

Tigu, Gabriela; Tuclea, Claudia-Elena; Vrânceanu, Diana-Maria; Vasile, Dragos-Constantin

Article

The Social Responsibility of Retailers through the Eyes of Students of a Commerce Faculty – a Qualitative Approach

Amfiteatru Economic Journal

Provided in Cooperation with:

The Bucharest University of Economic Studies

Suggested Citation: Tigu, Gabriela; Tuclea, Claudia-Elena; Vrânceanu, Diana-Maria; Vasile, Dragos-Constantin (2014) : The Social Responsibility of Retailers through the Eyes of Students of a Commerce Faculty – a Qualitative Approach, Amfiteatru Economic Journal, ISSN 2247-9104, The Bucharest University of Economic Studies, Bucharest, Vol. 16, Iss. 35, pp. 73-87

This Version is available at:

<https://hdl.handle.net/10419/168815>

Standard-Nutzungsbedingungen:

Die Dokumente auf EconStor dürfen zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden.

Sie dürfen die Dokumente nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, öffentlich zugänglich machen, vertreiben oder anderweitig nutzen.

Sofern die Verfasser die Dokumente unter Open-Content-Lizenzen (insbesondere CC-Lizenzen) zur Verfügung gestellt haben sollten, gelten abweichend von diesen Nutzungsbedingungen die in der dort genannten Lizenz gewährten Nutzungsrechte.

Terms of use:

Documents in EconStor may be saved and copied for your personal and scholarly purposes.

You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.

If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.



<http://creativecommons.org/licenses/by/4.0/>

THE SOCIAL RESPONSIBILITY OF RETAILERS THROUGH THE EYES OF STUDENTS OF A COMMERCE FACULTY – A QUALITATIVE APPROACH

Gabriela Țigu^{1*}, Claudia-Elena Țuclea²,
Diana-Maria Vrânceanu³ and Dragoș-Constantin Vasile⁴
^{1) 2) 3) 4)} *The Bucharest University of Economic Studies, Romania*

Abstract

Retailers' social responsibility is treated in the literature in association with such topics as trade justice, ethics, or fairness. The concept can be defined according to various dimensions, involving characteristics such as quality products, price fairness, honesty, and ethical interactions with consumers. This paper aims to evaluate students' attitude towards retailers' social responsibility in implementing the strategic and tactical decisions about product, price, distribution and promotion. It is based on a qualitative research exploring the opinions of the students in business administration about this issue, both as consumers and prospective decision makers in the retail sector. The research was conducted in two focus groups, where the students played the roles of "consumers", respectively "managers". It was found out that there were differences in the responses of the two groups. The members of the "consumers" group were emotionally involved and they preferred a demand driven approach that focuses on finding solutions to their needs, while the members of the "managers" group have adopted a more detached attitude and they were concerned with the identification of gain as a consequence of social responsibility actions.

Keywords: social responsibility, retail, consumers, fairness, fair trade, marketing mix

JEL Classification: L 81, M 14, M 31

Introduction

This paper aims to identify the opinion of the students in business administration about the social responsibility of retailers towards consumers. The present paper reflects the results of a qualitative research that aims to explore both their experience as consumers and their knowledge and skills as future decision makers in the retail sector. Our research question was to find out what expectations the students from the Faculty of Commerce (The Bucharest University of Economic Studies) have as regards retailers' social responsibility, following the well-known four components of the marketing mix. In order to determine the variables necessary for the research, the first step was to assess the current state of knowledge and identify the recent research results in this field. The purpose of this section

* Corresponding author, **Gabriela Țigu** - gabriela.tigu@ase.ro

is to find out what approaches there are in retail, concerning the social responsibility concept and those related to it.

Previous studies have shown that large Romanian companies increasingly assume purposes of corporate social responsibility (Băleanu, Chelcea and Stancu, 2011). In the retail sector, corporate social responsibility is also a priority in integrating sustainable development principles (Coca, Dobra and Vasiliu, 2013). Retailers' responsibility towards consumers was treated in the literature under larger topics such as justice, ethics, corporate social responsibility or fairness. In marketing, the issue of fairness and perceived justice was approached both related to oneself and the others; people are affected, in various degrees, both when they are confronted with some problems themselves as well as when others are (White, MacDonnell and Ellard, 2012). In this respect, retailers may cause harmful effects on consumers, through actions targeted directly at them, or towards the third-party, about which they express concern. For this reason we intend to analyse how consumers might be affected by retailers due to their marketing mix decisions or their attitude towards some other parties consumers might be interested in, as in the case of fair trade products.

1. Retailers Social Responsibility and Fairness towards Consumers

According to Nguyen and Klaus (2013) retail fairness is conceptualized by three dimensions: product dimension (quality products, value for money, good reputation), interaction dimension (honesty, transparency, ethical behaviour) and service dimension (fair treatment, consumer care and high quality services). The products included in retailer's assortment must be safe, environmental-friendly, possess the characteristics stated on the label, and respect the declared warranties. The package must not mislead deceive consumers about product quantity, by using larger sizes than necessary, must be recyclable and contain information about the country of origin and usage instructions (Vrânceanu, 2007).

