THE CONSUMER'S PLACE AMONG
THE COMPANIES' VALUES

Professor PhD **Teodora Cristina ROMAN**
Alexandru Ioan Cuza University Iaşi, Romania
Professor PhD **Adriana MANOLICĂ**
Alexandru Ioan Cuza University Iaşi, Romania

ABSTRACT

The modern society imposed the consideration of the consumer as a company value – be it declared (in a value system) or implicit. The research intended to identify the existence, on the one hand, and the place, on the other hand, of the customer value in the value system of the companies in the Iasi area.

KEYWORDS: *consumer, value system, managerial culture*

Research design

Objective: Exploratory research regarding the consumers' place within the value system of the companies from the Iasi area.

Study: The overall purpose of the study is to diagnose both the declared and the implicit values of the companies from the Iasi area.

Hypotheses:
1. Any company has a value system (if it is not a declared one, it is at least implicit)
2. There is a relationship between the existence of a declared value system and the company's size, age, as well as the type of studies attended by the general manager (economic or of a different nature)
3. There is a relationship between the existence/absence of the orientation towards consumers between the company's declared values and its size, age, as well as the type of studies attended by the general manager (economic or of a different nature)

Method: Questionnaire-based survey

The survey involved a questionnaire made up of 4 questions addressed to the general managers (or to one of the top managers) of 199 companies from Iasi. Thus, we obtained 171 valid questionnaires. The questionnaires were used by students from the Marketing specialization, 2nd year of study, Faculty of Economics and Business Administration, when performing the internship in companies. Thus, there were 28 so-called doubled questionnaires (some companies being questioned by several students).

The purpose of this survey was to gather information regarding:
- The existence of a declared value system of the company
- The constituents of this value system
- Where there is no declared value system, we checked if the manager in case considers that there is an implicit value system in the company

- The constituents of the implicit value system

The place of the survey: the premises of the companies where the 2nd year students from the Marketing specialization, Faculty of Economics and Business Administration, "Al. I. Cuza" University, Iasi, performed the internship.

Research period: the research took place during the internship period, 11–30 June, 2008.

Sampling: **The people inquired were the 171 general managers (or one of the top managers) of the companies where the 2nd year students from the Marketing specialization, Faculty of Economics and Business Administration, "Al. I. Cuza" University, Iasi, performed the internship.**

Since it was an exploratory research whose purpose was to create of hypotheses and premises for a future research, we did not choose these companies from all the economic agents in Iasi based on statistics.

The resulting sample

Table 1

Variable	Subgroup	Frequency	Percent
Industry	Banks and finance	6	3.5
	Telecommunication	2	1.2
	Mass-media	14	8.2
	Textiles and clothing	20	11.7
	Constructions	17	9.9
	Services	22	12.9
	Small business	9	5.3
	Tourism & rest.	18	10.5
	Trade	37	21.6
	Non profit organisations	3	1.8
	Big industry	9	5.3
	Medicine & pharmacy	10	5.8
	Public service & administration	4	2.3
	Total	**171**	**100.0**
Age	before 89	20	11.7
	1990-95	53	31.0
	1996-2000	43	25.1
	2001-2007	55	32.2
	Total	**171**	**100.0**
Personnel	under 50	105	61.4
	50-250	39	22.8
	over 250	27	15.8
	Total	**171**	**100.0**
Manager background	Technical	100	58.5
	Business	71	41.5
	Total	**171**	**100.0**

For analyzing the information we used SPSS 13.0

Results

1. Hypothesis 1: Any company has a value system (if not a declared one, at least an implicit one)

The processing of the questionnaire data showed that only 40 (23.39%) of the 171 analysed companies have a declared value system. 87 (50.9%) of the rest of 131 companies declare that, despite the fact that they do not have a declared value system, it exists implicitly in the company's managerial culture, whereas 44 companies do not have any value system.
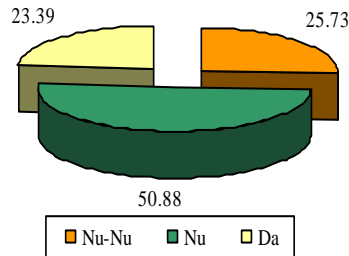

Figure 1 Sample structure according to the existence of a value system

In the following table we showed the distinct distribution of these results according to the companies' industry:

The relationship between the value system and the company's industry

Table 2

Value system	Industry	Frequency	Percent	Cumulated percent
Inexistent (Not-Not)	Mass-media	4	9.1	9.1
	Textiles and clothing	10	22.7	31.8
	Constructions	7	15.9	47.7
	Services	9	20.5	68.2
	Small business	3	6.8	75.0
	Tourism & rest.	2	4.5	79.5
	Trade	8	18.2	97.7
	Non-profit organisations	1	2.3	100.0
	Total	44	100.0	
Implicit (Not)	Mass-media	7	8.0	8.0
	Textiles and clothing	9	10.3	18.4
	Constructions	9	10.3	28.7
	Services	9	10.3	39.1

