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BUILDING BRAND AWARENESS IN THE MEDICAL TRAVEL MARKET

APOSTU Iulia-Maria

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Abstract: *The research work has as objective to determine the factors that contribute to the construction of the e-Reputation of a medical tourism business. The research tries to propose to medical facilitators methods and in particular Web marketing strategies, to help improve the ergonomics and the effectiveness of their web sites in order to meet the expectations of potential patients (medical tourists). The first part of the thesis exposes fundamental theories on medical tourism, its history and the issues it represents, the segmentation of the world market and the flow of patients to different destinations, the role of the medical facilitator in the patient experience, the internet and e-Reputation. The second part is based on a research with a twofold objective: on the one hand determining the motivations of medical tourists and the information they need in order to be reassured to seek treatment abroad. On the other hand, to determine which is the best approach used by the medical facilitators to meet the needs of these tourists and understand how they can build their image on the Internet (e-Reputation). The results of the analysis will help formulate marketing messages to meet the needs of the new patterns of medical tourists, who are now Internet users.*

Key words: medical tourism, e-reputation, brand, motivation, medical facilitator

JEL classification: M31 Marketing

1. Introduction

With the growing trend of travelling outside the country to have access to medical services, often referred to as "medical tourism", medical facilitators are faced to challenges, as the problem of attracting foreign patients who seek treatment in the destinations that they promote. Marketing has the key role to convince and get patients to trust the foreign healthcare systems and hospitals. The internet is now the main source of tourist information and medical facilitators realized the key role they play in their activity. With the growth of the power of the Internet, I find that knowing how to manage its reputation on the internet is extremely important, especially when talking about the fragile medical tourism activity.

Medical tourism, defined as the fact of leaving his main residence (country of origin) for the main reason of being treated, is not a new phenomenon; it exists since Antiquity, when it was linked to the quality of the thermal waters: the pilgrims were travelling around Greece to take advantage of the virtues of the thermal waters. Today, the growth of medical tourism is not anymore bound to spas, but to differences in cost of care depending on the country and the length of the waiting lists for some interventions¹.

Before, only the richest people in the world, anxious to receive the best care, had the luxury to be treated away from their homes. Today, this form of medical tourism is about to be supplanted by another, which pushes patients with little money to seek good care abroad that is cheaper than in their own country². This raises the question on migration flows of patients, because with the globalization and the standardization of the rules in the European Union, we observe today reciprocal changes between North and South, on one hand and West - East flows, on the other hand. At the global level, the medical tourism market is organized by country segmentation: Hungary, Poland and Romania are champions in dental surgery, while India specializes in heart surgery and Thailand in cosmetic surgery.

With the growth of Internet use, it is likely that the phenomenon of medical tourism is just at its beginnings. This type of approach will become more and more natural: patients who are looking for care are consumers increasingly accustomed, via the Internet, to have an eye on the world and go where the offer is attractive. It is to this cause that the professionals from the world of medical tourism should be brought to think about how to create and manage their image/reputation on the Internet, how to position themselves to meet the challenges that these new behaviors will raise.

¹ Tourisme médical, Cahier Espaces n° 106, Septembre 2010

² Nicolas Brun, Xavier Deau et Jean-Luc Roffé, « Tourisme médical : la médecine low cost », Médecins. Magazine de l'Ordre national des médecins, 2008.

2. Literature review

Medical tourism has experienced several definitions, but the easiest is "the process to leave their country of residence for treatment elsewhere (in a foreign country)". Medical tourism does not refer to the fact that someone needs emergency care when abroad, because the key is the intention: the patient must actually intend to go elsewhere for care. Engage in tourism activities such as the recovery in a hotel is part of the experience of medical tourism. Indeed, there is no consensus on the proposed definitions. Medical tourism refers to a multitude of health care, ranging from heavy surgery to wellness care, and even acts related to artificial procreation developed in some countries.

If we look at the literature of specialty, the authors used several forms to refer to tourists who travel to get treatment abroad. Loïck and William Menvielle use the term 'tourist-patient', a neologism they created, and which refers to a patient requiring surgery, more or less important, and eager to go abroad to receive care³.

Medical tourism is necessarily linked to the history of civilization with which it shares many points in common. Today there is more and more significant growth of this phenomenon, popularity explained by the increase in the cost of care in the industrialized countries, while that it is ridiculously low in the developing countries. This helps the healthcare to become competitive at the global level. In a second time, with the rapid increase of medical technologies, patients no longer have to fear of going to seek treatment abroad⁴. Thirdly, through medical tourism, patients from countries such as the United States, the Canada or the United Kingdom, where waiting lists are very long, can have access to healthcare immediately. Fourthly, the acceleration and the democratization of the means of communication allow clinics to market their offerings outside their country of residence, through their web sites.