Retailers should offer social quality brands defined by Mejri and Bhatli, (2013, p.1) as “the respect for human and workers’ rights throughout the production and commercial process of the brand”. They found out that communicating social quality on a private label increased the product’s perceived quality, intentional loyalty to the brand and to the retailer and the latter social positioning is strengthened.

Price fairness evaluation is a comparative process, defined by Xia, Monroe and Cox (2004, p.3) as “a consumer’s assessment and associated emotions regarding the extent to which the difference (or lack of a difference) between a seller’s price and the price of a comparative other party in a transaction is reasonable, acceptable or justifiable”. The retailers’ fairness influences the perceptions of their prices and reputation, a fair retailer being perceived as offering a correct price and having a good reputation (Nguyen and Klaus, 2013). Price fairness is associated with good value for money, a low price, or with transparency regarding total costs.

As far as the *interaction* dimension is concerned, retailer's honesty refers to not using consumers' personal data without their consent, while transparency involves not charging hidden costs and fees, not delaying the delivery of a product so that the cooling off period expires and avoiding ripping off consumers or taking advantage of their vulnerability (Nguyen and Klaus, 2013). The information consumers are offered during the buying decision-making process needs to help them make social responsible choices (Coulson-

Thomas, 2010). Interaction with consumers also involves listening to their claims and proposals, in order to diminish their dissatisfaction, and increase loyalty. Thus, Tesco run "Customer Question Time" events when Head Office representatives listen to consumers' opinions and respond to their questions (Jones, Comfort and Hillier, 2005)

The *service* dimension involves giving fair treatment to consumers, without discrimination, listening to their' desires, trying to satisfy them according to standards, assisting them with information and advice in the buying decision-making process and granting the post-purchase services. Some of the big retailers show special care to disabled shoppers, as they declare in their reports of corporate social responsibility (CSR) activity, by offering them facilities such as: wide aisle check-out, dedicated car parking spaces, electric shopping scooters, etc. (Jones, Comfort and Hillier, 2005)

Dubinsky and Levy (1985) found three groups of possible ethical problems that retail sales personnel most often confront with (Table nr. 1).

Table nr. 1: Ethical problems of retail sales personnel

Group of ethical problems	Examples of problems
Consumer-related situations	<ul style="list-style-type: none"> • charging full price for a sale item without the customer's knowledge • giving incorrect change to customers • do not telling a customer the complete truth about the product's characteristics • making promises that cannot be kept regarding the product's availability • hoarding free samples that were meant to be given away to customers • pushing customers into making a purchase • giving preferential treatment to certain customers • ignoring a customer for a better prospect • refusing returns from consumers, • not making excuses due to merchandise unavailability • selling a more expensive product when a less expensive one would have been better for the consumer
Peer-related situations	<ul style="list-style-type: none"> • pressure from fellow employees not to report employee theft • taking sales away from a fellow salesperson • pressure from a friend to give him/her your employee discount • trying to get an employee to quit • peer pressure not to inform the management about other employees' personal problems
Work-related situations	<ul style="list-style-type: none"> • cheating on the time card • selling the product as if it was an exclusive one, when it is available in other stores • performing the job without having adequate information or benefitting from training • hiding merchandise and waiting for the store to mark down • inexperienced sales person receiving an unfair workload

Source: adapted from Dubinsky and Levy, 1985, pp. 6-8.

Considering the scale developed by them, McIntyre, Thomas and Gilbert (1999) found that the issues involving ethical concerns to the greatest extent for consumers are: giving preferential treatment to certain consumers, ignoring a consumer for a better prospect, selling a more expensive product when a less expensive one would be better for the consumer and hoarding free samples.

Unfair practices oriented towards suppliers may refer to making pressure on them to accept certain conditions concerning the price, delivery terms or invoice payment. Anselmsson and Johansson (2007) grouped the CSR activities of grocery stores, following the structure of Sen and Bhattacharya (2001) into six categories (Table nr. 2).

Table nr. 2: Corporate social responsibility activities of grocery stores

Category of activities	Examples of activities
Community support	<ul style="list-style-type: none"> • sponsorship of charities, sport and arts • educating and training enterprises, and local communities' projects
Diversity	<ul style="list-style-type: none"> • eliminating discrimination
Employee support	<ul style="list-style-type: none"> • abolishment of child labour • defence of basic human rights
Environment	<ul style="list-style-type: none"> • not using pesticides in agricultural crops • animal welfare
Non-domestic operations	<ul style="list-style-type: none"> • protecting the right to childhood and education • offering prices that reflect quality
Product	<ul style="list-style-type: none"> • offering safe products

Source: adapted from Anselmsson and Johansson, 2007, pp. 839-840.

