

THE BEHAVIOUR OF ROMANIAN CONSUMERS REGARDING THE PURCHASE OF PRODUCTS AND SERVICES

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Abstract: *Consumer behaviour is a component of the people's economic behaviour, which, in turn, is a form of manifestation of human behaviour in general. Several selling methods can be distinguished like selling on the commercial premises, distance selling, direct selling or selling on the internet. The propose of this paper is to identify the purchasing behaviour of women and men in the European Union and Romania as regards goods and services in the online trade and in stores, how they buy, what they buy and what amounts they spend.*

Keywords: *behaviour, individual needs, women and men, internet, stores.*

1. Introduction

Consumer behaviour is defined as the totality of the acts, attitudes and decisions regarding the use of revenues for purchases of goods, services and for savings (Myers, Reynolds, 1967).

A consumer can be considered any economic subject whose behaviour is directed to the satisfaction of the individual needs or of the microgroup to which he/ she belongs (family, household). The concept of consumer refers not only to the field of goods, but it also extends to the economic subject, mainly to cognitive processes, that is to say the premises that lead to the awareness of the act of buying (Rafee, 1974).

The notion of consumer can be understood only by looking at it in relation to fellow men, emphasizing the social nature of this category. The circumstances in which the buying or consuming process takes place often involve people other than the consumer and they can depend decisively on their behaviour (Wilkie, 1990).

According to the place where the selling operation takes place and the parts are physically present simultaneously in the same place at the time of selling, we can distinguish several selling methods (the European Consumer Center Romania, 2000).

- Selling on the commercial premises - It is the most common type of selling when

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products and services are marketed in specific locations, and the parts are physically present simultaneously in the same place.

- Distance selling - It is the form of retail which takes place in the absence of the simultaneous physical presence of the consumer and of the trader, following a sales offer made by the latter, which, for the purpose of concluding the contract, uses exclusively distance communication techniques (telephone, e-mail, internet etc.). Special rules are set for this type of selling.

- Direct selling - It is that commercial practice whereby the goods or services are sold by the trader directly to consumers outside the retail spaces, through direct vendors who present the products and services offered for sale.

Examples of direct selling:

- Multilevel marketing - is a form of direct sale whereby products and services are offered to consumers through a network of direct vendors who receive a commission for both their own sales, as well as for sales generated by the direct sellers' networks that they recruited personally.

- Out-of-sale sales are those direct sales made by traders in the following situations: during a traveller's journey away from his/ her business premises, during a visit by the trader, if this has not occurred at the express request of the consumer, in any other public places or places made for the public in which the trader makes a bid for the goods or services he provides, in order for the consumer to accept them.

All human behaviours are a joint function of reflective and impulsive mechanisms. Those mechanisms have different principles of operation but contribute to the act of buying. However, the relative contribution of impulsive and reflective processes depends on personal and contextual circumstances. The operation and interaction of the 2 systems at different stages of information processing is described and applied to the dynamics of consumer behaviour, with a special emphasis on impulse buying (Strack, Werth, Deutsch, 2006).

2. Consumer Behaviour on the Internet

Women in the EU use the Internet to shop for goods and services a little less than men (79% of women aged 16 to 74 used the Internet at least once a week in 2017, compared with 82% of men).

Analysing what the Internet is used for, fewer women than men in the EU read online news (70% of women and 75% of men who used the Internet in the last three months in 2017) and used internet banking (60% of women and 63% of men). There was almost no difference when using the Internet for sending and receiving emails (86% of women and 87% of men), while for phone calls (46% of both women and men) and job search (20% of both women and men) there is no difference.

On the other hand, a higher percentage of women used the Internet to participate in social networks (67% of women and 63% of men).

A higher percentage of women bought online clothing and a higher percentage of men bought electronic products online.

Internet use for online shopping is slightly less common among women than men (66%

of women who used the Internet shopping online in 2017, compared to 69% of men). However, what is being bought differs as regards women and men. A much higher percentage of women have bought clothing on the Internet (70% of women who shop online compared to 58% of men), while a much higher percentage of males have bought electronic equipment (17% of women who shop online and 32% of men) and movies (24% of women who shop online and 32% of men).