However, the field of medical tourism is increasingly becoming a subject to examination and debate, because of concerns about ethical and regulatory issues or general health issues. If we think that for years, medical systems, like that of India, were perceived by Westerners as inadequate, now things have changed and India is positioned as a specialist in heart surgery. Increasingly, patients are beginning to change their image about exotic destinations, such as Thailand (known for sex-change operations), Brazil (known for cosmetic surgery), and Bulgaria (known for dental care). However, ethical issues arise about fairness, if we think of the vast majority of citizens, who live in developing countries where medical tourism grows, who have generally not, themselves, access to the most „ordinary” care. For example, "India is now ready to heal the world, but the majority of its population remain at the rear of the queue⁵.

Today, there is a logic of specialization by countries or regions. Thus, we can identify throughout the world, different specific areas in South America, Eastern Europe, North Africa or South Africa and Southeast Asia. We can therefore speak of the so-called "**branding of the destination**": some countries on the world stage were distinguished from others by offering a specialized offer in surgery or healthcare. Then, countries of the Eastern Europe, such as Poland, Hungary, Romania or Czech Republic propose a variety of clinics and dental offices that offer very competitive services. "Belgium has other assets on hand, including a very competitive offer of retirement homes for elderly and dependent and home for autistic children, two rare foodstuffs including centers in our country. Spain attracts customers for dental care, offering - always in Alicante - poses of implants at lower rates at half of the price of those charged in France."⁶ Around the Mediterranean basin, Tunisia specializes in cosmetic surgery. Southeast Asia (and particularly India) will appear as a leader on the global market of medical tourism. Latin America turns to the surgery of comfort such as plastic, dental surgery or general care analyses and health check-ups.

Outside of the medical facility itself, the most usual provider of arrangements and accompanying support services is a new member of the tourism profession, called a "medical tourism facilitator" or

³ Loïck Menvielle et William Menvielle, « Le tourisme médical – une nouvelle façon de voyager », Téoros, vol. 29, 2010

⁴ Catherine Le Borgne, « Le tourisme médical : une nouvelle façon de se soigner », Les Tribunes de la Santé, 15(2), 2007

⁵ John Connell, « Medical tourism : Sea, sun, sand and ... surgery », Tourism Management 27 (2006), 1093-1100

⁶ Catherine Le Borgne, « Le tourisme médical : une nouvelle façon de se soigner », Les Tribunes de la santé, 15(2), pp. 47-53, 2007

“medical tourism facilitator”. This facilitator may be located in either the traveler's home country or the host country, and firms offering these services have arisen across the globe⁷.

In order for the medical tourism industry to flourish, the international promotion of its services is needed. Marketing materials, such as websites or brochures, inform patients about potential tourism opportunities or treatment options. Facilitators / medical tourism agents in the countries of origin of the patients, in countries of destination and in third countries are doing the promotion. These agents often specialize exclusively in medical tourism and help patients interested in selecting hospitals abroad, visa applications and other documents, and sometimes also with the organization of the follow-up care at home. Normally, these agencies work with websites, which are translated into several languages (depending on the audience they address) and suggest the presence of a staff member speaking the language of the patient during care in the host country. There are specialized operators who offer luxury packages and special care at attractive prices. They position themselves as advisors and not as health travel agents: they help customers find the best health care according to their needs and requirements, with "all inclusive" packages⁸.

The main role of a medical facilitator is to provide the customer a very positive medical trip experience.

William and Loïck Menvielle conducted a study⁹ of 235 websites specializing in medical tourism having as purpose the evaluation of business strategies used by clinics and medical facilitators. They offer “all inclusive” packages (surgery and holidays) to their customers. The findings of the researcher, the vast majority of identified websites offer an ergonomic interface, facilitating the identification and navigation. “In 84% of cases, the sites provide general information about the services offered by the institution. A small lot (8%) even shows television reports. Nearly three quarters of the sites offer a platform of expression to customers, by heading comments and complaints. A large proportion of sites also provide Internet users with tools to communicate with the service provider. Some companies also offer free discussion sites to tourists-patients.” They also found that some clinics compare their prices to those offered elsewhere in the world and make promotional discounts. About half of the analyzed clinical sites display pictures inside or outside of the institution or photos with the medical team. They found that the specifics of the hotel infrastructure are less presented on websites, because clinics emphasize more on the medical aspect of their services. The authors also recommend that medical tourism companies must develop websites culturally appropriate Internet, “which would be an improvement track interesting from a marketing perspective”.

3. Empirical study: the exploration of the services offered by medical facilitators platforms and how they built their image on internet

3.1. Aims

The research tries to offer to medical facilitators methods and in particular Web marketing strategies to help improve the usability and effectiveness of their websites in order to meet the expectations of potential patients (medical tourists). The study has two objectives:

a – on one hand to determine the motivations of medical tourists and information they need to be reassured to seek treatment abroad

b – on the other hand to determine what is the best approach used by medical facilitators to meet the needs of tourists and how they can build their image on the Internet (e-reputation).

