Abstract: - Survival in a continuously changing market depends on its development and not on diversification of the present supply. In this context, to be entrepreneurial is equivalent with having the capacity to create new products that will motivate consumers.

The entrepreneur is defined as “somebody who starts his own business of small dimensions.” It is a mistake to assume that the entrepreneurial system and innovation are natural and spontaneous phenomena. The good aspect is that the entrepreneurial system can be learnt. This means that the firm has to be receptive to innovation and perceive the change as an opportunity not as a threat. It is believed that the entrepreneurial system is very risky.

The eco-businesses are poorly represented in Romania, in comparison with the average of EU. The increase of weight of eco-industries is among the development objectives in medium and long run. Romania has to implement a plan of 28 actions for promotion of eco-technologies and increase their competitiveness. There continue to exist obstacles in the manner of the expansion of eco-market such as the still low-scale production, a reduced range of products, higher prices (up to 150 % more) than for standard products, low level of consumer information and low promotion level. In spite of all these aspects it is a great potential in the medium and long term.

An exploratory research was carried out in order to evaluate the state of Romanian ecological producers. The survey had 18 questions. The aim of this exploratory research is to offer information for the set-up of a new eco-business. The Romanian eco-businesses understood the necessity of development and implementation of the latest patterns in order to assure a sustainable development of the business. The entrepreneurs are conscious about the poor state of it in comparison with other European companies.

Key-Words: - eco-business, eco-market, eco-product, entrepreneurship, exploratory research, sustainability, survey

1 Introduction

The eco-businesses are poorly represented in Romania, in comparison with the average of EU. In addition, does not exist in the National Statistical Accounts a monitor dedicated to eco-business. The labour employed in eco-firms was 0,9% in 2005, less that 0,44% of total employment. It is 1,75% the value for EU. The increase of persons employed in eco-businesses became a priority in EU as well as in Romania.

The increase of weight of eco-industries is among the development objectives in medium and long run. Romania has to implement a plan of 28 actions for promotion of eco-technologies and increase their
To raise the access for funds obtaining of the companies with innovation capacity in eco-products, eco-materials is listed also as a priority.

The marketplace of ecological products is on the increase at worldwide level. On the other hand it is a small amount of studies targeted on the international marketing strategies of eco-firms. The most important openings and challenges for international green marketing have to be recognized and analyzed in order to generate the best strategies which provide competitive advantages.

The results of comparison among Romanian and foreigner companies demonstrate significant differentiation between them. For example, the distinction from Romanian and British firms is principally determined by the level of development of their domestic market. The Romanian organizations frequently export ecological products using foreign agents, while the British firms trade internationally using their own brand name and attempting to control the foreign distribution channels.

Among the measures for increasing the eco-businesses in Romanian economy are:
- studies for establishing the nowadays state of Romanian eco-businesses;
- the implementation of a special program to observe and quantify these sectors;
- particular agenda to impel the eco-activities through national research and development projects;
- training the trainers and supporting the consultancy agency for eco-businesses;
- to increase the absorption capacity for funds in the eco-industries. (Ciupagea et All, 2007)

Until 2005, Romania was the only country which was not connected to the European Business Awards for Environment. One of the recognition signs of Romanian efforts in eco-business and sustainable development was that the country was included in this European Competition

It is necessary to revise the main concerns and openings for a more innovation design of eco-products. Many products are designed for international mass markets. The producers have to ensure that the most appropriate and efficient products are available to their markets. Among the main patterns were proposed the priorities addressed to energy, waste and other eco-design aspects of products, taking into account whole-life environmental impacts. (Baker, 2005)

Another aspect is related with the concept of sustainable consumption and consumers’ attitude. According with Barrett, there are four main concerns to achieve sustainable consumption. These are the eco-home development, behavioral change mechanisms, community development and sustainable procurement. (Barrett, 2005)

By rising new businesses that have as center of attention sustainable product service systems, the organizations are capable to better serve their consumers, to hold on to clients, to decrease costs and to increase margins. The sustainable gains are a result of lower costs. (Nijs, 2005)

The measurement of the environmental influences on national consumption characteristics are frequently based on life cycle. This approach permits attributing both direct effects from consumption phase, and indirect effects from production and disposal stages to the consumer. These appraisals are irregular evaluations for two reasons. (Friot et all, 2005)

The political changes of latest years had encouraging effects on the condition of Romanian environment. One of the constructive results was that environmental protection became institutionalized with the establishment of the
Ministry of Environmental Protection and other environmental institutions. Other benefits occurred from the novel potential for international cooperation, the information exchange and experience connected with such openings.