They identified the most important dimensions using a qualitative and a quantitative study about human responsibility (the company dealing with suppliers that respect the natural breeding of animals and has a fair behaviour with the employees), environmental responsibility (offering environmental-friendly, ecological and non-harmful products and recyclable packages) and product responsibility (on the products' label is indicated the complete list of content and country of origin, the company declares intention to assume liability for the products offered). Anselmsson and Johansson (2007) concluded that the human responsibility dimension prevails on the retailer's image when it comes to the shopping intentions product dimension.

CSR actions have a positive effect on consumers' company evaluation, on overall product evaluations, and on purchase intentions (Sen and Bhattacharya, 2001; Anselmsson and Johansson, 2007). For retailers, they strengthen private brands (Giro, 2008), thus creating a good image of the company (Mejri and Bhatli, 2013; Gupta and Pirsch, 2008) and building a good reputation. Considering the top 100 US retailers, only one half of them mentioned CSR actions on their websites, stressing on economic principles (oriented especially to investors and stakeholders from financial area), followed by philanthropic ones through which they appeal more to consumers (Lee, Fairhurst and Wesley, 2009). Thus, consumers are not very important in retailers' CSR actions, comparing to other categories of stakeholders.

In the literature a comparison was made between corporate social responsibility actions and corporate ability (product assortment, prices, store layout, services, etc). Gupta and Pirsch (2008) demonstrated that both have a positive influence on consumers' satisfaction and loyalty, but in the case of reducing corporate ability and increasing CSR efforts, the consumer's satisfaction and loyalty decrease, consumers believing that directing resources to a CSR program detracts from the store's corporate ability ones.

2. The Impact of Fair Trade on Retailers' and Consumers' Behaviour

The fair trade concept was described as "trading partnership, based on dialogue, transparency and respect, which seeks greater equity in international trade. It contributes to sustainable development by offering better trading conditions to, and securing the rights of, marginalized producers and workers – especially in Africa and South America" (Becchetti and Huybrechts, 2008, p.734). According to The Fairtrade Foundation (2011), fair trade involves "better prices, decent working conditions, local sustainability, and fair terms of trade for farmers and workers in the developing world". It has appeared as "a response to the failure of conventional trade to deliver sustainable livelihoods and development opportunities to people in the poorest countries of the world" (World Fairtrade Organization, 2011)

Among the fair trade principles the following might be mentioned: providing financial, technical and organizational support to producers, treating them with respect, taking into consideration the cultural differences, providing information to facilitate market access, paying fair prices that make possible a just and environmentally sound production, offering pre-production financing, providing safe and healthy workplaces, stimulating the implementation of responsible methods of production (FINE, 2011).

Consumers' awareness about ethical production and retailing practices has increased, thus the appearance of an important segment that prefer products resulted by applying such practices. Nicholls (2010, p.246) defined ethical consumption as "an economic space where consumers buy products that have added social or environmental value above other competing purchase options". However, on some markets ethical consumption is not the only criterion of differentiation, buying decisions being significantly influenced by other factors (Cailleba and Casteran, 2010). In segmenting the fair trade market, the studies concluded that women buy fair trade products in a greater proportion than men (De Ferran and Grunert, 2007), and the proneness to fair trade products increases the consumers become older, and the higher the education level and the income become (De Pelsmacker et al., 2006).

From the retailers' perspective, including fair trade products in their assortment brings certain benefits. Fair trade brands increase the willingness to pay (Carlsson, et al., 2010; Hustvedt and Bernard, 2010), the purchase intentions (De Pelsmacker, et al., 2005) and brand loyalty (Kim et al., 2010). In a marketing experiment conducted in 26 stores of a major grocery store chain from U.S., the sales of two most popular bulk coffees rose by almost 10%, when they were labelled as fair trade (Hainmueller, Hiscox and Sequeira, 2011). Also, retailers who sustain relationships with fair trade organizations are perceived as offering good quality products (Nguyen and Klaus, 2013)

As for the fair trade products, the main buying motivation is to support the producers from developing countries, this being different from the organic ones centred more on personal

motives such as health or taste. Fair trade products consumption is an expression of self-identity with a moral dimension, the essential aspect seeming to be self-reassurance about being a moral person (Varul and Wilson-Kovacs, 2008). Van Herpen, van Nierop and Sloot (2012) have demonstrated that retailers had to use some marketing instruments for fair trade products to a greater extent than for organic ones. Thus, marketing actions as: allocating a larger shelf space (by increasing the number of facings), placing the products at the eye-level and clustering them on the same shelf had a greater influence on the market share for fair-trade brands, than for the organic ones. Also, retailers that have informed the consumers about the fair trade products, using point-of-purchase advertisements, have obtained an increase in sales (Stratton and Werner, 2013). Acceptance of fair trade brands is influenced by the message communicated, consumers being strongly motivated to buy if the justice restoration potential of this action is high (White, MacDonnell and Ellard, 2012).

In the supply chain management, for fair trade brands it is necessary to renounce at using some intermediaries that might charge higher costs and assure a stimulating price for marginalized producers from developing countries.

