CHANGES AND ENTAILS ON ROMANIAN RETAIL MARKET

Associate Professor PhD Sorin Prada, West University of Timişoara,
e-mail: sorin.prada@feaa.uvt.ro

ABSTRACT: Romania represent in last years for en detail retail a stage with big transformations.New retail formates has imbued on romanian retail.Such as,from a market on launching level,Romania has changed faster into a market with a special dynamic for modern retail.
The market growing,the operatores members and the shops member went,also,to a important growing of the competition and new starathegichal approaches.
The retail operatores,that compete on this market are compelleds to resist at the pressure of the environment.
The main objective of the work is the achievement analys which keps the grade of the market covering by the modern retail formates and the anticipation of the new market evolution.

Key words: Supermarket, hypermarket,cash&carry, dicount

JEL Codes: M31, M39

Methodology

Even on a old market,differences types of market formates are competing betwen themselvs for wiving the buyng decision of the same people.The academic researchs that have like subject the retail defining the concepts of the intratip,intertip or intercategory comprtition.
In this work I realize a recension of the authors that described in timr the retail competition.
The Romanian market analysis to the modern evolution retail has in principal based at conclusion of the principals researchs realise in this domain by organization specialized in research and market analyse,by organization that have like object of activity diagnosis of the comercial medium on diferents markets in the world,statistics sourches,as well as personal analisys.

Contest in retail

The shops are delimited in many researchs depending on: size,mix and distribution of retailers in a geographical space,Buklin (1972) ; line of products , Hirschman (1978) ,shops of the same code of comercial classification , Dunne and Lusch (1999).

Doesn't exist a general typology accepted of retail ,which make like any way clasification to hold a limited degree of accesibility.

The competition betwen retailers it's frequently described sometimes by motion of competition intra or intertip.Levy and Weitz ,(1998) ,are thinking that the same type of retailers who sale ,the similar wares existe intratip competition ,in this time the intertip competition development betwen different retail types ,which sales different wares.
Mason ,Mayer and Wilkinson ,(1993) define the competition types that have been that retailers are competing against for the necesity.

A clear and outlined typology is offer by wich has identified three types of retail shops:

- Those specializing in small game (limited)

- The specialized game (wide)
- The general trade

Specialists on limited game are retailers who offer the highest level of consistency (depth) at games of products.

Specialist are on the wide range retailers that offer a consistent level of broad types of products ,to covering general market and the complementary.

General merchantes are retailers which offer broader types of products relatively inconsistent to covering noncomplementary market and independent indicates Baltas G.,Papastathopolou P. (2003).

Competition betwen these three typs of retailers is clasified as intertip ,intratip or intercategory.Intratip competition is met when retailer of the same type offer similar products.Intratip competition refers to competition betwen shops specialized in large type and the small types on specialized products ,which offer similar products.

Intercategory competition is estabilished betwen specialied sgops and general trade.Have formed a variety of explanations on institutional changes in retail.Theorys and assuptions have suffred in the ranks which have distignished 3 approaches. (Home 1997)

- Environmental theory argue that the change in retail have a feature of developments in the operational environment of a estabilishement.
- Cyclical theory suggest that the changes held rhytmically and they are caracterized by paterns of previos modules.
- Theory of onflict is concentrated around the inter-institutional conflicts that occur in the emergence of news forms of retail, (Brown 1987).

Miller, Reardom and McCorkle (1999) have identified schools of thought on the effects of competition that inclued two major categotie.

Schools symbiosis consider the structure of retail as characterized by symbiosis.Theorys of this scgool argue that retailers have mutual beneficial scgool effects on one another ,Hirschman (1978); Caroll (1985); Ghosh (1986); Eplli and Benjamin (1994).

Structure involved in retail and direct mode and the consumer.Consumers are orientated ,for shoppings to spaces which are satisfated so necessity concering at time so and the necessity for mobility (Albaum and Hawkins 1983 ;East et.al. 1994 ;Holman and Wilson 1982).

The spokemans of Daewinists are suggested that ,in fight for financial resourches limitated at consumers ,retailers are implicted in a harshe competition in this follow surviving the must strong.

The darkwinists are considered the competition the competition a game with cipher sume .The fact that the small difference betwen business determine small price ,profit and turnover is a principle accepted of teh competition ,Kerin ,Mahajan and Varadarajan (1990) ;Aaker (1992) ;Czepiel (1992) .Ingene and Lusch (1981) are mentionated thet the impliction are if the shops offer similar types of products .At base of this typology ,I subduce that analysis four formes of retail at romanian market, respective: hypermarkets, supermarkets, discounters and cash & carry.

Competition in romanian retail

It's obvios for any romanian consumer that the difference betwen the retail in last years and that it is now it's big.The changes arestretching at the shops typology ,at the offer ,until the services quality and the design.

Even if in last years we have been witneses at a avalanche of supermarkets and hypermarkets in Romania the traditional retail are continue to have a majority balance.But once ith growth of units of modern retail ,in next years this weight will be substract (www.mediafax.ro).

Those four phase of evolution at market retail are introduction on the market, growth, maturity, and saturation. Romania is at the beginning at phase of growth and after how are foreseeing the specialists ,she can overtake at some maturity hardly in years 2010-1012.(www.dailybusiness.ro).

In Romania ,first type of modern retail has appear in 1992 and she was reprezentated by supermarkets ,throught supermarket La Fourmi (www.lafourmi.com) ,which have concentrated ,in present, even more in centre and south of the country ,beside the discounters.