3.2. Hypothesis

The internet plays a central role in the business of the medical facilitators, as it has become the primary source of information. Potential patients are now users who not only seek information on the Internet, but also influence the image of the company. Doing marketing for the international patient, in the world of medical tourism is not obvious. Find how to manage the reputation of a brand to convince patients to seek treatment in another country, and without being too oppressive, is essential. Potential

⁷ Dan Cormany, Seyhmus Baloglu, « Medical travel facilitator websites : An exploratory study of web page contents and services offered to the prospective medical tourist » *Tourism Management* 32 (2011) 709-716

⁸ Medical Tourism Association, « Workbook : Certified Medical Tourism Professional »

⁹ « Se faire soigner à l'étranger : le Web au service du tourisme médical », Université du Québec à Trois-Rivières.

customers (medical tourists) need to be reassured to trust medical facilitators to organize their medical stay abroad. They will want to find interactive web sites, secure platforms and patient testimonials.

3.3. Methodology

3.3.1. Quantitative analysis

Initially, we have chosen to undertake a quantitative analysis. The main instrument for this research will be a survey addressed to a personal target. According to Malhotra, there are four major methods of applying a questionnaire: the telephone survey, face to face, by mail or Internet. We can collect data over the Internet by two different directions: by e-mail or using a Web site. Because the method of the attached questionnaire to an email underlies for vulnerabilities regarding the diffusion process and the return rate of the survey, we selected the administration of the questionnaire on a website. We used an online form designed with Google Docs. A sample consisting of a personal target was chosen because this is the way to get quick answers. The questionnaire includes questions about the motivations of medical tourists to seek treatment abroad and the information they need to trust the medical tourism. Most responses will be codified and measured by Likert scales.

3.3.2. Qualitative analysis

Secondly, the qualitative study will be conducted toward professionals and experts in the sector of medical travel. Thus, we prepared interviews with medical facilitators. We were able to get interviews with a French medical facilitator and a Romanian one. The qualitative study's role is to deepen our knowledge on the issues of medical tourism activity and its online presence. The interview guide used to conduct this exploratory phase of the study was structured around six main steps: - The introductory phase is intended to assess the perception of medical tourism company on the medical system of the country where it operates and also the positioning it wants to promote about its customers; - The second phase is the company's reputation management - Thirdly, we discussed the online presence of the company of medical tourism - The fourth phase is dedicated to the role of the community manager in the company of medical tourism - The fifth phase evokes the online community - Finally, the last part is intended to ethics and social responsibility in medical tourism sector.

3.4. The query stage

Most respondents live in Romania (52%) and France (34%) and 5% are Dutch. The others live in Austria, Pakistan, United Arab Emirates or in Nepal.

Regarding the age of the respondents, 42% are between 25 and 39 years and another large category were under age 25 (32%). 60% of respondents were women and 40% men.

We consider that the answers are relevant, because 49% of those interviewed said they have already thought about traveling abroad for medical care. For those who have not yet thought about medical tourism actions must be taken to educate and persuade them.

Initially, we studied the factors for which people will want to choose a country as a destination for medical tourism. When it comes to motivation, a Likert scale was used to analyze the results. The data was then analyzed and aggregated around the overall average. The factor with the highest average is the professionalism of the doctors and dentists (4.88), followed by the quality of clinics and hospitals (4.73). The factors with the lowest average are "similar cultures and beliefs" (with 2.62), the availability of flights (3.49) and customized accommodation (3.55). That is to say, people seek qualitative medical services, and they are even willing to travel to remote locations, without the same culture or without the availability of flights or tailor-made accommodation. At first it was thought that waiting lists were also a deciding factor for some people. But that factor has obtained a relatively low average (3.99), demonstrating that the interviewees do not necessarily seek to have immediate access to care. This is perhaps related to the culture of the respondents.

Regarding the organization of the medical travel, 61% of respondents said they would organize it themselves, directly with the clinic and the hotel, and 34% said they would appeal to a tourist agency medical to look after. Only 2 people (Romanians) responded that their employer will probably organize the medical trip, a fact that is supported by the nationality of the respondents (the self-funded companies are more common in the US).

All the factors that count in the relationship between people and medical tourism agency obtained a high average (over 4). The professionalism of the staff (4.66) and understanding of staff to their needs are the most important (4.65) for future patients. So, medical facilitators must be all the time listening to their patients, to reassure them and show that they are professionals and that the safety of their patients is the most important. The treatment of all issues, communication, and responsiveness to questions also

received a very high average. On the other side, the technology they use to connect patients and doctors scored the lowest average: 5% of respondents said that this factor is not at all important or not important, while 18% gave a neutral importance to this factor.