3. Research Methodology

The present study adopted focus group interviews, this method being an effective way to gather information using small groups (5 to 12) of participants who gather to discuss a specified topic or an issue (Wong, 2008). Our research aims to understand students' opinion on the issue of retailers social responsibility, following the four components of the marketing mix. Even if the 4Ps concept has been criticized by a number of studies (Popovic, 2006), it remains a basic understanding of the marketing mix. The succeeding Ps have not yet reached a consensus regarding the practical application (Goi, 2009).

Therefore, the objectives pursued aimed at identifying the students' attitude towards the social responsibility of retailers in implementing strategic and tactical decisions on product, price, distribution and promotion.

The research was conducted within two homogeneous groups of students in the second year of studies at the Faculty of Commerce, and it came as an additional activity to the course of Business Administration. As the standard group of students has between 25 and 30 members, the 12 students who participated in the study in each focus group were volunteered. The students participating in the focus group had the same level of knowledge on the approached topic and knew each other for a year and a half, so that the exchange of information between them was easy (Cooper and Baber, 2005). Also, moderator was the teacher who taught the discipline in question; the students interacted with the teacher for 3 months (Wong, 2008). Each group was scheduled to last 80 minutes. Each discussion lasted around 80 minutes including an introduction and an occasion for the participants to ask questions. Focus group studies were conducted throughout May 2013.

In general, conducting a focus group involves a significant consumption of resources, the biggest effort consisting of the identification and selection of the participants, finding and arranging the venue and facilitating the interaction between participants. In our case, these problems were solved with minimum effort, involving the students in this research and using the classrooms as a convenient venue.

The choice of the students from the Faculty of Commerce had as main motivation the level of training and skills they acquired during the first two years of study in the field of commerce. This gave them the opportunity to express a dual perspective, on the one hand as savvy consumers, and on the other hand, as future decision-makers in retail. A secondary motivation for our choice was that it has attractively supplemented the curriculum, and in terms of ease of doing research, it has required a minimum effort. The students in the first group were interviewed as clients and those in the second group, as prospective decision-makers in retailing.

4. Findings

The participants were informed at the beginning of the session on the topic to be discussed. The topics covered by the discussion guide were the same in both groups, and the research context was similar. However, there were differences in responses of the two groups, justified by the different perspective from which they were asked to discuss. The discussion started with some general questions about the marketing mix and corporate social responsibility and continued with the exemplification of these issues in the case of retailers.

4.1 Consumer perspective

The group of “consumers”, although made up of persons familiar with the marketing practices and the idea of a store’s marketing policy, has assumed its role very well, focusing mainly on consumer needs and adopting an emotional speech, although nobody suggested this.

The implicit hypothesis, silently assumed, was that the *company must sacrifice some profit for CSR activities*.

Analysing these statements, we have remarked that the respondents made reference to the SIVA model (Solution, Information, Value, Access) which we had not taken into account originally. (Fig. no.1).

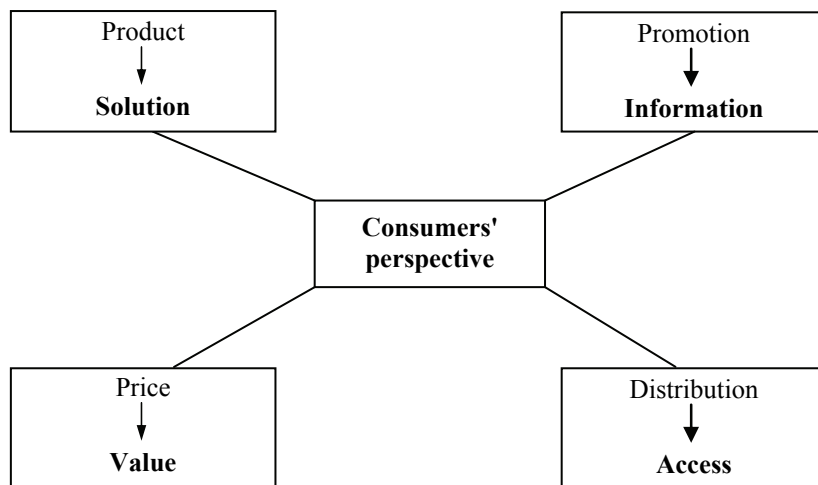


Figure no. 1: The SIVA Model
 Source: adapted from Dev and Schultz, 2005

The first approached issue referred to the **product**. In this context, the ideas below were revealed. As regards the product, the first component of the marketing mix, the main aspect brought into discussion was the one related to *food products*, 8 of the 12 participants focusing on “healthy” food. “Traders should be very responsible in relation to the sale of food.” This view is particularly interesting as all respondents admitted that they often eat the most convenient foods and even junk food. The main reasons cited for this were time, convenience, price and the inability to cook.

The question of the *accurate information* about the origin of fruits and vegetables and the labels of processed products has also been raised, so that each consumer can be fully informed about the content of the purchased products.

The discussion also highlighted a particular issue linked to *organic products*, the respondents considering the existence of these products in stores as a proof of social responsibility. Similarly, related to food products, the participants said that retailers should not sell *discounted food* at the expiry date limit, but should withdraw them from the shelf. This was understood as a sign of responsibility towards consumer health, otherwise being considered an attempt to speculate the reduced purchasing power of some consumers.

