

THE IMPORTANCE OF NEGOTIATION IN THE PROCESS OF SELLING AGROALIMENTARY PRODUCTS ON THE ROMANIAN MARKET

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Abstract

Over the last few years, it has been attempted to promote domestic products on the one hand, with the desire to encourage local production and, on the other hand, to encourage organic farming to contribute to a balanced health of the consumed food. The present paper aims to illustrate the importance gained by the negotiation process on the market, in the attempt to sell autochthonous products by local producers.

Key words: negotiation, commerce, agroalimentary products, market

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1. INTRODUCTION

The trade activity in the field of agroalimentary products is one that often faces more severe challenges than if we are dealing with trade in non-perishable products.

We are talking about an area in which small traders are confronted with strong rivals in a market where the ambitions and power of large chain stores are often overwhelming.

Given that the income from the sale of products grown in their own country is often the only form of subsistence of the Romanian peasant, he is not constantly willing to practice a price that would seem acceptable to most of the potential buyers. The direct consequence, however, is a negative one for the domestic producer and trader, who either finds it necessary to sell the products, ultimately, at an unbeatable price, or faces the loss of customers, which reorientates to supermarkets.

Over the last few years, it has been attempted to promote domestic products on the one hand, with the desire to encourage local production and, on the other hand, to encourage organic farming to contribute to a balanced health of the consumed food (Borza, 2005).

The statistical data provided by economic publications indicate a deficit of almost 854 million euros in 2017 in the trade with agro-food products, up from the previous year, as exports in turn increased compared to 2016, the main exported products are wheat (EUR 1 billion) and maize (EUR 730 million), followed by rape (EUR 580 million), sunflower seeds (EUR 520 million), barley (220 million) and live animals (200 million). However, according to Capital, the trade deficit is present and is due in particular to the added value of the imported products.

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If we are talking about the peculiarities of the supply of agricultural products, we can mention some of them, as follows:

- seasonal character, production being often influenced by season and weather;
- perishable nature - because agri-food products do not keep their freshness for a very long time, unless they are subject to a wider process of preservation;
- geographically dissipated;
- variable, subject to weather and temperature changes.

Agricultural production (Kusz, 2014) is increasing today, both quantitatively and qualitatively, but agricultural products tend to grow increasingly seldom in the natural state of the consumer's home. At present, agricultural producers are no longer regarded merely as raw material suppliers, but as a chain link as a component of a complex circuit, they are a mandatory, but not a core link.

Of the fruits and vegetables produced, important quantities have been sold directly to consumers, often through street markets. Small farmers with vegetable gardens or small orchards use production (Hatfield et al, 2011) for family consumption and sell the surplus in street or peasant markets. At national level there is a small number of commercial fruit and vegetable producers.

In such cases, the need for negotiating practice is emphasized as a strategy applied by traders to sell traded products.

Regardless of the field, negotiation is the main form of business communication, being also an activity present in everyday life. "Negotiation is a discussion or dealing in order to reach an agreement" (KolmaCkova, 2011).

The goal is to obtain a mutually beneficial agreement for both parties, based on a series of specific criteria regarding the main stake of the talks.

Whether negotiating as an enterprise-wide business, in the desire to conclude a mutually beneficial agreement, or whether it is at the level of the act of selling, in the desire to determine a customer to purchase a product under favorable conditions both for it as well as for the trader, the negotiation process has specific features.

2. CASE STUDY - STUDYING THE RESPONDENTS ATTITUDES REGARDING SELLERS NEGOTIATING TECHNIQUES ON THE MARKET

In order to study the respondents' attitudes regarding the sellers' bargaining techniques on the market, we conducted a research whose results will be presented below.

The first part of the research consisted in the design and administration of a questionnaire consisting of 13 closed questions, the total number of respondents being 30. They were people aged 18 to 70, customers and potential customers of the agri-food products sellers of the market.

As a starting point, we left the idea that the majority of citizens in Resita still frequently on products marketed by sellers in the market. Not all of them sell their own goods, some of them are only an intermediate segment in the retail sale of fruits and vegetables.

The product categories found on the market are usually varied, although the seasonality of some of the agri-food products leads to a disadvantage compared to the big stores, where some categories are found throughout the year but are imported from other countries. The main categories of fruit and vegetables most commonly requested by customers and identified in the trade are as follows:

- Fruits: apples, pears, peaches, nectarines, strawberries, cherries, sour cherries, melon / green, grapes

- Vegetables: tomatoes, cucumbers, peppers, onions, garlic, potatoes, carrots, parsley, cabbage, eggplant, pumpkin, cauliflower, beans, beets.

The questionnaire was applied for a period of 2 weeks, between July 15 and August 1, in the following locations: Reșița Sud and Reșița Nord Market.

The applied questionnaire has the following structure:

- 4 identification questions;
- 9 content Questions.

Of the 30 respondents, 11 were men and 19 women, 6 were under the age group of 25, 5 were in the 25-35 age group, 7 were in the 35-45 age group, 5 were people in the 45-55 age group and 7 people in the age group over 55 years.