The must scatter it's segmental cash & carry present in every region of the country.(www.standard.ro). The must importants actors of market at Romanian retail are : Metro, Rewe ,Carrefour ,Louis Delhize ,Schwarz ,Auchan and Tangelmann. In concordant with a classification ,in yaear 2007 the retailers top at Romania have show in following way (Story Piata ,nr 41/2008).

Table 1.

The top of Romanian retailers (Story Piata,nr. 42/2008)

Nr.	Chain store	Rate of turnover 2006 (mil. lei)	Rate of turnover 2007 (mil. lei)	Variation %	Number of shops
1	Metro	5.306	5.036	5.4	23
2	Selgros	2.741	2.156	23,8	17
3	Carrefour	2.426	1.978	22,6	11
4	Billa	1.252	1.062	25,6	28
5	Real	1.218	289	321,0	15
6	Rewe	846	313	170,0	52
7	Auchan	457	67	582,0	5
8	Plus	422	286	47,0	52
9	Artima	343	275	24,7	21
10	Interex	320	203	57,6	11
11	Pic	217	215	1,0	4
12	La Fourmi	104	71	46,5	14
13	Ethos	73	48	52,0	17
	TOTAL	15.725	11.999	31,1	

**informations povisionals, at rate of turnover in 2007*

Romanian retail modern market it's divided between hypermarkets and supermarkets ,each holded in year 2007 a cote of market of 15% following by discount with 4% in all of retail market (www.standard.ro).

In Bucharest ,the modern retail represent 70% from all retail (www.financiarul.ro) .In concordant with diagram at in down ,in Romania the balance of modern retail in all of sales of retail are growing at 39% in year 2007 ,comparatively of 19% ,level registering in year 2001.
The evolution of Romanian modern retail even was very dynamic ,in last 3 years ,at national level ,knowing that at 19% from all market ,how have in year 2001 ,this segment was grow in 2005 at 27% ,in 2006 at 33% in 2007 at 39%.

Thought Romanian retail modern market knowing a much more development that nickboring states or that from west of Europe ,the Romanian modern retail have been a small balance that countrys of Europe of west ,where are at 99,6% in case of France ,and at 94,3% in Spain ,from all of sales (www.dailybusiness.ro). F rom the another face ,Romania has been in year 2006 the 2th place in Europe in depending of sales of m² in modern retail ,with 10.200 euro. The retailer with the must more sales at m² , in year 2006 was Metro Cash & Carry ,which reported sales at 10.300 euro / m².At places 3 and 4 are shops Billa and Plus ,which have record sales of 9.302 euro/ m² and ,respectively 7.800 euro/ m² (www.standard.ro).

At now in Romania like number of units ,modern retail it is structurated at this :74 of hypermarkets ,88 of supermarkets ,152 of discount shops and 40 cash & carry shops (www.dailybusiness.ro).

So,and like number of units ,are remarkt a faster evolution ,the must spectacular extension was of discounters ,following by hypermarkets.The sector cash & carry ,represented at companies Metro and Selgros ,after how are observed ,it's in a stagnation period ,having the must small evolution ,at same companies will reluated the exoansion plaus (www.financiarul.ro).

The must important organizations of retail ,the year of Romanian market entering and number of units holded in present are the following :

- **At segment of hypermarkets :**
- Carrefour ,2001 ,with 14 units ;
- Real ,2006 ,with 15 units ;
- Auchan ,2006 with 5 units ;
- Cora ,2003 ,with 3 units ;
- Pic ,2004 ,with 4 units ;
- Spar ,2006 ,with 1 units ;
- Kaufland ,2005 ,with 32 units ;
- **At segment of supermarkets ;**
- Mega Image ,1995,with 20 units ;
- Interex ,2002 ,with 11 units ;
- La Fourmi ,1992 ,with 14 units ;
- Spar ,2006 ,with 15 units ;
- Billa ,1999 ,with 28 units ;
- **At segment of discounts ;**
- Penny Market ,2002 ,with 52 units;
- Profi ,2001 ,with 45units ;
- Plus Discout ,2005 ,with 55 units ;
- **At cash & carry sector :**
- Metro ,1996 ,with23 units ;
- Selgros ,2001, with 17 units ;

So,all this four segments of modern retail are in a continue growting like number of shops.This present situation point out that in next years modern retail will be continued to wine grownd in derimeter of traditional retail.

Knowing that 8% from international retailers desired to open a shop in Romania next 2 years and that adequated a study of International Council of Shopping Centers (ICSC) ,in collaboration with Cushman and Wkefiend and Real Estate Publisher (REP) ,Romania are classify at 3th place in the top of the must attractive countries for retailers expansion in next two years ,after Russia and Cehia ,she can conclusionated that the development of the modern retail will have a wholesale dynamic (Banat Business ,2008)

The modern retail will be affect the evolution of thr traditional retail ,holded account of what it's happened in countries from central Europe.Wich all of this ,from now doesn't record a espectaculary modification from point of the number of the traditional shops.

The traditional shops will be survive if will learn how renovated the format ,if will have in shelfs new products,if will diversificated the products gamas offred by costumers ,if will be promovated the personal marcgs (option very expensive for majority) if will organizated much moore campaigns promotonals with the producers FMCG. And, not in last time, if will implementated programs of costumers loyality 9cards ,discounts ,credits etc).

The majority of smalls shops of quarter which sale products of current usage ,nonspecialized will vanish in next years .Will remain at market just those will differentiate (Prada S.,2008).

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