As regards the non-food products, consumers expect retailers to provide them *solutions* by means of the products that they include in their offer. All the shops should provide the consumers the possibility to quickly and reliably solve various problems encountered in everyday life, from easily finding a gift for a friend or relative, to solving a household problem. “I just wish to find easily the product that I need without walking around a whole day in different stores”.

Another proof of responsibility towards consumers would be the *high quality services* and information offered to consumers about the activities that are carried out.

The last but not the least significant idea called into question was that of the *socially responsible products*, made from sustainable materials; the idea of green product has also emerged. “I’ve heard of green products. I wish I was informed about these products, where they are and how much they cost.” “Why do not Romanian retailers supply more green products?”

The second element of the marketing mix brought into discussion was the **price**. Many respondents stated that it was rather challenging to make the link between CSR and price. The ideas that were clearly outlined are presented below.

All the participants said that the retailers must ensure the correct *ratio value for money*. There has been a consensus that this would be the main evidence of good intentions towards consumers. “Prices must reflect the real value that consumers get when they buy the product. It is all about the idea of fairness.” “We, as clients, don’t know all the ins and outs behind a product. Perhaps it seems to me that it is an expensive product but in reality it is not so. Retailers should not take advantage of the lack of consumer information.”

Furthermore, the selected suppliers’ *geographic location* is understood as a proof of responsibility towards consumers. “Retailers have to purchase from suppliers who are in geographic proximity, and in general to find *sources of supply cost reduction*. They must be responsible for all costs as well, in order to offer *fair prices*.”

The next component debated was **promotion**. The expressed opinions mostly agreed on emphasizing the *informative* purpose of publicity. The “clients” have expressed the following standpoints.

First of all, advertising must be *correct*; it should not promise more than the product actually provides. “I do not like to be told that shampoo X makes me appealing, because I know that is not true. I should spend many hours at the hairdresser to look like the women in commercials. Such situations frustrate me.”

Second, the advertisement should primarily *inform* the clients, not convince them to buy products they do not need. “The more pleasant and exotic the atmosphere created by commercials is, the greater the desire to buy the product they promote, although I know well that I did not need it. I do not like it that I can be manipulated in this way.”

Subsequently to this point, the next issue appeared: advertising should *not exploit the lack of consumer information* or experience. “If you tell a teenager that he will get rid of pimples overnight, they will immediately buy the wonder product.”

Another topic discussed was the one about the *demonstrations and testimonials*. These should be accurate and authentic. “We should be able to do at home what is presented in teleshopping.” “Those who testify to the quality and benefits of the various products should be honest and should not say anything for money.”

Likewise, advertising should *not overuse certain stereotypes* such as messages containing sexual hint, violence, etc. “It’s embarrassing for yellow cheese commercials to speculate sex. I cannot eat such cheese anymore.”

As far as *distribution* is concerned, the group of “clients” has expressed two important ideas. First of all, distribution must facilitate the *access* to products that consumers need. “A retailer should provide a daily schedule adapted to the lifestyle of the clients, the products must be easy to detect and there should not be stockouts.”

The use of as short as possible **distribution channels** is considered a great evidence of responsibility, given the large share of the distribution cost in the final price. “Retailers should buy directly from suppliers or as close as possible to them; otherwise we pay the profit of others dealers”.

The SIVA model deal with the same component of the marketing mix, but it primarily focuses on a new type of consumer, the marketing mix being used in terms of what consumers expect (solutions to problems) (Dev and Schultz, 2005).

4.2 Organizational perspective

The students from the group of prospective managers have convincingly adopted the role of decision-makers and tried to present social responsibility actions as marketing actions. The main idea was: “Help yourself by helping others”.

In this second group, the first issue discussed was also related to the **product**. The implicit assumption was that the company should get a benefit from the social responsibility actions. They mainly stated that *the offer should be renewed regularly* by means of new products. Offering new products on a regular basis can mean concern for consumers’ desire to find new and fashionable goods, based on modern technologies that make life easier for

them and bring them joy. “It is easier to always offer the same thing. Frequently renewing the offer means caring for clients beyond making a profit based on them.”

In the same note, regarding the product, respondents believed that retailers should provide *different quality products* to meet the needs of all consumers, having in mind both food and non-food products. “A store should have products for every consumer. I think everyone would like to feel good at shopping. It’s frustrating to walk into a store just to have a look. When you can buy something you feel important.”

Moreover, the offer should include more *domestic products*, to encourage local producers and create jobs. “I think a responsible retailer should offer a wide range of products manufactured in Romania. This would help many Romanians, and consumers would feel satisfaction.” In addition, the stores’ offer should include organic products. “Nowadays more and more people wish to consume organic products. It’s a growing market, so retailers could meet this need and could gain a new consumer segment.”

Moreover, the offer should include more eco-friendly products, expressing the concern for the environment. “Nowadays, caring for the environment is mandatory. Retailers can and have the obligation to intervene and educate the consumers in this respect.”