The bargaining styles observed during the application of the 30 questionnaires in the two chosen locations, both for certain sellers and buyers, are:

Cooperating style - this style of negotiation was the most prevalent, especially towards the end of the day, when the quantity of merchandise was high, the price was maintained throughout the day, and the sellers, in the desire not to stay on stock, are more open to negotiation with customers;

Permissive style - another type of bargaining that is common among sellers in the desire to sell their products as soon as possible in certain specific situations;

Authoritarian style - most often met among customers, most of them considering that they can find the same products at a better price elsewhere and refusing to reach undesirable consensus with sellers.

CONCLUSIONS

The research findings can be synthesized as follows:

With the question of determining the frequency with which respondents buy food from the market, the centralization of responses shows the following conclusions:

- According to the gender criterion, we notice that women use this form of shopping either multiple times a week (30.77%) or very rarely (30.77%);

- These two extremes may also be due to the fact that some women do not have the time needed for this form of shopping, preferring the proximity of supermarkets or mini markets, but others opt for products considered either more authentic or more natural;

- As far as men are concerned, only 10% of them say they go to the market every day, the other male respondents resorting less often to this form of shopping.

- Based on the age criterion, we notice that women aged 45-55 (5%) resort to this form of shopping

- As for men, those aged between 45 and 55 years of age often appeal to this form of shopping.

To the question of determining how respondents are satisfied with sellers' behavior, we have the following conclusions:

- By the gender criterion, we find that women are satisfied at the average (58.33%) with the behavior of sellers, or to a very small extent (8.33%).

- As regards men, they are satisfied at medium level (63.64%) with traders' behavior, to a small extent (9.09%).

- By age criterion, women under 25 are satisfied with vendor behavior (5%), compared to women aged 45-55 (2%), whose level of exigency is much higher and are stated in less satisfied with the bargaining possibilities and the general behavior of traders.

- Men under the age of 25 (3%) are satisfied with the behavior of vendors at the average, and those aged 45-55 years are more demanding, but their share is lower (1%).

With the question of determining the main reason why respondents choose the market at the expense of stores, the centralization of responses shows the following conclusions:

- We can find that women choose the market for bargaining opportunity (50%), and to a lesser extent for the price of products (16.65 %).

- As for men, they choose the market both for the opportunity to negotiate (54.54%) and for the price of the products (9.10%), which often proves to be more advantageous than in the case of supermarkets.

- By age criterion, females under the age of 25 choose the market for bargaining (5%), and those aged 45-55 choose the market for freshness of products (2%).

- Men under 25 choose the market for bargaining (3%), and over 55 years choose the market for the price of products.

In the question of determining the application of a negotiation process the centralization of the answers shows the following conclusions:

- According to the gender criterion, we find that women consider that they can be negotiated occasionally depending on the product (58.35%), or even the type of trader or disposal (41.65%).

- As for the male respondents, we note that they consider that there is a possibility of negotiation (45.45%), but under certain specific conditions, the product and time alike.

- For men aged 35-45, they consider that there is no negotiation possibility (3%), and those aged 25-35 consider that they can negotiate according to the product (1%).

To the question of determining the flexibility and responsiveness of sellers in the negotiation process, we have the following conclusions:

- Based on the gender criterion, we find that women consider that vendors are receptive at medium (41.65%), or to a very small extent (25%).

- Male respondents identified an average level of traders' receptivity (36.36%).

- Based on the age criterion, we notice that women aged 45-55 years consider traders to be highly flexible (5%), and over 55 years of age feel they are receptive to a small extent.

- Men aged 35-45 appreciate flexibility to a large extent (3%), and those aged 25-35 consider that sellers are less flexible (10%).

In the question of determining the quality of the seller in the negotiation process the centralization of the answers shows the following conclusions:

- Women appreciate their ability to communicate to a greater extent than the criterion of flexibility, because they offer the opportunity to express their own arguments, no matter which party they are talking about.

- Men do not show the opposite opinion, but largely appreciate the willingness to reach a compromise (36.37%).

- By the age criterion, women aged 45-55 believe that the most important quality is the willingness to reach a compromise (5%), and those over the age of 55 consider that the communication ability (2%) is the least importance.

- Male respondents under the age of 25 believe that the most important quality is the ability to communicate (30%), and those aged 25-35 consider the least important quality as flexibility (10%).

When questioning the quality of seller negotiator, the centralization of responses shows the following conclusions:

- Women appreciate the trader's negotiating skills to a much greater extent than men, being willing to initiate a negotiation process with the desire to get the desired products at a better price.

To the question of determining the quality of the negotiator, the centralization of the answers shows the following conclusions:

- According to the gender criterion, we find that women consider that they are very much negotiated (33.33%).

- As for men, 63.63% consider that they are good negotiators, 18.19% appreciating their level as medium.

- According to the age criterion, women aged 45-55 years negotiate very much (5%) and women over 55 years negotiate less intensively (2%).

To the question of successfully determining the completion of the negotiation process in the market we have the following conclusions:

- After the gender census, women successfully complete the negotiation process (33.33%). The percentage of men successfully completing the negotiation process is lower than that of women (27.27%).

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