The respondents consider that the most important factor in deciding to seek care abroad is that their treatment is only available abroad. They could also choose it because of the existing nosocomial infections in hospitals in their countries. The long waiting lists are also a factor which may contribute to the decision of medical treatment abroad. The least important factors influencing respondents to seek care abroad is that they wish to have treatment without their families knowing it (74% of respondents said that this factor is not important) and the association of treatment with holidays (only 16% of respondents concluded that this factor is important).

We considered some important factors that influence the choice of the medical facilitator, hospital, clinic, doctor or dentist abroad and we asked respondents to indicate the importance of each factor. Thus, it was found that people choose their doctor abroad because of his professionalism and his reputation (it is the factor with the largest average - 4.84). It is considered that medical facilitators should emphasize the quality of the doctors, their biographies, and their experience. The quality of health facilities received the second highest average (4.78), as well as certification of the clinic/hospital (4.44). Medical facilitators must educate prospective patients on this aspect too. The website of the medical facilitator, reviews and comments on the internet and the ability of people to speak the patient's language got the lowest average. Which is explained by the fact that only 34% of respondents said they will contact a medical tourism agency to arrange their medical trip abroad.

There are 61% who will recommend to a friend or someone in the family to seek treatment abroad. But this score is not important enough, relative to the fact that only 21% consider that the recommendation of a friend is very important.

The channels the most used to obtain information on medical tourism are the Internet and friends/relatives of the family. 66% of respondents reported that the channel they use the most often is the Internet. Therefore, medical facilitators must be present on the internet and not only manage a website. They must be attentive to their potential patients, communicate and educate them on the benefits of medical tourism, quality of care and professionalism of doctors. They must facilitate social networking and answer any question/need of the potential patient.

35% of respondents are more reassured if medical facilitators have accreditations and 29% of respondents need testimonies of patients to trust medical tourism facilitator. Other 21% need prior experience to trust in medical tourism, which means that medical facilitators should maintain a close relationship with the medical tourist, even if his medical experience is over.

The overall quality of the services offered by the medical facilitator is the most important factor that generates a good image of the company. As seen before, accreditations obtained by the company are also important from the potential patient's perspective. The third most important factor is communication and interaction on social networks, a fact which confirms again our hypothesis.

3.5. The interview stage

We interviewed two professionals from the medical tourism world: a French medical facilitator and a Romanian one. The purpose of these interviews is to determine the role that Internet plays in their business. We chose the same questions for both actors, because I would like to review responses from the cultural point of view too.

The interviews were structured into 6 different themes:

- The company's image
- Corporate reputation
- Internet presence
- The community manager and its role in a medical tourism company
- Online community
- Ethics and social responsibility

Results of the interviews

The two actors do not have quite the same activity. Surgery France is a medical facilitator, who handles flows of patients who come to France for surgery or their medical treatment (INBOUND Medical Tourism). As for Bbook, they are a business travel agency, which also deal with flows of tourists that go abroad (OUTBOUND) but also flows of incoming tourists (INBOUND).

Both players would like to position themselves as partners of trust, representing medical excellence. The quality, accessibility, transparency, confidentiality and accountability are the major points promoted by the two professionals.

The 2 companies differentiate from their competitors because they are among the only companies that offer medical tourism services in their countries. As for France Surgery, they are the only ones who represent so many clinics; they know very well the French healthcare system, because they have personal relationships with French surgeons, enabling them to generate greater trust. Bbook realized the extent of medical tourism in the world and especially the importance that medical tourism could have for Romanian tourists. The healthcare system in Romania is still not reformed. In the recent years, there has been investment in the private system. Several private clinics that offer similar services to European standards have been built all over the Romanian territory. But the public healthcare system is still ill and patients have trouble trusting it.

When talking about reputation, the two actors interact differently. Although both want to deploy a high end reputation, France Surgery uses a different argument in B2B from that of B2C. As they seek to deploy B2B partnerships with structures that will have the same communication strategy and the same quality level as them. They use social networks to the destination of patients to reassure them, to guide them step by step in order to have a process which is consistent with their image, but also to the destination of partners to provide the tools to better sell their services to maintain the reputation. On the other hand, Bbook doesn't think the reputation management must be done differently in the B2B than in B2C. Ways to control their reputation would be: the way they respond to all complaints, the customer feedback.

Both actors recognize the importance of the Web in their business. As both of them are small structures, the Internet easily allows them to have a larger presence in the world that can touch many customers, that is very economically in time and budget. The priority is to be present on all social networks and all the forums that can be interesting for them.