Economic changes had main impact on ecological protection and on the general public as an entire. Worldwide buys and sales were also registered as having a constructive outcome of creating modern, additional environmentally friendly technologies which are accessible nowadays. (Ucenic, 2007)

2.1. Eco-bulbs market

One of the main eco-products sold in Romania is the eco-bulb. A study presented in April 2008 that 70% of Romanian has at least one at home and 90% intend to buy one. The estimations of sales department from Philips Romania, illustrated a growth with 30% in comparison with 2007 and 2007 had double volume of sales than 2006 (35.000 euro). For the moment, the main market is represented by institutions and firms which decide according with exploitation costs and not according with first investment costs. A classical bulb costs 0,17 euro and an eco-bulb about 5 euro. (green-report)

2.2. Eco-Paper Market

Another example is of Xerox Romania. It brings in Romanian market recycled paper and encourages the companies to implement Eco principles in their businesses, saving resources and protecting the environment.

Some of recycled Xerox varieties of paper have good quality and can be used also for official documents not only for internal use. The degree of white at this type (using 80% recycled raw materials) is the same as in normal paper.

Many Romanian organizations have green policies regarding the usage of paper, but hesitate when have to implement them and argue with the ratio cost/ quality. The difference in cost between the normal and recycled paper is 11%. The manager of Xerox declared that they expect to triple the volume of sales for recycled paper in comparison with 2007.

2.3 Eco-Food market

The presence of Romanian eco-food producers was a great success at the fair for eco-aliments Biofach from Nurenberg. The biggest demand was for cereals, soia, sun-flower, honey, fruits and natural juices. The value of contracts was more than 8 million euro. (FNAE). The participants came from 78 countries and the visitors were from 120 countries.

Almost all eco-food Romanian products are for export because inside the country it is only a small niche of consumers. One of the explanations is the lack of information and eco-culture of Romanian consumer. Eco Market Transilvania is a company which exports eco-agri products (eco-wheat in Western Europe).

According with their declaration, in 2004 when started to sell abroad, were obliged to have prices lower with 10-20% from market price because of the lack of brand and image. Nowadays they have same prices with sellers from Western Europe. The logistics remained the only weak aspect. (Food and Health Magazine, nr. 13)

The Romanian eco-agriculture went one step backward when it was excluded from the National Program for Rural Development. It is strongly required the financial support because the capital accumulation is very slow. The Western European eco-agriculture was powerfully supported because its social value, a specific dynamic, the protecting of biodiversity.

Romanian exports of eco products reached EUR 80 million last year, having soared by 60 % compared to the previous year when their overall value was EUR 50 million, as estimated by the Ministry of Agriculture.

Producers of ecological products in Romania can choose to mark their products with the national logo "ae" (standing for "ecological agriculture"), currently used by 64 producers. However, from January 1, 2009, producers will be compelled to use the communitarian logo for ecological products. Given that the EU logo resembles the logo of a private local company, they may obtain a respite until 2010. (Business Review, June 2008)

2.4 Eco-market

The first virtual Eco-shop

The first virtual eco-shop was launched on May 2008. It sells ecological and organic products, especially cosmetics. The shop came as an answer for an uncovered niche from the market. The investment was 120.000 euro and it is planed to cover all amount in one year. Using ecological and organic cosmetics, the number of used products will decrease, saving money for the consumer.

2.5 Eco-food stores

There are only three eco-food shops in Bucharest, one in Timisoara and one in Sibiu. (Business-review, June, 2008). The customers are that who used to
consume this type of products on European markets, some of whom are from cities other than Bucharest. Others see it as a trend. A third category is occasional consumers who introduce in their diet about 5-10 percent organic products."

These are people with incomes above the average, given that they have to take out of their pocket between 30 and 100 % much money than they would pay for a conventional product. "When they become available in Romania, eco meat products will probably be 200-300 % more expensive than standard ones." (Pukka Food Store)

There continue to exist obstacles in the manner of the expansion of this market such as the still low-scale production, a reduced range of products, higher prices (up to 150 % more) than for standard products, low level of consumer information and low promotion level. In spite of all these aspects it is a great potential in the medium and long term.

2.6 The attitude of Romanian consumers toward the ecological products

Ucenic and Bacali (2007) carried out a research regarding the attitude of Romanian consumers related to the ecological products. The investigation used the method of projective techniques. The number of consumers that participated in the study was 40. Some of the topics and the percentage of concerned answers are listed in the following:
- When I buy an ecological product I have in mind the health - 29%
- Pollution is a phenomenon that affects health - 32%
- To be concerned about preserving the environment means to take care of the environment - 27%
- When I see an ecological label on a product I thing that it is a good product, a clean one - 14%

Consumers are conscious about the usage of green products and its importance and favorable consequences on the environment. Still there are persons who can only think about their own health and who did not understand the real role they are playing.

