Bulgaria registers the lowest price level as compared to the EU, about 56%. Dropping the ecological border tax, going abroad only having an identity card, and the quality of goods are some of the reasons why Romanians shop in Russe, the 4<sup>th</sup> largest city in Bulgaria.

A different aspect that reveals Romanians' consumption habits is that, before going to Bulgaria, Romanians check the prices of Metro, Billa or Kaufland, hypermarkets that have online offers and promotions. On shelves, imported products prices are lower with 10% than products on the Romanian market, and the cheapest are own products: vegetable cans, pickles, cheese and milk.

### **3. Features in the Buying Behaviour of Romanians**

The report of the quantitative research made by ISRA Center on "Modern retail

vs. traditional retail" in November 2008 on a representative sample of 1094 subjects living in urban agglomerations, at the request of "Piata" Magazine, had as main objective the revelation of the features of the Romanians' buying behaviour in large stores (modern retail) and in small shops (traditional retail). Most of the urban population (82%) shops for household, but only 71% of the men do the shopping, while 91% of the women are significantly active in shopping for household use. In Romania, almost all buyers shop from both small (mini-market, kiosk, booth, food store, general store) and large (hypermarket, cash & carry, supermarket) stores; therefore, both modern and traditional forms of trade play an important part in the Romanians' buying habits. Concerning the shopping frequency, small stores are more often frequented (an average of 6 times per week compared to only one time per week in the case of large stores), as the result of the proximity of the small stores. The clients of the small stores are mostly elderly people, between 50 and 60 years of age, who go past the shop on a daily basis.

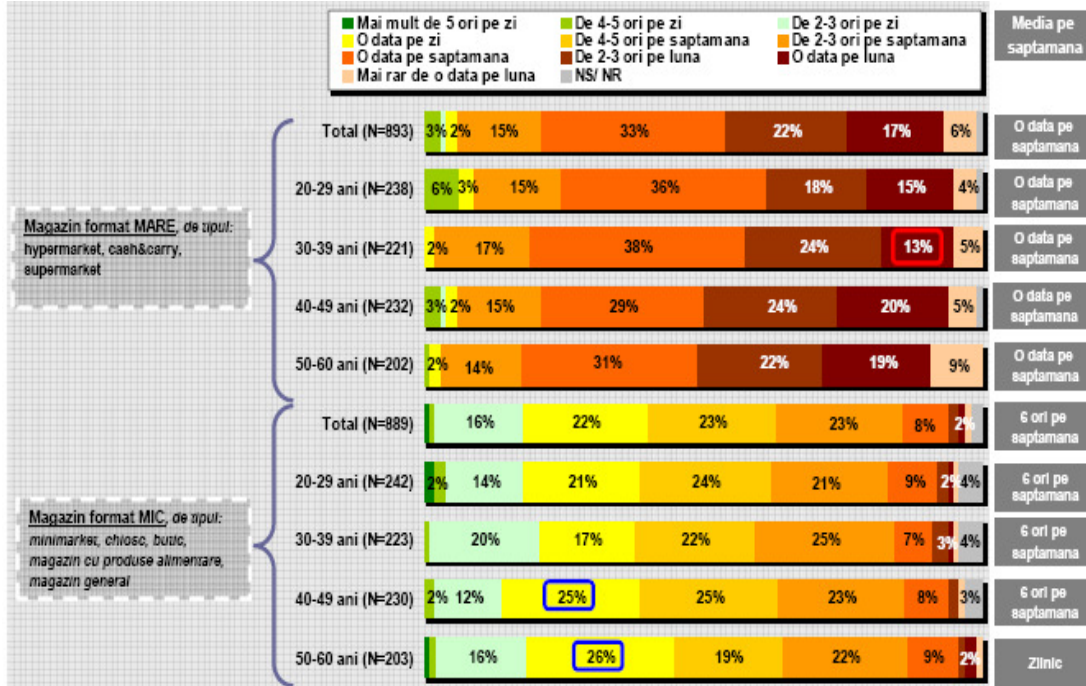


Fig.1. *Buying behaviour*

It is noticeable that most Romanians prefer shopping from both large and small stores, only a small part prefer shopping from a single location, either a large store or a small one. The Romanian consumer is a very exigent one, seriously considering the correctitude of shopping locations, the way prices are placed, as they must be very visible on the shelf and at the front desk.

