# ECO-MARKETING RESEARCH IN ROMANIAN FIRMS FOR THE AVAILABILITY OF INTRODUCING PRODUCTS FRIENDLY TO THE ENVIRONMENT ON THE MARKET

Morar<sup>1)</sup> Avia, Rada Braila<sup>2)</sup>

 <sup>1)</sup> Technical University of Cluj-Napoca, Department of Management and Systems Engineering
<sup>2)</sup> University of Agricultural Sciences and Veterinary Medicine, Department of Economical Engineering, 3-5 Manastur St., Cluj-Napoca 400372, Romania

**Abstract.** The advertising of eco-marketing as an instrument specific to market economy represents a condition essential for success. Terms like "Ozone Friendly", "Recyclable" or "Environmental Friendly" make lots of consumers to associate these notions with eco-marketing, which is considered as referring only to the products which have ecological characteristics. The market is more and more sensitive to the impact that products have upon the environment. Romania is gradually aligning to the nations in which the rights of the consumers are guaranteed by written laws. The new system of ecological labeling is yet to become known. Acquiring a position of company with visible environmental performances is triggered by changes in all activity levels, requiring an environmental management strategy, in order to obtain a real environmental quality. All these arguments will constitute the premises and the support for the proposed work.

Keywords: sustainable development, eco-marketing, green marketing, ecological products, ecological consumers.

#### **INTRODUCTION**

ECO-MARKETING IS ALMOST A MYTH IN ROMANIAN **INDUSTRY.** Even if, starting with 2002, the firms can register their ecological products, currently in Romania there are only five local companies that managed to obtain the eco label for their products. Romanian industrial producers are not yet very interested in ecological marketing, that is to realize and promote goods that are less toxic for users and do not affect the environment. Even though the Environment Ministry has tried "to tempt" them with facilities, in Romania there are only five local companies that managed to obtain the eco label. They consider the label unprofitable and say that they wouldn't buy it unless it would be compulsory, because it doesn't help them with anything, and the purchasing and maintenance costs are too big. "I would not buy the label because it is not useful to me. Also it would increase the prices which will automatically lead to a decrease in sales" is the statement of a textile producer. The specialists from the Ministry think that ecolabelling the industrial products is necessary and useful because it is a part of the process of integration and it creates an image for the product. "It is not compulsory, but useful, if we take into consideration that most foreign producers who import from us have such a label"

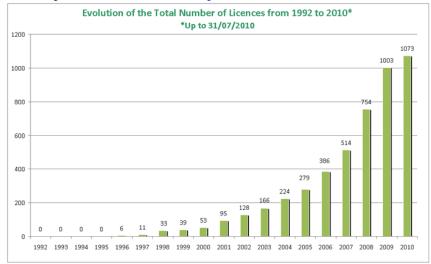
The European Ecolabel is a voluntary scheme, established in 1992 to encourage businesses to market products and services that are kinder to the environment. Products and services awarded the Ecolabel carry the flower logo, allowing consumers - including public and private purchasers - to identify them easily. Today the EU Ecolabel covers a wide range of products and services, with further groups being continuously added. Product groups include cleaning products, appliances, paper products, textile and home and garden products, lubricants and services such as tourist accommodation (http://ec.europa.eu).

The European Ecolabel is a graphic symbol and / or descriptive text on the product or packaging, a brochure or other document accompanying the product information and provides necessary information to the criteria of the products offered on the market (Fig. 1). It consists of two sections: section 1 contains the symbol Ecolabel flower; section 2 contains a short descriptive text – information on the reasons of the environmental label (http://www.fse.tibiscus.ro).



Fig. 1. The European Ecolabel

Consumers are increasingly becoming receptive to the environmental impacts of products and eco labelling is an effective way to assist them in choosing products compatible with environmental objectives. The primary benefit of environmental labelling, viewed from the perspective of manufacturers is an increase in consumer confidence and loyalty. Benefits of eco-label: contributes to strengthening the position of the company, improves company image, promotes economic efficiency, stimulates market development, encourages continuous improvement, promotes certification (http://www.infomediu.eu).



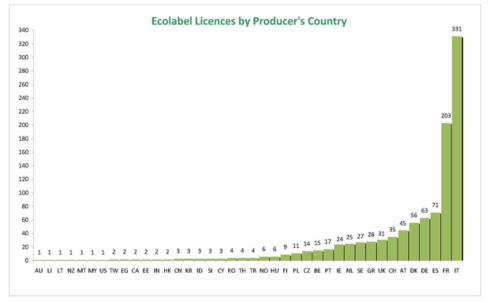
Source: http://ec.europa.eu

Fig. 2. Evolution of the number of licenses since 1992

Table 1

Since 1992 when the eco-label appeared, the number of companies that have requested and received eco labelling has increased every year, reaching at the beginning of 2010 a number of more than 1,000 companies that are granted with eco-label for their products and services. The increase was even more spectacular as in 2002 most Member States at the time had less than three labelled products per state (Fig. 2).