It is possible to come at the conclusion that most subjects – 32%, when are thinking at ecological products, they associate them with health. Only 10% have in mind the concept of clean air 14% and 15% are thinking at green grass. The rest of the answers were different and with almost no significance.

Even if the concern about the environment is frequent analyzed as concept, lately in our country, most entrepreneurs (66%) have not adopted the idea of an ecological product five years ago. At the same time, 34% said that they have adopted the idea less than four years ago.

In adopting the idea of ecological products, most entrepreneurs have taken into account the concern about the health of the people.
- 55% mentioned the concern about consumers;
- 33% said that they have adopted the idea of ecological products due to the opportunities of export on the European market;
- 22% have taken into account the concern about the environment;
- 22% declared that they were motivated by the existence of an increasing demand and the still low offer in this domain;
- 11% because of personal motivations affirmed that the reason was „divine creation, perfection left by God”.

The answers regarding the prices for ecological products are presented below:
- 22% declared that the prices of their products are more than 100% higher than the similar classical products;
- 22% stated that their prices are more expensive with percents between 20-50%;
- 45% had equal prices with those of the similar classical products;
- 11% affirmed that they sell ecological products cheaper than the similar classical products.

At the end of the ecological product’s lifetime, most producers and distributors (56%) recommended and supported waste recovery.

2.8 Goals for Romanian eco-sector

The procedure of scheming of the Romanian export strategy targeted on ecological products is on the rise in the framework of market globalization and the tendency towards healthy products. Simultaneously with the expansion of market necessities, it is indispensable to generate a plan which encloses the required steps for responding at the great demand for ecological products at European level, both from qualitative and quantitative standpoint. The market of ecological products is improving constantly and has a twelve-monthly enlargement of 20 %, according with governmental reports.

The products have to stand on their labels precise indications regarding the ecological processes and methods of manufacturing them and about their quality appraisal official recognition issued by a supervising organization in order to be authenticated as ecological and commercialized in the market.

There are some main concerns that should be identified and putted into operation in order to develop the ecological segment and to improve the
competitiveness of the ecological products on their way to export markets.

One of the major points is to confine and maintain a greater part from the nationwide element of value chain during the orientation of production and sales towards primary products. It is also required a better promotion of the Romanian ecological products on the external markets, as well as a more intensive niche marketing and consolidation of the existing ones.

The control system for the ecological products has to be consolidating through complementary procedures designed to take charge of the examinations and official recognition bodies in order to develop the quality of exported products and goods. In addition, it is necessary to correctly implement the regulations that are elaborated for this sector.

Another concern is to create a suitable manufacturing, processing and marketing system for the ecological products, aimed to suit the needs of national and foreign markets. The development of the research area of activities related to the eco-products and markets has to be increased.

All actors implicated in the ecological sector (growers, processors, inspectors, experts from the ministry, exporters and importers) need to pay a special attention for their professional improvement. (Ucenic and Mastorakis, 2007)

3. Entrepreneur and entrepreneurship

Business units, which work in a competitive economy, are faced with intensifying pressure that is applied by the changes from the environment. For this reason, the firms must adapt to the market as well as possible. A big business will operate in the same way as a small, an entrepreneurial one.

It is necessary to renounce at the bureaucratic tendencies and classical methods of organizing and managing an activity. The development of entrepreneurship was a consequence of this fact. Nowadays the entrepreneurship is met in all companies, in a certain degree. (Ucenic, 2004a)

Peter Druker noticed that the managerial economy moved towards an entrepreneurial economy. This change affected the way companies’ management functioned and led to the creation of small and medium companies. The entrepreneurial concept became a necessity for the economy. Each organization has two different tasks:

- to solve the problem of selling the existing products and services in an efficient manner;
- to maintain continuously supply; this is an entrepreneurial activity.

Many theoreticians argue that firms have the tendency to become more entrepreneurial. It has been accepted with unanimity that the firm is located in the center of a continuously changing culture and that it is necessary to renounce at bureaucratic frameworks.

Elizabeth and Gifford Pinchot underlined that “bureaucracy asks that reality be divided into small areas of responsibility, but the customers’ needs and technological possibilities refuse to be stationed in these divisions, no matter how intelligent the line is drawn”. (Torres, 2000)

People, who have decision power inside the company, must conduct a correct analysis of a ration between efficiency and development of the entrepreneurial tendencies. The question is how to combine these two tendencies with different orientation. None of the extreme will be favorable to the firm. The companies can evolve in one of the four different areas defined by the increasing on entrepreneurial tendency – increasing in bureaucratic tendencies.

