

ROMANIAN CONSUMER: FROM THE COMMUNIST-ERA BRAND TO THE CAPITALIST-ERA BRAND

Abstract

Before 1989, the brands have known a limited and imposed development. Along with the transition to capitalism, these brands have also undergone a transaction in the property of other persons (either natural or legal). The desire of new owners to positioning communist brands on the capitalist market involved adapting to new market rules. In order the products be promoted, creative ideas that change the original image products have been proposed. There have been changes in the packaging, slogan or even name of the product. The attempts of rehabilitation and placement of brands in the new socio-economic context have shown that several features acquired by the product during the communist period contribute to the product pulse of life, and denying them would mean failure of the product.

Marketers have noticed some behavioral trends manifested in a capitalist economy by the consumer who in the past has experienced the communist regime. They talk about the existence of a nostalgic feeling of the people who lived in a communist regime. Such a nostalgic feeling makes the consumer to choose (from a wide variety of offers available for a category of products) particularly the product used during the communist era, due to the memories that are related to that product.

Demonstrating the influence of nostalgia on customers consumptional behavior provides an important resource that can be exploited by marketers in the product marketing strategies.

Key words: *communist-era brand, capitalist-era brand, nostalgic consumers*

1. Introduction

For Romanians, living under communism has meant a struggle for the conquest of tomorrow. Most times, people have had money but could not find in stores the needed products. Socialist economy means controlled prices: theoretically, each person affords a lot of things, but practically, the shelves are empty while huge queues (even for the basic food/goods) being part of everyday life.

With the fall of communism, the consumptional behavior of Romanian consumers has changed. The specialists' opinion on this subject differs a lot. Some marketing specialists consider that Romanians have a different consumptional behavior compared with other nations who have also been part of the communist bloc. In contrast to these nations, Romanians change their consumptional habits with difficulty and into a different direction. Romanian consumer reacts differently because, after the fall of communism, he has felt as being estranged. If other former communist countries such as Hungary or the Czech Republic have already gone over this stage, the Romanian consumer fails to overcome the stage where he still reveres the traditional values. Most of the Romanians dream of a "modern life, but with traditional values"⁴. Other marketing experts consider, on the contrary, that the Romanians show a post-revolutionary consumptional behavior very similar to the one of other former communist nations. As a result of the food penury in the last decades of the

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An. Inst.Cerc.Ec.,Gh. Zane", t. 20, i.II, Iași, 2011, p.171-177

⁴ Paul Garrison, „Romanian consumer behaviour is changed with difficulty and differently”, (2007), in *Front News*

<http://www.frontnews.ro/social-si-economic/companii/paul-garrison-comportamentul-consumatorului-roman-se-modifica-greu-si-in-mod-diferit-4042>], accessed in December 2010

communist regime when people have wasted hours standing in endless queues just to receive the food ration, since the downfall of Iron Curtain and establishment of the market economy people have begun to shop in abundance. Romanians have quickly learned the new way of buying: how and what to buy, where to buy, how to find in stores the product they need. In other words, they have learned the mechanism of consumption practices.

Consumption is not an important link of a chain only for the market economy, but it has been equally important in the communist era, being a unit of comparison between the developed and less developed countries.

Both communism and consumption society have produced serious changes in the mentality and behavior of Romanians. In both situations there are formal and informal pressures to comply with certain rules: in communism one has to comply with the political rules while in consumption society one has to comply with the rules dictated by marketing strategies. Hence one may see that the exaggerations on consumption are induced by the manufacturers and not by individual consumers. The first ones mentioned above are generating real life styles, based on their products. This strategy increases their chances of survival on the market, to the prejudice of those who are promoting only the quality of the products themselves.

As for the “consumption of the brand” in Romania, Liviu Chelsea speaks about the existence of two types of followers for the cult of brands⁵:

1. those coming from unfavourable environments who are living in less or more poverty, but at the same time, with an intensive television consumption, and
2. the rich ones, with exaggerated egos and who give great importance to appearance/visibility.