France Surgery and Bbook think to dedicate someone from their team to community management. The two believe that the key role of a community manager is to be present on all the social networks, to interfere and participate in conversations. Bbook highlights the creation of content for social networks by the community manager (his EDITORIAL ability), as France Surgery highlights its adaptability to change, to the new tools and to be always on the lookout for what will be new either in terms of tools or in terms of communities. A community manager is someone who will help develop the brand visibility on the Internet. It will have to develop strategies and goals for community. The two talked about the analytical capacity of the community manager and customer support (respond to comments, manage conflicting relations, to reverse the situation. Even if there are negative comments, somewhat aggressive, you have to get the situation at the company's benefit).

Regarding the patient approach, the 2 companies consider that the best way is to be advisors, not salespeople. The two believe in offering customized services for each client and this cannot be done unless the communication reflects the feeling advice, the presence, and the patient and not to force him to make a decision.

The 2 players see ethical questions a little different, thanks to their culture. France Surgery focuses on French professionalism and the quality of medical services (they do not want to be confused with a company that offers low cost medicine). Bbook thinks the biggest risk is the confidentiality of medical data, while in Romania data security is not always guaranteed. They also think that in terms of social responsibility, medical tourism offers many opportunities to increase online reputation through affiliation with various social causes.

4. Conclusions and Recommendations

The purpose of this research was to understand and analyze the factors that contribute to the construction of the e-reputation of a medical tourism company. The study was conducted by two main approaches: from the point of view of the final consumer and from the point of view of professionals (medical facilitators).

The study has two objectives:

a – on one hand to determine the motivations of medical tourists and information they need to be reassured to seek treatment abroad

b – on the other hand to determine what is the best approach used by medical facilitators to meet the needs of tourists and how they can build their image on the Internet (e-reputation).

The research has provided results that support this goal. Data analysis showed that the most important motivational factors to choose a country as a medical tourism destination refer to the quality of medical services (doctors professionalism, quality and reputation of the clinics and hospitals), and the respondents are willing to travel even in remote locations, without the same culture or without availability of flights or tailor-made accommodation. That is to say, to build their online reputation, medical facilitators must position on medical destinations promoting quality.

Regarding the relationship between the medical facilitator and people, staff professionalism and understanding of people's needs are the most important for future patients. So, medical facilitators must be all the time listening to their patients, to reassure them, to have a sense of relationship and communication, but without being too abusive.

The decision to seek treatment abroad is supported by the fact that medical treatment is only available abroad, the risk of nosocomial infections and too long waiting lists in the country of residence. This fact is supported by the country of residence of respondents, taking into account that 52% of respondents live in Romania.

The most important result that came out of the research is that the Internet is the most frequently used channel for people to learn about medical tourism. Therefore, medical facilitators must be present on all the digital communication channels and all the forums that may be interesting for communicating in both B2C as well as B2B. They must create a relationship of trust with their patients and maintain the relationship with the patient, even if his medical experience is over. Potential customers need testimonies of previous patients to trust the medical tourism facilitator and they are more reassured if medical facilitators possess accreditations.

Following the results of quantitative and qualitative analysis, we recommend to medical facilitators to adapt their websites to cultural particularities of internet users. In addition, integrate a secure platform that enables virtual consultation with patients will help patients to trust in the services offered by the medical facilitators. The website must have a user-friendly interface, easy navigation, so potential customers arrive more easily to the desired information.

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BUDGET AND TREASURY POST. ROMANIA VS. THE REPUBLIC OF MOLDOVA BUDGET

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Abstract: *In this paper I highlighted issues that capture the similarities and differences between the local budgets, the state budgets and the social insurance budgets of the capitals of the two countries, respectively the budgets of the two countries. I analyzed both structural and dynamic issues and decided that the best representation is achieved using graphs.*

Key words: local budgets, state budgets, social insurance budgets, comparison

1. Introduction

The budget is the proof that officials and staff are accountable for how they spend taxpayers' moneys (Lazăr, Inceu, 2004).

The modern conceptions of finance support the state interventionist conception which provides that the state must play an active role in the economic activity, influencing the economic processes or even prevent the crises or limit their negative effects (Macarie).

To see a plausible difference between the budgets of two states I have chosen two distinct developing countries, two twinned countries what however are distinguished by many aspects especially by local budget or state budget. The states concerned are represented by our country, Romania, and its neighbor over the Prut River, the Republic of Moldova. To be noticed is the difference of the form of government in these two countries, Romania being a semi-presidential republic, while Moldova representing a parliamentary republic, where the president has, with few exceptions, only symbolic functions.

The article is structured in three parts, debuting with the analysis of state budgets of the two countries, followed by the analysis of the capitals local budgets of the two states and finally the analysis of state social insurance budgets. I introduced a brief methodology, and finally a series of conclusion summarizing the main evolutionary trends of the analyzed budgets.

