

## RURAL TRADE – SOME ASPECTS IN THE CASE OF BRAȘOV COUNTY

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*Choosing a rural environment, in the county of Brașov, for the development of this analysis was, therefore, based on the profound characteristic mutations of the Romanian village, during the past years, by moving on to a decentralized market economy and by the property reorganization and, as well by the Romania's accession to the European Union, taking into consideration the European Community's preoccupations in supporting the development in the rural environment. The integration into the European Union permits the creation of a competitive, high quality and productivity economy and the development of an intensive agriculture. Starting from these grounds, this paper tries to present the situation of the rural environment at the level of the country, as well as in a specific space, at the level of the district of Brașov.*

*Key words: rural trade, rural environment, county of Brașov*

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### **1. Introduction**

Even if, in the last few years, Romania has registered significant mutations concerning the types of operators that act in the commerce and the range of goods offered to the consumers through the penetration, in our country, of international operators, therefore leading to the apparitions of cash&carry units, hypermarkets, discount markets, malls and so on, all these have made their presence felt in big urban centers or on their outskirts, which is of no help to the current situation of the rural environment. In some cases, they can even worsen the situation because in areas where the rural population is well off, has transportation vehicles at its disposal or lives in the immediate proximity of these big cities, the existence of small rural shops may be endangered because they cannot compete with the range of goods and the excellent conditions modern commerce has to offer.

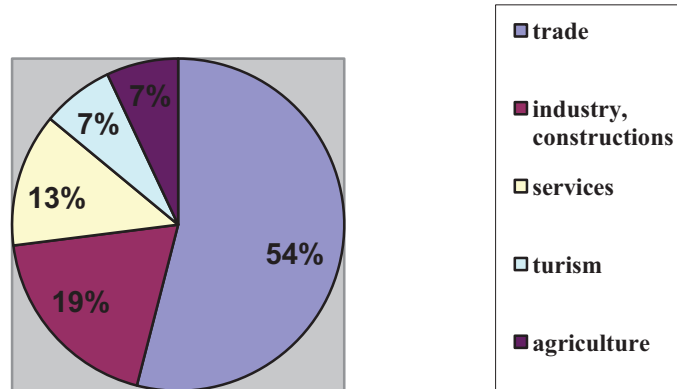
### **2. The case of The County of Brașov**

The County of Brașov has a rural environment characterized by a rather low population percentage (26.14%), respectively 155.9415 (1.07.2008) inhabitants who live in 44 communes and 149 villages. The preponderant Brasovian rural localities are large localities having a population of 1500-5000 inhabitants. Compact villages predominate, but there are also scattered villages in the north-western region of the county. This particular region, rural area, has values, both from the point of view of the human development index and from education index, which is close to the national average.

The County of Brașov has a profound industrial character; agriculture, which commonly occupies the main place as an activity of rural inhabitants, is less illustrative in this county, due to the less favorable geographic and climatic conditions. People only cultivate sugar beet, textile plants, potatoes, forage plants and few types of cereals. Instead, animal breeding is strongly represented, respectively bovines (between 50 and 100 animals per 100ha of agricultural land), ovine (between 150 and 200 animals per 100ha of agricultural land) and swine (over 150 animals per 100 of agricultural land). A well illustrated economic sector within the rural environment in Brasov is tourism, the County of Brasov occupying the first place concerning accommodation capacities homologated by ANTREC.

The structure of economic agents within the rural environment of Brasov shows that over half of them (54%) deal with trade, 19% work within industry and constructions, 13 % within service deliveries and the same percentage – 7% - is owned by agriculture and tourism.

**Fig. 1. The structure of economic agents in rural area of Brasov**



This being the setting of the commercial activity within the rural environment in Brasov, the results obtained can be valued so as to outline some development possibilities related to the commercial activity within this region, but they can also be extended, generalized at the level of other similar regions, from the point of view of the conditions submitted to analysis.

As mentioned before, even if a quarter of the population is localized in the rural environment, their participation in the county's turnover is of only 3.5%, which proves the low development degree of the firms within it.

The number of registered firms is of 921, of which 54% work in the commercial domain, participating by 32.9% in the turnover of the rural activities in Brasov.

According to the author's opinion, the localities with a great number of firms having commercial activity, and which have a population of over 4000 inhabitants, can be structured in two main categories:

Localities that are situated close to Braşov (Cristian, Hălchiu, Hărman, Prejmer, Tărlungeni etc.) enjoy a better socio-economical situation. On the one hand, this situation may be explained by the fact that a part of the population works in Brasov, thus having greater financial possibilities than the rural population that is occupied in agriculture and, on the other hand, many inhabitants of Braşov, wishing to get away to more quiet places, have settled "in the countryside" (nevertheless searching for regions as close as possible to the town they work in). A distinct category is formed by those who have retired and who, either out of economic reasons (as it is known, village life is generally cheaper than the city one), or because of the same wish to escape from the urban environment, have another attitude towards commercial activity, being more exigent concerning the commodity offer, as far as its diversity and quality are concerned.

The second class of localities, where we can mention a great number of commercial units, is represented by the communes where inhabitants practice rural tourism (for example, Moeciu and Bran), while the population in this region has a higher spending power.