The need to move up the social status ladder has been met through the contribution of producers: buying products from *brands* that the consumers cannot easily afford solves this problem superficially, through the promise of experimentalizing positive feelings made by manufacturers once they deliver the products. This behavior is typical not only Romania, but is rather general, being present also in developed countries. As stated by Jean Baudrillard: “because of crediting, consumption precedes the production of goods”⁶. In other words, “credit precedes production”.

2. From brand advertising in communism to brand advertising in capitalism

Advertising plays the role of an industry with strong influence on the social environment, leading to serious changes in the society. Through advertising people are provided with suggestions that cause new behaviors and stereotyped attitudes. People no longer use the product, but they have gone so far as to identify themselves with it, copying its personality. Because the historical past is a common one, it provides advertising industry with the formulas applicable to the entire population, creating coincidences to solidify in the minds of consumers the promoted attributes of the product and to justify the transfer of image.

Collective experiences of the population, reminded through the mechanisms of collective memory and explained by nostalgia, have led to the identification of a powerful marketing tool, namely: communist symbols that have been adapted to the capitalist content texture. As mentioned in the chapter above (influences of nostalgia in marketing), the transition to a capitalist society has led to the selection of only those positive pre-revolutionary experiences, the negative ones being improved. Thus, “for the advertisement to be effective, and implicitly,

⁵ Liviu Chelsea, „Shortage economy experience, the best card of Romanians in full-blown of financial crisis”, (2008), in *Front News*, <http://www.frontnews.ro/social-si-economic/eveniment/liviu-chelcea-experienta-economiei-de-penurie-din-comunism-atuul-romanilor-in-plina-criza-financiara-17446>], accessed in January 2010

⁶ Kendall, Diana, *Sociology in our times*, Sixth Edition, Thomson Wadsworth, 2007, p. 31

the product to become a marketable product, remanence of Stalinism images requires an artifact of positivity, of commercial optimism”⁷

A significant example is the attempt to change the name of the car “Olcit”, made in Craiova. Manufacturing the car under the name of Oltena (only for a short period of time) has not resulted in repositioning of the product but in cessation of production, very shortly after the change.

For the brands that want only to resist on the capitalist market, in a first phase, continuity is the key. For those that want an advantageous repositioning in the context of the market economy, continuity involves also integration of an inventive strategy of promoting. “Accommodated to the common subconscious, communism (carefully weighed) sells informal emotions, supplemented with creativity and humor. The originality of ad slogans appeals to the nostalgia of elderly people and, equally, to the curiosity of naïve young people”⁸. Exploitation of personal and historical nostalgias are cited here as an argument for the repositioning of communism products.

The Campaign for ROM Chocolate, led by McCann Erickson, is addressed to those who have consumed the product since the times of pre-revolution, but it also aims the young audiences, by promoting “great thrills”. Communist clichés are easily refined and sold to contemporary society: Ceausescu is posted during a working visit, adopting the Party’s position in the spirit of the times: “we do not tolerate mini-skirts”⁹.

The major difference between communist advertising and capitalist advertising is that “in communism, advertising does not exceed the stage of propaganda”¹⁰, while in capitalism, a product become marketable when its attributes are associated with a story, relying on emotions. Let’s take the example of Dacia, a car that is addressed to the general public: initially, the advertise has strictly aimed car attributes; but since the launch of Dacia Logan, they have started to promote an emotional attribute, namely the tradition which “will go on”¹¹

“Imposed by a market that could not know other alternatives, Stalinism brands are forced to adapt. The strategies of advertisers cosmetize such brands, while buyers nostalgia facilitates their marketing. Thus, Romanian communism is changed into a fashionable symbol, carefully consumed by the capitalist market”¹²

3. Advertising pattern during communism

In pre-revolutionary period, ads seem to be passed through a template. As said above, the main purpose of these advertisements is not to promote the product itself but especially the communist propaganda. Depending on the Party's economic policy, certain products or even brands of products promoted through advertising have been imposed to people.