2. Methodology

To succeed the comparison of these budgets I used different techniques and methods of analysis, synthesis and computation. In order to realize graphs I used the comparative analyze and the structural indices, to generate an obvious difference between the budgets analyzed. I also appealed to the deduction, reasoning, classification, synthesis and calculation of the dynamics indices.

3. State budget analyze

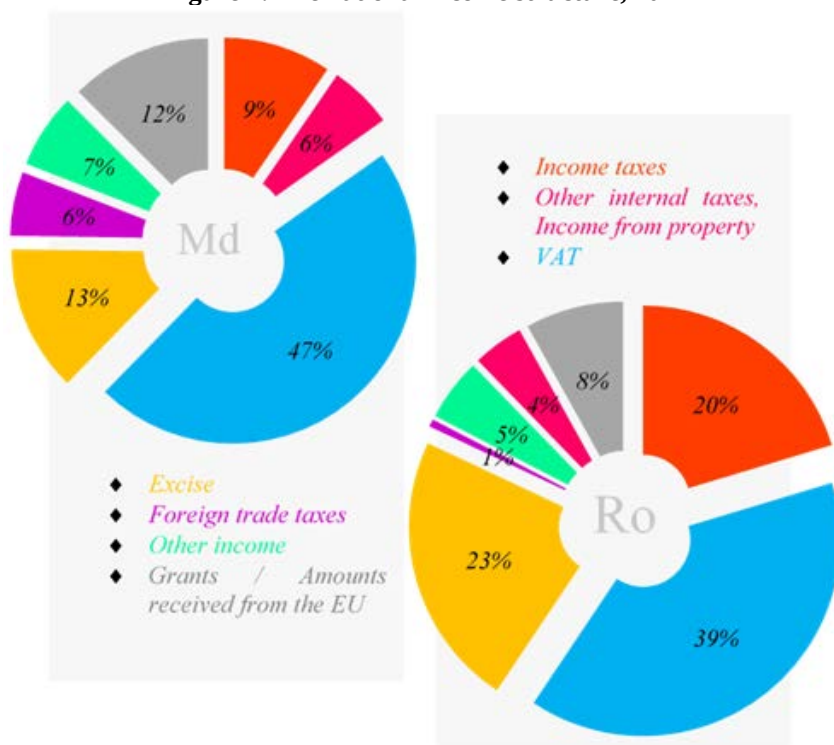
The state budget provides and authorizes, in legislation form, the state spending and resources (Talpoș, 1996). Next I will present both the structural and the dynamic analysis.

3.1. Structural analyze

To achieve the comparison between the state budgets of the two countries I have decided to analyze their structure in 2014.

Romania budget income is about three times higher than the neighboring country, i.e. 100,932,274 lei, while the Moldova one is 27,570,005.1 MDL. For noticed is that the MDL is about four times less than the Romanian leu. The main sources of the state budget, and their proportions can be seen in the following charts.

Figure 1: The national income structure, 2014

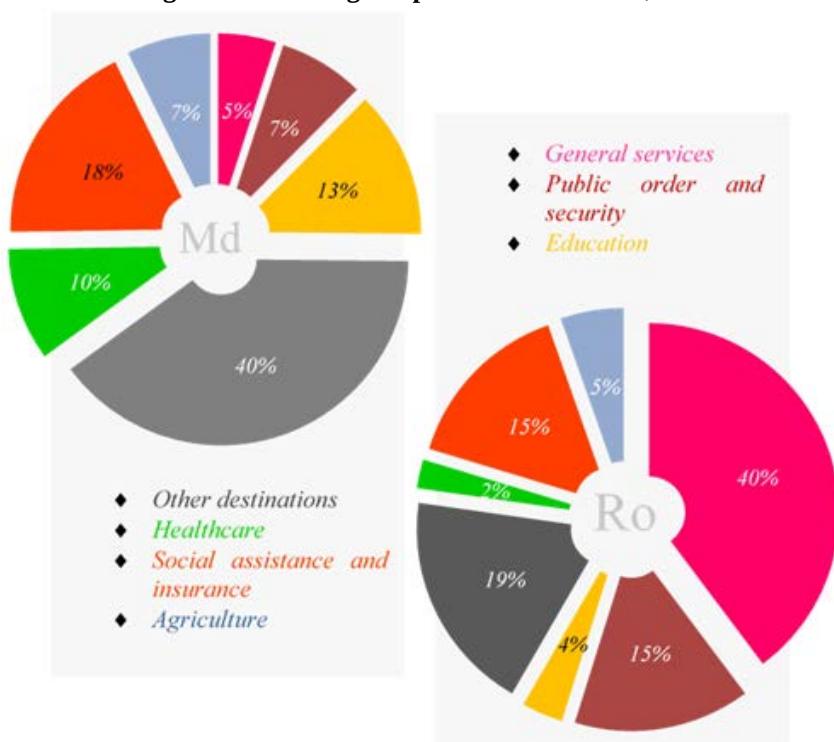


Source: own calculation

We can see that the revenue from VAT keeps an approximately equal proportion in both countries in 2014 (47% in Moldova and 39% in Romania). Despite the fact that the proportion of income from this tax brought in Moldova is higher, standard rate of tax is only 20%, lower than in our country with 4 percentage points. The revenue from VAT is followed by the one from excise with a share of 23% in our country and 13% in Moldova. Noteworthy is the high level of illegal importation of excise goods in the neighboring country, a chronic problem of this country.