In the County of Braşov, Bran has witnessed a powerful economic development due to tourist activities. There are 31 boarding houses homologated by ANTREC in Bran, 38 boarding houses in Moeciu de Jos, while in Moeciu de Sus there are 11 boarding houses (on the whole, nationally, the County of Braşov has the biggest number of tourist boarding houses, 122, where inhabitants practice agrotourism or rural tourism). Besides the special natural setting, this region also has numerous tourism objectives and pathways in the surroundings: the Bran Castle, the Citadel of

Râșnov, folkloric activities, the vicinity of Piatra Craiului and Bucegi Mountains. The region is also famous for animal breeding, especially sheep; this is why tourists are served food from the sources of their hosts. Rural tourism and eco-tourism slowly began to develop in other regions of the county: Zărnești, Vama Buzăului, Făgăraș, Viscri. The Bran – Moieciu region also enjoyed programs proposed by the European Union for the rural development, respectively by SAPARD. The rural population situated around Brașov city also resorts to the great commercial units built in the peripheric areas of Brașov; they attract both through their diverse assortments and through the services offered such as Metro and Real on the exit way to Sibiu, Selgros, Praktiker, Metro2, Bricostore and Carrefour on the exit way to Bucharest – that are special attraction spots for the entire population, even for the rural one, especially that situated immediately near Brașov.

### **3. *Proposals for development the commercial activity***

Following the analysis effectuated we can outline a series of proposals for the development of the commercial activity within the rural environment of Brașov County. A special category of local entrepreneurs is formed by those situated in more isolated localities, having damaged roads and rather small populations; thus, these too have weak economic power and deal with great supplying difficulties. In this case, one solution would be their cooperation with a wholesaler, on the basis of a contract of exclusivity for some products; the wholesaler should design a well established itinerary and some rhythmical orders so as to supply them with the merchandise they need. Such an itinerary may be applied in the town of Rupea or Făgăraș. These regions would definitely use the mobile trade, practiced either by small entrepreneurs, or by the big firms on the basis of a well defined schedule showing the days and hours of stopping in each locality. Moreover, trade by correspondence can also be considered; it is practiced by big firms, that can establish a collaboration relation with local traders by opening some representation offices in their locations;

The cooperation or association of local entrepreneurs is an equally important aspect in the development of commercial activity, but local entrepreneurs must be informed about the possible cooperation and association forms and about their advantages; these can not be achieved without the involvement of both local and national authorities (the Chamber of Commerce and Industry and the Ministry responsible in this matter).

The necessity to use trade organization patterns, both the integrated one and the associated one, is necessary in the Brasovian rural environment as well; the research made proved that the main reasons of complaint of the rural population regarding local shops are the current prices in the local shops and their supplying with commodity, respectively the range of commodities offered to the population; these aspects can be dealt with by getting the local traders involved.

A possible association form (according to the Portuguese pattern) may develop between the large cash&carry supermarkets existing in the county (Metro1, Metro2 and Selgros) and a series of local retailers of the rural environment, situated at a reasonable distance from the supermarkets (for Metro1: the localities situated around Ghimbay, Codlea and Zărnești, for Metro2 and Selgros: those situated in the south of the county, in the direction of Bucharest); these retailers should get financial support on the basis of a contract, with a view to modernizing their activity; thus, the wholesaler gets assured of the retailers' loyalty. All members keep their firm's identity and name, but they have to fulfill a series of obligations imposed by the retailer, regarding image, offer diversity, loyalty etc.

As one of the essential problems that must be solved in view of the development of commercial activity is *the competitiveness of small local entrepreneurs* who carry out their activity in the trade domain, solutions should be found in this direction, that is their access to information, by integrating them in training and improvement systems so as for them to be informed about the ways to carry out their business in profitable conditions.

*The small independent traders*, situated in the big communes near towns, whether these are rural localities in the western part of the county situated around the towns of Făgăraș and Victoria, or those situated in the perimeter delimited by the towns of Brașov, Râșnov, Predeal, which are economically more developed localities. The small independent traders are confronted with the threat of the commercial units situated in these bordering towns; these units have much more attractive locations, a much wide range of merchandise and, more importantly, (according to rural inhabitants) lower prices. Consequently, people need to find new modalities to make local shops more attractive and also to find more efficient modalities to offer small-priced merchandise.

In view of *the increase in the attractiveness degree of local shops*, the later can organize in such a way that they could offer an increased number of supplementary services (lottery, newspapers, drycleaners, public alimentation etc.). They can also collaborate or set a partnership with the local authorities in order to modernize the location with new furniture and commercial equipment. In this way, traders could use high performance selling methods which are also more attractive to the population. Another aspect that can make the local shops more attractive is the home delivery system which can help the old-aged population with reduced movement possibilities, and not only.

A very important role in the development of rural trade and, in general, of rural communities belongs to the local, regional and national authorities (town halls, local councils, Chambers of Commerce and Industry, the ministry responsible in this matter etc.) that must encourage the creation of entrepreneurs and tradesmen groups, thus helping them to integrate within coherent development programs.

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