The most proper company for an entrepreneurial leadership is a big one, because it has the resources, special human resources, managerial competences and a team already formed.

At the same time, it is not true that the dimension of the firm can be an obstacle in front of entrepreneurship and innovation. Despite the fact that a big company may be “conservative” and “bureaucratic”, it can have a generally high entrepreneurial character, if innovation has a special place in the company.

In order to speak about an entrepreneurial system inside the new firms, it is necessary:

- to pay attention to a market;
- to maintain financial prudence, a good plan for money and required capital;
- to organize a management team before the firm needs it or can sustain it;
- to make an entrepreneurial decision about the goal and field of activity of the company.

Entrepreneurship is essentially an act of creation requiring the ability to recognize an opportunity, to shape a goal, and take advantage of a situation. Entrepreneurs plan, persuade, raise resources, and give birth to new ventures.

Entrepreneurship is the existence or activity of entrepreneurs. The word is derived from the French word "entreprendre" which means to undertake or pursue opportunities, or to fulfill needs and wants through innovation or the establishment of a business. (Liepner et al, 1991)
Entrepreneurship is the process of pursuing opportunities or fulfilling needs and wants through innovation or the establishment of a business. They think of new ways of doing things or new products or services to fulfill market needs. (Misener and Kearns, 1993)

Entrepreneurship is the perception of opportunities and the mobilization of resources to bring about change in new and innovative ways to achieve some benefit. (Kretchman and Cranson, 1991)

According to studies conducted by the Bank of Montreal Institute for Small Business, for a successful small business are self-motivation, business and industry knowledge, organization and management capabilities, marketing skill, customer/vendor relations, and vision. Business and industry knowledge should be near the top of anyone's list of requirements for small business success. A well organized program is necessary as is expertise in money management, managing people, directing business operations, and directing sales and marketing operations.

Organizational and management abilities are also absolute necessities for business success. Without them, the company will not be able to satisfy many clients or customers. Most small businesses fail because of weak general management, weak financial management, or weak marketing capabilities.

The evolution of the society presented that in the economy, in public institutions and in business innovation and the entrepreneurial system are necessary. We need an entrepreneurial society, where the innovation is continuous. For these reasons it is necessary to encourage the flexibility and acceptance of change as something normal, as an opportunity for the people and institutions.

The appearance of the new small and medium companies continues to have an increasing trend, the same as in the past. They possibly represent the best solution for success. More people will find a job in these entrepreneurial firms. (Ucenic and Petri, 2002)

4 Method and results

An exploratory research was carried out in order to evaluate the state of Romanian ecological producers. The survey had 18 questions but here will be presented only some of the results. The aim of this exploratory research is to offer information for the set-up of a new eco-business.

The study targets to present the results of an exploratory pilot research for pre-testing a protocol of a structural interview, implemented in eleven ecological Romanian organizations in 2007.

The data related to these firms were found on the website of Agricultural Ministry. The protocol contains eighteen questions regarding the activity of ecological firms as well as problems which appear at the start-up of an entrepreneurial business.

The findings of this survey are presented bellow.

**Question 1:** Did you have previous professional experience in business?

![Figure 1: Previous experience in business](image)

Seven companies had previous professional experience in business. Four started for first time.

**Question 2:** Which was your state before the start-up of your new company (unemployed, employee in state business, etc)?

![Figure 2: Employment type before the set-up of eco-business](image)

8% were unemployed, 9% were not employed, and 73% were employed.
It can be seen that 72.72% of the persons worked before the start-up of an entrepreneurial business, 18.18% of them did not work and 9.1% were unemployed.

**Question 3:** Did you use consultancy services before the start-up of your activity?

Just one company used consultancy services before the start-up of your activity. The rest of ten, started without consultancy from different reasons.

**Question 4:** Do you consider that your business has success?

Eight companies considered themselves successful and three were not satisfied about their activity.

**Question 5:** Please explain why you considered successful your business.

The reasons of saying “Yes, we have success” were:
- the unique eco-dairy plant from the county;
- the results from the balance sheet;
- the enlargement of products with other two new eco-products;
- the increase of the quantity of eco-products obtained;
- the relation with partners became better and better;
- everybody know the brand and associate it with ecological products;
- increase in sales collaborated with an enhance of consumer exigency.

**Question 6:** Which was the consultancy agency?

The only consultancy agency was SC. SOMPAN SA.