Value system	Industry	Frequency	Percent	Cumulated percent
Implicit (Not)	Small business	4	4.6	43.7
	Tourism & rest.	13	14.9	58.6
	Trade	26	29.9	88.5
	Non-profit organisations	2	2.3	90.8
	Big industry	4	4.6	95.4
	Medicine& pharmacy	4	4.6	100.0
	Total	87	100.0	
Declared (Yes)	Banks	6	15.0	15.0
	Telecommunication	2	5.0	20.0
	Mass-media	3	7.5	27.5
	Textiles and clothing	1	2.5	30.0
	Constructions	1	2.5	32.5
	Services	4	10.0	42.5
	Small business	2	5.0	47.5
	Tourism & rest.	3	7.5	55.0
	Trade	3	7.5	62.5
	Big industry	5	12.5	75.0
	Medicine& pharmacy	6	15.0	90.0
	Public service& administration	4	10.0	100.0
	Total	40	100.0	

Determining the emergence frequencies, the three types of companies received a different approach: companies that declared a value system, companies that considered it implicit and companies that do not have any value system. The results are shown below:

⇨ The 40 companies that declared a value system: We can notice that among the declared values, the frequency of emergence of the values assimilated to the customer is very low. From what was mentioned above, we can already formulate a hypothesis for a future research, that is, the companies in Iasi are still product/production-oriented and less consumer-oriented. This is shown by the high frequency of the following values: quality, professionalism, integrity, team spirit, performance, efficiency etc. The customer values are not missing, but they are a minority comparing to all the above-mentioned values. We also made a classification according to the place held by the "customer" value among the above-mentioned values and the result showed that only 12 out of 40 companies mentioned customer values.

⇨ The 87 companies that have an implicit value system and not a declared one: Strangely enough, when compared to the first category of companies, the place of the customer value among the company's values is much better. This might be explained by the fact that the practical reality forced the companies in Iasi to admit the importance of the

consumer. Also, the classification according to the place the "customer" value has among the above-mentioned values shows the following situation: 54 of the 87 companies mentioned customer values (a much higher percent comparing to the first situation).

Following the results we obtained, we wanted to check if there is a correlation between the two variables we examined: the value system and industry:

Measuring the correlation between the value system and industry

Table 3

		Value system	Industry
Value system	Pearson Correlation	1	.180(*)
	Sig. (2-tailed)		.018
	N	171	171
Industry	Pearson Correlation	.180(*)	1
	Sig. (2-tailed)	.018	
	N	171	171

* Correlation is significant at the 0.05 level (2-tailed).

The 0.180 correlation coefficient we obtained shows the existence of a weak relationship between the examined variables. Therefore, we can state that there is a direct and positive correlation between the company's industry and value system.

Hypothesis 2: There is a relationship between the existence/absence of a declared value system and the company's size, age, as well as the general manager's background (economic or of a different nature)

Within the examined population we intended to check if we can withdraw patterns for companies that have a declared, implicit or no value system at all, according to certain criteria we examined, such as: the company's size, age, as well as the general manager's background. Using the SPSS application we calculated the correlation coefficients:

Measuring the correlation between the value system and the company's size, age, and the manager's background

Table 4

		Value system
No. of employees	Pearson Correlation	.366(**)
	Sig. (2-tailed)	.000
	N	170
Age	Pearson Correlation	-.162(*)
	Sig. (2-tailed)	.034
	N	171
Manager's background	Pearson Correlation	.130
	Sig. (2-tailed)	.091
	N	171

* *Correlation is significant at the 0.05 level (2-tailed).*
** *Correlation is significant at the 0.01 level (2-tailed).*

We obtained two significant, but at the same time, weak relationships (coefficient below 0.5): between the existence of a value system and the company's size. Thus, we can mention that, strangely enough, the bigger the company, the more likely for it to have a declared value system.

In addition, there could be a reversed relationship between the company's age and the existence of a value system (not confirmed due to a very low coefficient – below -0.2). If it were confirmed, it could suggest that the probability to have a declared value system decreases as the company's age increases.

There is no relationship between the value system and the general manager's background (coefficient below 0.2). The 0.130 coefficient might anticipate a positive relationship between the declared value system and the manager's type of studies; but, according to the results, the economic studies do not show a predilection towards the existence of a declared value system.

The indicated values are available for the analysis made on the entire sample, without pointing out the three types of groups mentioned above.