As for the **price**, from the point of view of the prospective managers, price policy is an important dimension of the corporate strategy and it is not primarily a matter of CSR. They stated that the price must support the strategic and economic objectives; this may impose the existence of lower prices than the competition, but not in terms of CSR. “I do not think any retailer lowers the price because it cares about the consumer’s wallet. It’s just about the strategy they adopt in fighting competitors.”

With reference to managers’ obligation to find ways of cost reduction, respondents expressed the belief that this is the duty of every manager, but the potential gains do not always have to be reflected in lower prices. “Everyone wants to cut costs, first and foremost to get a higher profit; it’s normal. It’s also possible to reduce the prices to gain market share.”

In the same vein, the focus group participants expressed their conviction that companies have the right and obligation to obtain higher profit; fairness is manifested by the correct payment of taxes. “The wish to get a higher profit is not immoral. For this reason there are businesses. If you want to behave responsibly, you have to pay taxes correctly. It also helps clients, even if indirectly.”

Changing the topic, the “managers” have taken the view that **promotion** is essential for business success and, therefore, it must be attractive, but should not contain falsehoods. Trying to make the link between CSR and promotion, they said that there is nothing wrong to present products or store in an attractive light, as long as there are no lies.

The first opinion expressed was that advertising must not transmit misleading messages. “I agree that promotion should not rely on cheating. But a little embellishment is allowed. Consumers also have the need to dream.”

In the same line, respondents agreed that advertising aimed at children must not manipulate them because they do not have the capability to make a choice yet. “If they want to act responsibly, retailers, and especially the large and very large economically powerful ones,

should not sell products whose advertising manipulates children. In this way, they would oblige the producers as well not to pay for such advertising.”

Last but not least, commercials might present some general cultural information, beautiful places, contributing thereby to the education of the public. “It would be interesting if commercials on TV or cinema, etc. presented such issues that raised a bit the cultural level of the population (a place of touristic interest, a saying, a piece of information...). Perhaps that would be a proof of social responsibility.”

As regards **distribution**, the second group considered, first of all, that it is carrying high costs and, therefore, it is necessary to use short channels as many times as commercial policy allows it.

An interesting issue under discussion was that of the *slotting allowances*. On this issue, opinions were divided. Five of the participants expressed the view that distributors have the right to request such allowances, as there are storage and labeling costs. “I do not see what’s wrong with slotting allowances. Whoever wants to be placed at the front must pay.” The others expressed the opinion that such practices favor producers with large trading power and do not necessarily provide the best product to consumers. “The one who has money will pay, and not necessarily the one who has the best products. Finally, the client will be spoilt.”

The second issue approached was the use of trucks and vehicles that would pollute the environment as little as possible. “Do you want to be socially responsible? Watch what vehicles you use when transporting merchandises.”

Conclusion and managerial implications

The specialized literature provides us with different angles of approach of retailers’ responsibility towards consumers, this topic being treated in studies related to corporate social responsibility, fairness, ethics or justice. The dimensions through which retailers’ responsibility was approached vary according to different authors, the central element being the marketing mix adapted to the retail area. An indirect way to show responsibility towards clients is to offer them fair trade products, as a response to their concern to marginalized producers from developing countries.

As far as research is concerned, we observed that the participants in the focus groups have played their “role” well, showing a significantly different attitude in approaching the topics analysed.

The participants in **the “consumers” group** were emotionally involved and were focused on their own needs. Thus, related to their expectations about retailers’ social responsibility on product policy, we noted that the consumers do not primarily need a varied assortment, but rather they needed *solutions* to their problems. They look for healthy products accompanied by labels that will provide accurate and complete information or environmentally-friendly packaging.

With reference to price, the first group outlined the correct *ratio value for money*, understood as an important proof of retailers’ good intentions towards consumers. Prices must be fair and must not take advantage of asymmetric information between retailers and clients.

As for the promotion policy, the respondents focused on advertising, highlighting their need for its *informative role*, besides complaining about the manipulative feature of the most promotional actions. They are dissatisfied with the unrealistic promises of promotional messages and with their potential to create false needs.

In relation to the distribution policy, the expectations envisaged the facile *access* to the needed products, including here the daily schedule, continuity of supply, and merchandise layout.

We may conclude that “consumers’ preferred a demand driven approach that focuses on finding solutions to their needs, information about these solutions, the right value for money, and the facile access to products.

The participants in the “**managers’ group** have adopted a more detached attitude and were concerned with the identification of a gain (profit growth or image improvement) as a consequence of the actions of social responsibility.

The “managers” have shown concern for providing a wide assortment to meet the needs of as many potential categories of consumer, and preoccupation for the environment.

The price is not a main vector of retailers’ social responsibility actions, it being used mostly for its economic valences. The idea of fairness is associated only with a correct fiscal behaviour, consumers not being taken into account directly.

Promotion is not a priority area of putting into practice social responsibility actions, preoccupations in this field referring only to the compliance with widely accepted moral norms.