Modern consumers have high expectations regarding store assistance, especially when it comes to modern trade. Dissatisfaction refers mostly to the personnel in large shopping chains, to their impoliteness, indifference, or non-professional behaviour.

Shop evaluation: How important are the following attributes Table 2

Prices are clear for each product	4,72*
Quality / price ratio	4,71
Shelves are organized and good-looking	4,69
Amiable and helpful personnel	4,63
Easy and fast shopping	4,58
Short queues at the front desk	4,48
Interesting and advantageous promotions	4,33
Qualified personnel	4,31
Post-sales service	3,49
Private label	2,86

\*The figures represent the average score on a scale from 1 to 5, where one means “not at all important” and 5 means “very important”

Source: MEDNET Marketing Research Centre

#### **4. The Influence of the Economic Crisis on the Romanians' Buying Behaviour**

In these crisis years, in the context of uncertainty, communication will mostly focus on rational functional messages, in order to give consumers a more tangible reason to choose a given product. The most believable message or benefit that consumers receive is the one referring to the intrinsic qualities of the product, as the product is the most tangible element of the marketing mix. In 2009, consumers will be mostly attracted by price, as most retailers say. Retailers that will not be able to differentiate themselves from others by means of price will focus on the quality and diversity of the range of goods and services.

Price (shopping savings) will be the decisive element in 2009. Promotions arouse the interest of the consumers who are searching for the most advantageous offers. The other elements are not to be forgotten, because they lead to the consumers' comfort and satisfaction. What matters most in these years of economic crisis is value, meaning the ratio quality / price, then the availability of products (finding the products in shelves) and service offer – e.g. overtime program, store aspect, atmosphere, personnel affability, and so on.

It has been predicted that in 2009 a differentiation of stores will start. Therefore, price is the 4<sup>th</sup> element in the top 6 elements of differentiation that will attract buyers in a shopping location: 1. Good quality services; 2. Unique products; 3. Frequency and quality of promotions; 4. Price; 5. Range diversity; 6. Overtime program. All these aspects must be taken into consideration by retailers because in 2009 the shopping frequency will increase, but the value of the shopping basket will drop. A more balanced buying behavior will be visible: clients will pay more

attention to the products they buy and their prices. Food expenses may grow. Consumers will choose value and not luxury, they will pay more attention to the quality/price ratio, will have a more mature buying decision, and less an exuberant or impulsive one.

#### **5. Conclusions**

The analysis of the buying behaviour reveals 5 types of main shopping:

- Routine shopping - which corresponds to a household supply for a period of 3 up to 7 days.
- Stock shopping – for goods supply for a longer period of time and frequent use.
- Complementary shopping – for maintenance goods, for which service is compulsory.
- Same day consumption goods – like meat, fish, and food in general.
- Adventurous shopping – which the buyer discovers while spending his spare time.

Consumers are to be found, alternatively, in each of the types of shopping mentioned above, but their expectations in the store differ significantly. Therefore, the importance of the price, of the range of goods (quantity, quality), comfort, service, atmosphere, varies by the type of shopping. A well defined form of shopping: to buy bread, the consumer goes to the nearest shop, and so he does for flowers, sugar, vegetables, fruit, while for meat, milk, and other goods he goes to the hypermarket, as well as for cleansers, cosmetics, where the range of products is wider.

The main point on which any retailer must focus is consumer confidence, as the Americans call it. The confidence of the consumer comes when entering the door of any shop and knows that he can buy at that moment or the following day anything he needs and wants, and does not have to wait for this. Nevertheless, 70% of the decisions

are made in front of the shelf; therefore merchandising is more useful for attracting customers and stimulating them to buy. In order to be efficient in sales, the way goods are presented on shelves must be rethought, starting from the basic principles, and adapted to the present given context.

The relevance of the message taking into account the place where it is received: in front of the shelf, the way the goods are delivered, the ability to direct potential clients to the shelf, the buying experience per se, they all become necessary elements which will assure the success or the failure of sales. They must be approached in an integrated manner, based on studies and strategically made. This concept can be defined as retail communication planning. Shelf communication starts from the moment the buyer leaves his house and ends when he recycles or throws away the empty package, giving birth to a new cycle.

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