There were smaller differences in the online purchase of online household goods (45% and 47%), booking of transport and holiday accommodation (53% and 54%) and no difference in online ticket purchases to events (39% for both categories) (www.insse.ro, 2017).

As far as Romania is concerned, a much higher percentage of women have bought sports clothing and articles on the Internet (80% of women who shop online compared to 63% of men) compared to Europe, 68% for women and 56% for men respectively. This places Romania second in the chart in Fig. 1, with buyers in Bulgaria ranked first with 83% for women and 72% for men (What Romanians buy from the Internet, 2017).

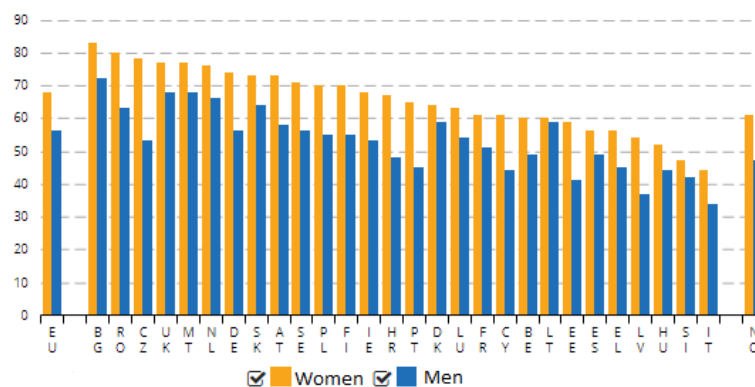


Fig. 1. *Clothes and sports articles that were purchased online in 2017 by men and women*

Romanians hold the last place in the online shopping of domestic goods, as shown in Fig. 2. 14% of men aged 16 to 74 buy online household goods, and 12% of Romanian women do so. In the same category, the UK holds the first place with 64% of both men and women shopping domestic goods online, compared to the European Union average, 43% for women and 45% for men (www.insse.ro, 2017).

Online commerce is growing at a rapid pace in Romania and reached 3.6 billion euros in 2018 with a 30% increase compared to 2017, according to the Romanian Online Store Association. 8.28 million Romanians have purchased online at least once, Romania surpassing countries like Greece, Portugal, Italy, Croatia and Bulgaria to the percentage of online customers out of the total population (Abrihan, 2018).

In Romania, online commerce is on an upward trend, but the legislation is obsolete, which may hinder its development in today's global context. That is why it is necessary to update the existing legislation according to the European directives in force, so that there are similar conditions for the Romanian and international traders (What, how and how much do Romanians buy online in 2017? – report, 2017).

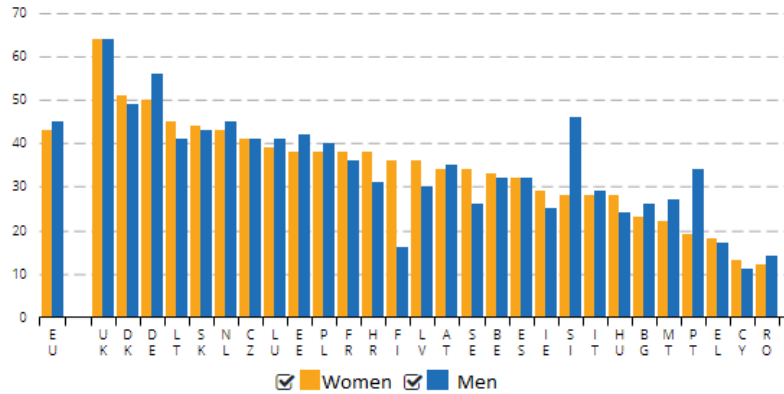


Fig. 2. Household goods that were purchased online in 2017 by men and women

According to the INS, Romania has a population of approximately 19.5 million inhabitants, of which 12.6 million are 16-65 years of age, and 11 million are Internet users.

According to the Kantar Millward Brown study, by 2018, 8.28 million e-shoppers were registered in Romania. 38% of the Romanians shopped online at least once in the last 12 months and this percentage is higher than in other European countries such as Greece (36%), Portugal (36%), Italy (34%), Croatia (29%) and Bulgaria (26%) (Bognar, 2018).

E-commerce has become a business generator, expanding online being an opportunity to keep business in front of big commercial chains.

The number of active online stores in Romania doubled from 7,000 in 2017 to 14,000 today.