Neither does distribution represent a priority area of social responsibility actions, which are especially directed to the use of means of transport that do not affect the environment.

The common idea in the two groups was that there are no altruistic actions of social responsibility; but they are welcome regardless their motivation.

In none of the groups, did the participants refer to fair trade. When it became clear that this issue will not be addressed by them, the concept of fair trade was brought into discussion by the teacher-moderator. The students admitted they do not know its profound meaning and would not have thought about bringing it up.

As regards CSR, the first group seemed to show loyalty to the socio-economic logic, and the second to the economic one developed by Milton Friedman. In 1970 he wrote that the social responsibility of business is to increase its profits.

From the “consumers’ perspective, the retailers social responsibility actions for each component of the marketing mix must be targeted directly to consumers by providing the best balance between received benefits and sacrifice made. Viewed from the “managers” perspective, only the actions of social responsibility in product policy have, to a limited extent, a direct and significant impact on consumers, while those in the area of price, promotion or distribution occur in a low proportion and mostly act indirectly, being geared towards other categories of stakeholders.

The results of this research are reflected in some interesting and useful information for decision makers in the retail sector. The presence of several significant divergences

between what consumers expect regarding the retailers' behaviour and what retailers believe is a responsible approach to clients shows the necessity for major research efforts on the topic of consumers' expectations and satisfaction. In order to attain a responsible behaviour towards consumers, retailers have to reassess the decisions related to the marketing mix policy, using not only the product policy as an active constituent, but also the other components of the marketing mix.

As for the limits of the present research, the use of qualitative research did not provide representative results, but offered the opportunity to identify some perceptions and motivations that were difficult to find out just by conducting a quantitative study. Moreover, there may be differences between the views of students as prospective decision-makers in the retail sector and the views of people already holding a decision-making position. We intended to reduce this limit including in the surveyed groups the 2nd year students who already acquired the basic knowledge in commercial science, which has enabled them to be capable of simulating a number of decisions in this area. The fact that the students knew each other did not represent an obstacle in expressing their opinions, there being a relaxed ambience during the discussions.

As future research, we could take a series of in-depth interviews with decision makers in the retail area to find out the extent to which they perceive the inclusion of fair trade products in the assortment range as an action of social responsibility in general and towards clients in particular, and what their response would be to such an approach.

Furthermore, we can conduct a survey among consumer so that we could investigate their perception on the degree of responsibility displayed by retailers towards clients and its influence on the latter's buying behaviour.

References

- Anselmsson, J. and Johansson, U., 2007. Corporate social responsibility and the positioning of grocery brands. An exploratory study of retailer and manufacturer brands at point of purchase. *International Journal of Retail & Distribution Management*, 35 (10), pp. 835-856.
- Băleanu, T.E., Chelcea, L. and Stancu, A., 2011. The social responsibility of the top 100 Romanian companies. An analysis of corporate websites. *Amfiteatru Economic*, XIII(29), pp. 235-248.
- Becchetti, L. and Huybrechts, B., 2008. The Dynamics of Fair Trade as a Mixed-form Market. *Journal of Business Ethics*, 81, pp. 733-750.
- Cailleba, P. and Casteran, H., 2010. Do Ethical Values Work? A Quantitative Study of the Impact of Fair Trade Coffee on Consumer Behavior. *Journal of Business Ethics*, 97 (4), pp. 613-624.
- Carlsson, F., Garcia, J.H. and Lofgren, A., 2010. Conformity and the demand for environmental goods. *Environmental Resource Economics*, 47 (3), pp. 407-421.
- Coca, V., Dobrea, M. and Vasiliu, C., 2013. Towards a sustainable development of retailing in Romania. *Amfiteatru Economic*, XV(Special Issue 7), pp. 583-602.
- Cooper, L. and Baber, C., 2005. Focus Groups. In: Stanton et al, eds. *Handbook of Human Factors and Ergonomics Methods*, 2nd ed., London: Taylor and Francis.