A very good example in this respect is the advertisement to the Japanese ocean fish. Because of an excess of import ocean fish products, justified by a trade agreement concluded by Romania with Japan, posters like “no meal without Ocean Fish” have been scattered throughout the cities.

⁷ Enache, Gabriel Ion, „*Market Communism*”, in 22 - The Magazine of the Group for Social Dialog, 2006 <http://www.revista22.ro/comunismul-de-piata-2966.html>], accessed in February 2011

⁸ idem

⁹ Quoted passage from ROM Chocolate advertisement, Advertising Campaign in 2006.

¹⁰ Domenach, Jean-Marie, *Political Propaganda*, European Institute, Iași, 2004, p.84.

¹¹ Quoted passage from Dacia Logan advertisement, Launching Advertising Campaign in 2004

¹² Enache, Gabriel Ion, „*Market Communism*”, in 22 - The Magazine of the Group for Social Dialog, 2006 <http://www.revista22.ro/comunismul-de-piata-2966.html>], accessed in February 2011



Ocean Fish Ads

The fact that the products promoted through such propaganda are so price-accessible and easy to find in stores in a time when food and goods are obtained with difficulty, this action has been perceived by consumers as the expression of sincerity of the Party towards them. If nowadays the products promise to provide experiences beyond the specific attributes, failing often to keep their promise, in those days the products have been promoted with their actual features and attributes.

The Savings Bank (CEC) is the only banking institution from the communism period allowed to conduct financial businesses. Although alone, promotion of the institution is made intensely.



CEC Ads

Pre-revolutionary ads appear frequently on the covers of notebooks, or in almanacs, on the street posters and even in the brief broadcast television program. Though TV ads last long enough, it has never been a concern for the producers since all the institutions are owned by the State, which is the only buyer and seller of advertising space.

Towards the end of the communist period, in the desire to circumvent the foreign debt, the economic shortage has deepened. Nothing that can be reused is wasted. Thus, these messages considered nowadays as ecological have their roots early in communism. However, such ads are only a part of the communist policy propaganda. Likewise, the products and services are promoted in ads that emphasize the development and economic prosperity, achieved only through work.



Advertisement: "Recycling, Recovery, Reuse"

A study presented in May 2011 at EMAC Conference in Ljubljana shows that choice between *retro-brands* and *recent-brands* is not made by consumers based on concepts or feelings of nostalgia. Moreover, nostalgia may not be, by itself, the main element in the *brand* communication strategy [Cattaneo, E., 2011]. Tangible attributes of *retro* products and their improved functions are rather those that lead consumers to buy them, in the detriment of new sorts. These are the aspects that a communication campaign should emphasize, because they are easy to be associated to the *brand*, causing the cognitive prominence that turns into a purchase intention.

A particular representation of the social memory is nostalgia for an ended historical period. In recent years, researchers have paid greater attention to nostalgia for the communist regime, manifested in Eastern Europe: *ostalgie* (meaning "Eastern nostalgia"). Due to the large geographical area where implications of this concept can be found, one speaks even about the phenomenon of *ostalgie*.

Ostalgie owns particularities in each State which has experienced the communist regime. Therefore, the main question arising in terms of this phenomenon is the following: "is *ostalgie* a manifestation of the totalitarian thinking, a rejection of democracy or, on the contrary, an innocent reference to a past which being irreversible cannot be a danger?"¹³. There are several attitudes towards this phenomenon:

- some researchers claim that *ostalgie* has negative connotations and leads to frustration and puzzlement among people who want to understand the nature of the communist system and to justify the victims of the regime;
- others believe that nostalgia is a natural human experience, and *ostalgie* is not a nostalgia for the regime itself but for the time experienced by each of them at that point in history.