2. **Hypothesis 3: There is a relationship between the existence/absence of the orientation towards consumers among the company's declared values and the company's size, age, as well as the general manager's background (economic or of a different nature)**

In order to test this hypothesis we proceeded to grouping the companies into two categories: companies that have the customer among the declared values, and companies that do not have the customer value. Thus, from all the 171 companies, 105 (61.4%) did not declare the customer value, and 66 (38.6%) take it into consideration.
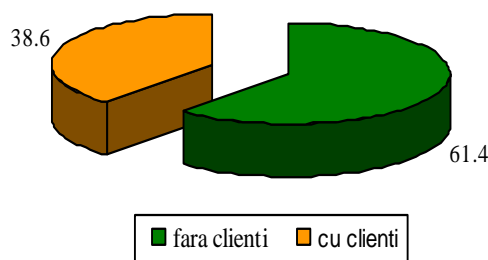
Figure 2 The distribution of the companies that declared the customer value in the entire sample

The direct conclusion is that, considering the percent, the number of companies which value the customer is higher in the case of companies with an implicit value system (62.1%) than in the case of companies that have a declared value system (30%). We also examined the two sub-groups: companies that mentioned the customer among the declared values, and companies that do not have the customer value, considering the distribution in these two groups of the answers according to the examined variables. Strangely enough, we can notice that the customer value is given a higher importance in companies whose managers have a technical background. This result requires a detailed analysis of the phenomenon.

According to the data we obtained, two significant relationships between the variables examined at the level of the entire sample can be mentioned: the correlation between the orientation towards customers and the value system variable, on the one hand, and the age variable, on the other hand, but these two relationships prove to be weak. We can state that the orientation towards customers predicts to a small extent the existence of a value system at the company level. Also, according to the -0,203 Pearson coefficient, we can say that the younger the examined company, the more obvious the orientation towards customers. If we divide the sample according to analysed groups, the results show some variations. We mention that the "manager's background" variable does not show a significant relationship at the level of the entire population we analysed, but at the sub-group analysis, showing that the mere certification of economic studies is not a guarantee for the customer value among the company's values; the difference appears only when examining companies from the point of view of the existence/absence of the value system.

Other conclusions we can withdraw as hypotheses for a future research could be:

➤ The general manager's education can influence the appearance of the customer value among the company's values;
➤ There can be a reversed correlation between the company's age and the place the customer value has among the company's values: the younger the company, the more likely for the customer value to appear among the company's values;
➤ There can be a reversed correlation between the company's size and the placement of the customer value among the company's values: the smaller the company, the more likely for the customer value to appear among the company's values.

Conclusions

The research pointed out that not all the companies have a value system (either declared or implicit).
Furthermore, there are possible relationships between the existence/absence of this value system and the company's size, age, or the general manager's background.

Last but not least, the customer value as a constituent of the company's value system can be influenced (meaning to favor its existence or not) by the company's size, age, or the general manager's background.

In the light of the above mentioned information and considering that the undergone research was exploratory, with the purpose to study a domain, a field, in order to issue some hypotheses, some premises which represent the starting point for a future research, we will list below the main conclusions of our research, that are intended to be the premises for a future research:

✓ The companies in Iasi are more product/production-oriented than consumer-oriented;
✓ There is a direct relationship between the companies' recent emergence on the market and the existence of a value system;
✓ The bigger the companies, the higher the preoccupation for defining a value system of the company;
✓ The managers' economic education can be a favourable frame for the existence of a value system of the company;
✓ The customer value of the companies from Iasi is less represented in their declared value system, being rather implicit.

References

1. Dygert, B. Charles, Jacobs, A. Richard (2006): *Managementul culturii organizationale*, Ed. Polirom, Iasi
2. Manolică, Adriana (2008): „Exploring Consumerspace – the Challenges of the Global Market", în volumul *Piaţa europeană – o provocare pentru firmele româneşti*, lucrările Conferinţei Piaţa europeană – o provocare pentru firmele româneşti Iaşi, 25-26 oct. 2008
3. Manolică, Adriana (2007): „Noi puncte de vedere privind consumatorii", în volumul Conferinţei Române de Marketing, COROMAR, *Societatea Europeană şi Strategia de Marketing*, Iaşi,
4. Teodora Roman, „Dificultăţi organizaţionale în Managementul relaţiilor cu clienţii", în volumul *Realităţi şi acţiuni de dezvoltare economică în pragul integrării României în Uniunea Europeană,* Editura Sedcom Libris, Iaşi, 2005, pp. 400-408
5. Teodora Roman, Daniela Tatiana, Corodeanu Agheorghiesei, "The proliferation of shopping centers, their modern consumers and facing problems in a world competition", în volumul *Convergenţa economică şi rolul cunoaşterii în condiţiile integrării în Uniunea Europeană* (coordonatori prof. univ. dr. Nica Panaite, prof. univ. dr. Dumitru Zaiţ, conf. dr. Teodora Roman, Lect. dr. Andrei Neştian) Editura Universităţii „Alexandru Ioan Cuza" Iaşi, 2008
6. Teodora Roman, "La chrono compétitivité. Un enjeu industriel majeur", în volumul *La competitivite des entreprises, des territoires et des Etats d'Europe. Consequences pour le developpement et la cohesion de l'UE*, Poznan, Polonia