The main reasons for online purchases remain the same, including the reduced time, the ability to compare prices from different stores and the growing variety of products that can be ordered from the online environment.

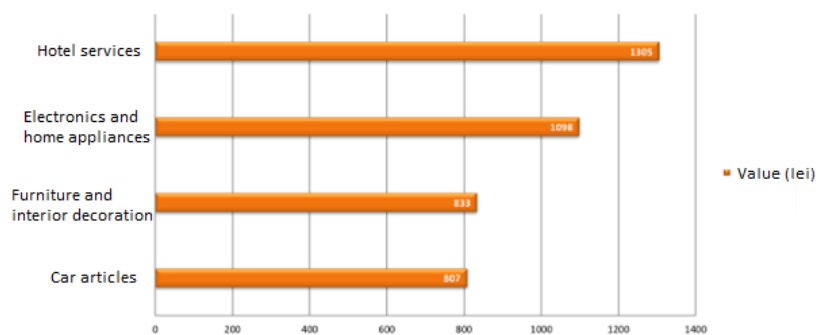


Fig. 3. Amounts spent online by Romanians in 2018

In the last 12 months, the most important online purchases were for hotel services (1,305 lei), electronics and home appliances (1,098 lei), furniture and interior decoration

(833 lei) or car articles (807 lei), as it can be seen in Figure 3 (Abrihan, 2018).

92% of online buyers purchased domestic goods in the last 12 months, spending about 1,098 lei. 86% of the Romanians spent 833 lei for the purchase of clothing and fashion accessories, while 83% of them allocated just over 1,000 lei per year for laptops and computers. 81% of the Romanians allocated an average of 807 lei for the purchase of cosmetics and pharmaceuticals, and 77% of them opted for traveling and getaways, with an average of 787 lei per year (Abrihan, 2018).

In 2017, there was an increase of 64% in the Romanians' use of phones to buy online compared to 2016. The average value of a mobile transaction in the first six months was 40 Euros, similar to 2016. 2Performant Network (formerly 2Parale Affiliate) generated over 410,000 online sales for network stores in the period January-June 2017, amounting to 19 million Euros (including VAT) - a 40% increase over the first semester of the last year (Wall Street-Real Estate, 2017).

3. Consumer Behaviour in Stores

Physical stores are preferred by the Romanians over 18 years of age in an overwhelming proportion (95%), 90% of the members of the millennial and Z generations get out of the house to shop, according to the study "Trends of the modern online consumer & offline" (Study: What do Romanians buy from physical stores and what they buy online, 2017).

For non-food products, the share of physical stores is much lower - 62% for the Romanians over 18 years and 52% for the millennial and Z generations.

New generations, whose members are between the ages of 18 and 34, have come into contact with technology much earlier than those over the age of 34, and the ones under 18 have had this contact even earlier. Future online stores should also focus on the categories that the Romanians still prefer to buy from physical stores.

The average amount spent by the Romanians in physical stores is 135 lei for a shopping session, while for online purchases this is higher, amounting to about 175 lei. The price remains the most important criterion for the purchase decision, whether online or offline, the product features come on the second place and are followed, in this order, by the shelf life, brand, materials or ingredients contained and appearance.

4. Conclusions and Discussions

In conclusion, internet use for online shopping is slightly less common among women than men (66% of women used the Internet for online shopping in 2017, compared to 69% of men). However, what is being bought differs between women and men.

As far as Romania is concerned, significantly more women than men buy sports clothing and articles on the Internet (80% of women who shop online compared to 63% of men) compared to Europe, 68% for women and 56% for men, respectively. This places Romania second, with buyers in Bulgaria ranked first with 83% for women and 72% for men.

In the last 12 months, the most important online purchases were for hotel services

(1,305 lei), electronics and home appliances (1,098 lei), furniture and interior decoration (833 lei) or car articles (807 lei).

In physical stores, the average amount spent by the Romanians is 135 lei for a shopping session, while for online purchases this is higher, amounting to 175 lei.

The price remains the most important criterion for the purchase decision, whether online or offline, the product features come on the second place and are followed, in this order, by the shelf life, brand, materials or ingredients contained and appearance. Also, reflective and impulsive mechanisms are important. Those mechanisms have different principles of operation, but contribute to the act of buying.

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