**Question 7:** Are you in affiliated to an eco association?

Only four companies belong to an eco union, while seven do not belong.

**Question 8:** Which are the eco – associations where you are included?

The eco-associations that were mentioned are BIOTERRA and M.A.P.D.R.

**Question 9:** Did you have difficulties at the start-up of your company?

Figure 6: The presence of difficulties in the set-up of an eco-business
Five companies faced difficulties at their start-up but six did not complain about them.

**Question 10:** How did you over-pass these difficulties?

The over-pass of difficulties was described as:
- quite difficult;
- they still exist – for example the excise of ecological coffee;
- with hard work and “running” a lot;
- with patience and professionalism.

**Question 11:** Are sufficiently sustained the eco-businesses in Romania, according with your opinion?

- 64%
- 18%
- 18%
- 18%
- 18%
- I don't know

Figure 7: Sufficiency of support for eco-businesses

Seven companies strongly belief that the eco-business are not sustained in Romania. Two of them considered that exists some support for eco-business and the other two do not know.

The support as well as the lack of support of eco-businesses is prevented from the existence of a strong competition. It can be done better when it is supported.

**Question 12:** Explain your answer at the previous question.

The support of eco-businesses is restricted by:
- the uncertainty of legislation which is changed very often;
- the lack of knowledge related to this regulations;
- the deficiency of financial support at the start-up of this kind of project; the financial support is small but is necessary because the revenues obtained by Bio-activities is low in first years;
- the government does not support communication programs related to eco topics for consumers;
- there are not applied the EU regulations despite are more important than national laws;
- until 1\textsuperscript{st} January 2007 when started to be mandatory the EU legislation, the national legislation was poor in this field; the crystallization process of coherent norms was difficult and slow
- the lack of consumers’ knowledge regarding what means “eco-product” doubled by the lack of information in mass-media, specialized magazines, commercial chains.

**Question 13:** Which are your financial sources?

- Own resources + loans
- Only own resources
- Own resources + partner support
- Own funds + un-reimbursable funds
- Loans + un-reimbursable funds

Figure 8: The provenience of funding sources

Five companies used own resources and loans for the start-up of their eco-business. Three organizations had only their own resources. The support obtained from its partner and the own funds was the resource of one company. Another one had own funds and un-reimbursable funds. The last organization financed its activities loans and un-reimbursable funds.

**Question 14:** What kind of eco-business do you have?

The types of the interviewed eco-businesses are listed below:
- a dairy plant: eco-products as well as traditional products;
- commerce; import and export;
- acquisition and commerce with Bio forest fruits and Bio honey;
- production and sale of eco-bread;
- obtaining, processing, bottler and commerce with eco-honey and other eco-apicultural products;
- importer and distributor of Sonnentor products;
- acquisition of medicinal plants and other herbs from spontaneous flora;
- export with medicinal plants from spontaneous flora.

**Question 15:** Which is the key of success?

They considered that the key of success for eco-businesses is:
- patience and perseverance;
- to be in the proper place at the proper time;
- the experience and prestige of management;
- the existence of multiple activities in order to cover the losses with the gains from the other;
- the access at as much as possible information in the field;
- the efficient allocation of resources;
- strong promotion of your products through advertising in big shops;
- to participate at fairs and international exhibitions in the field;
- the investments and the way of allocation;
- to know the market; and trust in your power.

**Question 16:** Which is the juridical form of your company?

![Pie chart showing the distribution of juridical forms among eco-firms]

- **9%** NGO
- **91%** SME

Figure 9: The juridical form of eco-firms

One interviewed organization was NGO while the other were SMEs.

**Question 17:** Where is located the headquarter of your company?

The majority of the companies have the headquarter established in Bucharest.

**Question 18:** How many employees do you have?

- [ ] 10 to 49
- [ ] 1 to 9

![Pie chart showing the distribution of employee numbers]

- **45%** 10 to 49 employees
- **5%** 1 to 9 employees

Figure 10: Number of employees

Six firms have less than nine employees being micro-enterprises and six of them are medium enterprises, with the number of employees between ten and forty-nine employees.

**4 Conclusion**

The Romanian eco-businesses understood the necessity of development and implementation of the latest patterns in order to assure a sustainable development of the business. The entrepreneurs are conscious about the poor state of it in comparison with other European companies.

According to the studies in this domain, European companies that have green products have a significant increase in notoriety and sales, for some years now. (Ucenic and Bacali, 2007)

Further research has to be done in order to provide reliable information for long run strategies for sustainable development. The researchers and entrepreneur have to concentrate for it.

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