The main destinations of the state budget expenditures, and their proportions can be seen in the next graphs:

Figure 2: The budget expenditures structure, 2014



Source: own calculation

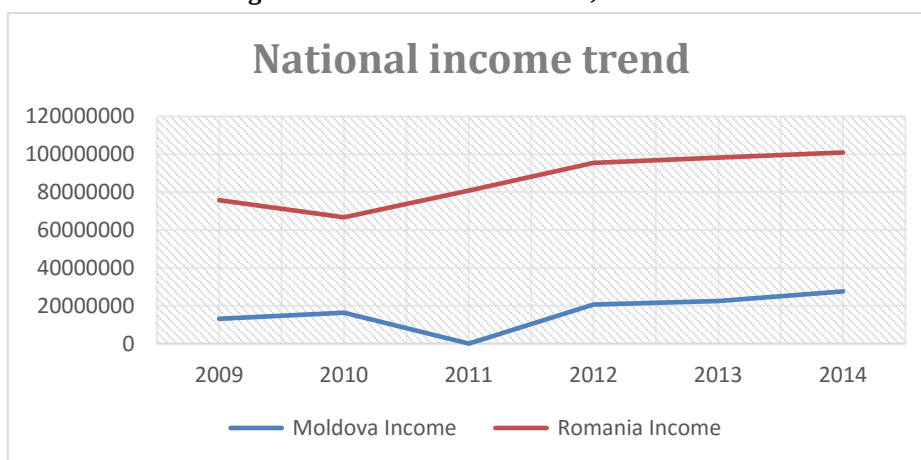
It can be seen a huge difference between the proportion of general purpose services expenses in our country and the neighboring country (5%, respectively 40%), expenses which are distributed, in our country, primary to interests, personnel expenditures and transfers to public and administrative institutions.

Also, a huge gap has is presented by the health and education spending proportion, which is 2-4% in our country and 10-13% in Moldova. Of course our country has had a series of problems related to this issue, which prevents a perpetual growth of living standards and education in Romania, taking into account that we are still a developing country.

3.2. Dynamic analyze on the last 6 years

To compare the dynamics of the budget in the last six years I compared the dynamics of the budget revenues, given the fact that the budget deficit decreased, but not significantly, I conclude that the spending rose by about the same proportion as income. I performed a comparative graph with the evolution of revenues in both countries:

Figure 3: National income trend, 2009-2014

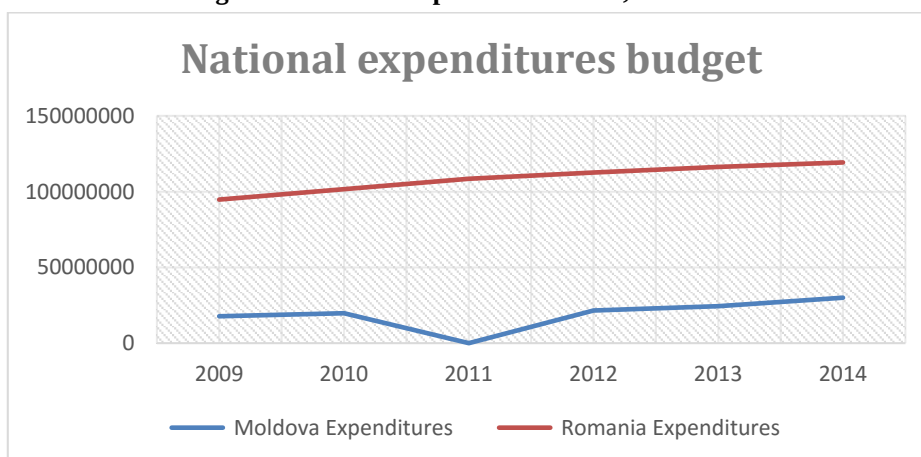


Source: own calculation

The graph shows a slight drop in revenue in the years 2010 and 2011, and after that a maintained upward trend, knowing the situation of both countries to be considered developing countries.

For a better comparison I decided to present a statement of expenditure and budget deficit (because in all these years there was no surplus in any country).