Italy and France have the greatest number of Ecolabel holders, with 331 and 203 licences respectively. They are followed by Spain and Germany who each have more than 60 licences (Fig. 3).



Source: http://ec.europa.eu

Fig. 3. Number of licenses by producer country

Obtaining the eco label is not mandatory and any request for its grant is subject to the payment of a fee and consequently the economic agent who has been awarded with the European eco label must pay an annual fee for its use (Table 1).

Fees	Minimum	Maximum	Reductions
Application fee covers	EUR 200	EUR 1200	Max. EUR 600 for SMEs and
the costs of processing			applicants from developing countries
the application.			Max. EUR 350 for micro-enterprises
			20% reduction for companies
			registered under EMAS or certified
			under ISO 14001
Annual fee for the use	/	EUR 1500	Max. EUR 750 for SMEs and
of the Ecolabel equals			applicants from developing countries
			Max. EUR 350 for micro-enterprises

How much does it cost? *Source: <u>http://ec.europa.eu</u>* 

## MATERIAL AND METHOD

The preliminary results obtained from a boring on Romanian ecological producers preoccupied with the introduction of such products on the market are. Most firms (55% from those who answered) that produce or sell ecological products have hired qualified persons in environment issues.

33% of those who answered have implemented an environment management system. Even if the concern about the environment is a frequent talked about concept lately in our country, most entrepreneurs (66%) have not adopted the idea of an ecological product until 5 years ago, while 34% say that they have adopted the idea less than 4 years ago.

#### **RESULTS AND DISCUSSION**

In adopting the idea of ecological product, most entrepreneurs have taken into account the concern about the health of the people; 55% mention the concern about consumers; 33% say that they have adopted the idea of ecological products because of the opportunities of export on the European market; 22% have taken into account the concern about the environment;

22% say that they are motivated by the existence of an increasing demand and the still low offer in this domain; 11% because of personal reasons, say that the reason is ,,divine creation, perfection left by God".

The main criteria in selecting suppliers (Fig. 4) of rough materials and materials are the proof of certification by an accredited organism. 33% base on the proof of certification by the suppliers of the products, rough and necessary materials, and 23% say that they produce their own rough materials (seeds, fertilizers etc.)

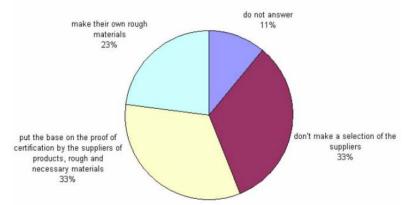


Fig. 4. The way of selecting suppliers

As far as the prices for ecological products (Fig. 5): 22% declare that the prices of their products are more than 100% higher than the similar classical products; 22% say that their prices are more expensive with percents between 20-50%; 45% have equal prices with those of the similar classical products; 11% say they sell the products cheaper than the similar classical products. At the end of the

ecological product's lifetime, most producers and distributors (56%) recommend and support waste recovery.

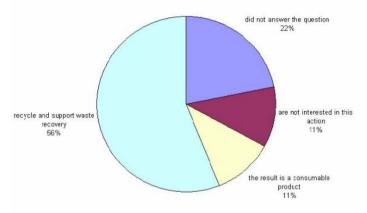


Fig. 5. The mode of supporting waste recovery

Most producers and distributors of ecological products (77%) do not resort to studies concerning the life of ecological products. Most firms say YES, they certainly apply to a certain target market (Fig. 6).

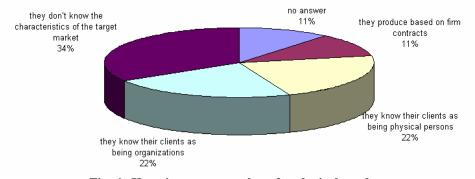


Fig. 6. Knowing target market of ecological products

Because these results come from a preliminary exploratory boring, unrepresentative, we can do neither correlations at this moment between the settled hypothesis and the variables of the firms (the organization structure, the number of employees, business figure etc.), nor we can talk about representatives or extrapolation. It is only a view over the field situation, which cannot be considered as being relevant for all Romanian firms concerned with introducing ecological products on the market, even if they are producers or distributors.

# **CONCLUSIONS**

According to the studies in this domain, European companies that have "green" products have a significant increase in notoriety and sales, for some years now. "All products that have the ecological label present a series of supplementary advantages. Those refer either to a low consumption of energy, to the lack of allergic reactions in using the product, or to the use of recyclable materials for realizing the product". We hope that their example will be useful to Romanian companies.

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