- Coulson-Thomas, C., 2010. Enabling informed and responsible purchasing: helping customers to understand implications and impacts. *Industrial and Commercial Training*, 42(2), pp. 93-101.
- De Ferran, F. and Grunert, K.G. 2007. French fair trade coffee buyers' purchasing motives: An exploratory study using means-end chains analysis. *Food Quality and Preference*, 18 (2), pp. 218-229.
- De Pelsmacker, P., Janssens, W., Sterckx, E. and Mielants, C., 2006. Fair-trade beliefs, attitudes and buying behaviour of Belgian consumers. *International Journal of Nonprofit and Voluntary Sector Marketing*, 11 (2), pp. 125-138.
- De Pelsmacker, P., Janssens, W., Streckx, E. and Mielants, C., 2005. Consumer preferences for the marketing of ethically labelled coffee. *International Marketing Review*, 22 (5), pp. 512-530.
- Dev, C.S. and Schultz, D. E., 2005. In the Mix: A Customer-Focused Approach Can Bring the Current Marketing Mix into the 21st Century. *Marketing Management*, 14 (1), pp. 16-22.
- Dubinsky, A.J. and Levy, M., 1985. Ethics in retailing: Perceptions of retail salespeople. *Academy of Marketing Science*, 13 (1), pp. 1-16.
- Fairtrade Foundation, 2011. *What is Fairtrade?*. [online] Available at: <http://www.fairtrade.org.uk/what_is_fairtrade/faqs.aspx> [Accessed 24 September 2013].
- FINE, 2011. *Fair trade definition and principles*, [pdf] Available at: <<http://www.fair-trade-hub.com/support-files/fair-trade-definition.pdf>> [Accessed 24 September 2013].
- Friedman, M., 1970. The Social Responsibility of Business is to Increase its Profits, *The New York Times Magazine*, September 13, pp. 122-126.
- Girod, S., 2003. Branding in European retailing: a corporate social responsibility perspective. *European Retail Digest*, 38, pp. 1-6.
- Goi, C.L., 2009. A Review of Marketing Mix: 4Ps or More?. *International Journal of Marketing Studies*, 1(2), pp. 2-15.
- Gupta, S. and Pirsch, J., 2008. The influence of a retailer's corporate social responsibility program on re-conceptualizing store image. *Journal of Retailing and Consumer Services*, 15 (6), pp. 516- 526.
- Hainmueller, J., Hiscox, M. J. and Sequeira, S. 2011. *Consumer Demand for the Fair Trade Label: Evidence from a Field Experiment*. [online] MIT Political Science Department Research Paper No. 2011-9B. Available through Social Science Research Network <http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1801942> [Accessed 26 September 2013].
- Hustvedt, G. and Bernard, J. C., 2010. Effects of social responsibility labelling and brand on willingness to pay for apparel. *International Journal of Consumer Studies*, 34 (6), pp. 619-626.
- Jones, P., Comfort, D. and Hillier, D., 2005. Corporate social responsibility and the UK's top ten retailers. *International Journal of Retail & Distribution Management*, 33(12), pp. 882-892.

- Kim, G.-S., Lee, G.Y. and Park, K., 2010. A cross-national investigation on how ethical consumers build loyalty toward Fair Trade brands. *Journal of Business Ethics*, 96 (4), pp. 589-611.
- Lee, M-Y, Fairhurst, A. and Wesley, S., 2009. Corporate Social Responsibility: A Review of the Top 100 US Retailers. *Corporate Reputation Review*, 12 (2), pp. 140-158.
- McIntyre, F.S., Thomas, J.L. and Gilbert, F.W., 1999, Consumer segments and perceptions of retail ethics, *Journal of Marketing Theory and Practice*, 7 (2), pp. 43-53.
- Nguyen, B. and Klaus, P.P., 2013. Retail fairness: Exploring consumer perceptions of fairness towards retailers' marketing tactics. *Journal of Retailing and Consumer Services*, 20 (3), pp. 311-324.
- Nicholls, A., 2010. Fair Trade: Towards an Economics of Virtue, *Journal of Business Ethics*, 92 (2), pp. 241-255.
- Popovic, D., 2006. Modelling the Marketing of High-Tech Start-Ups. *Journal of Targeting, Measurement and Analysis for Marketing*, 14(3), pp. 260-276.
- Sen, S. and Bhattacharya, C.B., 2001. Does doing good always lead to doing better? Consumer reactions to corporate social responsibility. *Journal of Marketing Research*, 38 (2), pp. 225-243.
- Stratton, J.P. and Werner, M.J., 2013, Consumer Behaviour Analysis of Fair Trade Coffee: Evidence from Field Research, *The Psychological Record*, 63, pp. 363-374.
- Van Herpen, E., Van Nierop, E. and Sloot, L., 2012. The relationship between in-store marketing and observed sales for organic versus fair trade products. *Marketing Letters*, 23 (1), pp. 293-308.
- Varul, M. Z. and Wilson-Kovacs D. 2008. *Fair Trade Consumerism as an Everyday Ethical Practice – A Comparative Perspective*, University of Exeter. [pdf] Available at <<http://people.exeter.ac.uk/mzv201/FT%20Results.pdf>> [Accessed 26 September 2013].
- Vrânceanu, D., 2007. Rolul eticii în deciziile de marketing, *Revista de marketing online*, 1(3), pp. 28-37.
- White, K., MacDonnell, R. and Ellard, J.H., 2012. Belief in a just world: consumer intentions and behaviours toward ethical products. *Journal of Marketing*, 76 (1), pp. 103-118.
- Wong, L.P., 2008. Focus group discussion: a tool for health and medical research, *Singapore Medical Journal*, 49 (3), pp. 256-260.
- World Fairtrade Organization, 2011. *Charter of Fair Trade Principles*. [online] Available at: <<http://www.wfto.com>> [Accessed 24 September 2013].
- Xia, L., Monroe, K.B. and Cox, J.L., 2004. The Price is Unfair! A Conceptual Framework of Price Fairness Perceptions. *Journal of Marketing*, 68 (4), pp. 1-15.