At consumption level, *ostalgie* argues that young people who have experienced the communist regime, becoming adults in the capitalist society, prefer the products from the totalitarian regime due to the feelings of nostalgia for their youth: the smells, tastes, sensations.

In the nowadays society one talks about a "*generation of the revolution*". Common features of membership are: the key with string tied around the neck (not to be lost when playing games around the block of flats) and the products of a beautiful and carefree childhood: Eugenia biscuits (the name became generic), Pitic chocolate, Brifcor and Ci-Co juices, Turbo chewing gum, Pegas bike, etc. Now, after more than twenty-one years after the fall of communism in Romania, these *children of the revolution* are today the main target group for marketers, for two reasons:

1. their income and expenditure are the highest;
2. they have long-term retention potential.

Taking into account these arguments, many of the products published before 1989 are trying to reposition, and those who have already failed are attempting to re-enter the market.

¹³ Negură, Lilian „*Ostalgie, the memory and social representations. Moldova Republic Case*”, in Neculau, Adrian and Sirota, André, „Sequestered Individuals and Societies”, Ed. Universității Al. I. Cuza, Iași, 2010, p.56

4. Conclusions

It is clear that pre-revolutionary products are still stirring up emotions and memories to many Romanians, but it is not certain that we can talk about an attachment that gives birth to devotion towards these products. According to Stephen Liute, *Strategy Director* at Grapefruit, “we are not extremely bind to native brands. And, this is because before revolution, the social and political system has thrust on everything. The system being the one that knows better your needs, giving you no chance of choice. Most often (in fact, in the 80`s), the Party has left you not a bit, nothing. And then, after revolution the Romanians have burst out, looking desperately after abroad *brands*. And yet this outburst not over”¹⁴

If during the communist period, these products are ubiquitous in the lives of Romanians, the revolution throws them away along with the economic system that has created them. But market economy based on consumption, brings to light a powerful competitive advantage of these products: even after more than twenty-one years since the fall of the totalitarian regime, they have a name known by most of the Romanians. And for this name, companies show a real interest. You can not build a strong *brand* without a well-known name. The value of a *brand* is given by the degree of awareness, image and preference for that *brand* manifested among consumers.

We cannot ignore that pre-revolutionary products have some disadvantages caused by the negative associations made between them and historical realities. These are not easy to remove and their removal is not a cheap process at all, but removing or replacing the disadvantages with advantages is essential in the competition of these *brands* with their Western rivals exposed for sale on the shelves of the stores.

If we do not properly manage and fructify the advantage of notoriety among consumers, this will not render the expected results. Notoriety adds a “plus” for manufacturers, - it transforms individuals from ordinary consumers into loyal consumer, meaning that they will buy the product repeatedly and they will prefer the product instead of similar products - but notoriety cannot reach the objectives by itself. Only if we attach to notoriety also a profound exercise in marketing, customer retention can be acquired. We can get savings when repositioning on the market a communist brand if managers have the ability to transform the historical significance of the product into a generator of interest and commitment of the customer towards the product concerned.

Besides the negative associations that pre-revolutionary products have inherited, there is another major disadvantage of them: being born in a regime in which differentiation is punished, these products are free of personality and unilaterally. These products are purchased due to the lack of alternatives, requiring no promotion. In any case, consumers have been aware of the primary attributes of products, whether positive or negative, because they purchase them repeatedly and consistently. Therefore, for repositioning them on the capitalist market, it has been necessary to associate to these products secondary attributes, intangible and abstract, hence resulting their repositioning as *brands*.

Acknowledgements

This work has been co-financed by the European Social Fund, through the Operational Programme for Human Resources Development for the Period 2007-2013, Project number: POSDRU/1.5/S/59184 “Performance and Excellence in Postdoctoral Research in Romanian Economics Sciences”.

¹⁴ Răileanu, Sabrina (2009), „Comunist Brand. But I treat myself”, in *Money* [http://www.money.ro/brand-comunist-dar-ma-tratez_458341.html], accessed in February 2011

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