Figure 4: National expenditures trend, 2009-2014

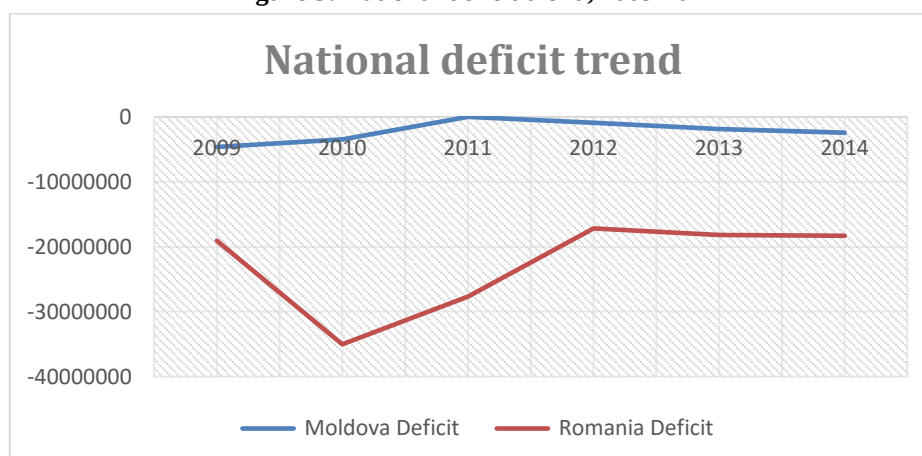


Source: own calculation

It shows a continued increase in spending for Romania, and a fluctuating trend in the Republic of Moldova, appreciating especially the regression in 2011, corresponding with decreased revenue in the same year.

Perhaps the most relevant indicator is the budget deficit and its evolution, so we decided its presentation in the following:

Figure 5: National deficit trend, 2009-2014



Source: own calculation

The public deficit appears as a budget situation, meaning an excess of expenses compared to revenue value.

An explanation of the effects cannot be done without identifying the link between deficiency and public debt. The budget deficit is a flow variable, while public debt is a stock variable. Whenever the end of the budget deficit facing the state, it requires funds for financing, thus affecting the public debt (Moldovan, Pavel, Hogye, 2010).

As you can observe Moldova's budget deficit is much smaller than Romania's one, both revenue and expenditure are proportionally lower. It shows a very large increase of deficit in 2010 in Romania, nearly 1.7 times, and a dramatic decrease until 2012, remaining at around 18% of total revenue.

Moldova deficit declines in 2011 and then rise slightly, maintaining a constant trend, reaching 8% in 2014, 10 percentage points lower than Romania.

Table 1: National budget situation, 2009-2014

	2009	2010	2011	2012	2013	2014
<i>Moldova's income</i>	13099881	16330790	19 048 822,6	20638188	22507827	27570005
<i>Moldova's expenditures</i>	17748362	19798248	20 315 715,0	21544188	24394797	30010943
<i>Moldova's deficit</i>	-4648481	-3467459	-1 266 892,4	-906000	-1886970	-2440938
<i>Romania's income</i>	75689755	66654311	80802121	95400730	98182530	100932274
<i>Romania's expenditures</i>	94767512	101678400	108481950	112575253	116359340	119254648
<i>Romania's deficit</i>	-19077757	-35024089	-27679829	-17174523	-18176810	-18322374

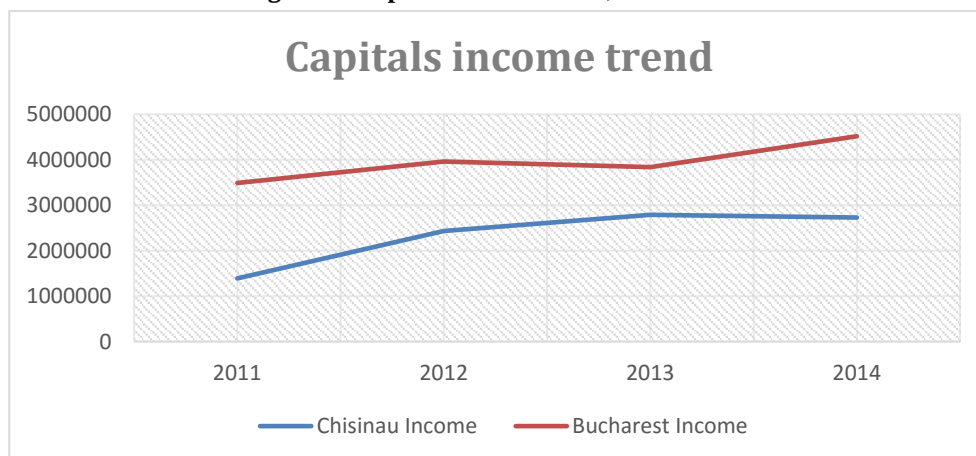
-thousand MLD or lei, after case-

4. Capitals local budget dynamic analyze

In local budget analysis of two cities in two different countries, I have considered most relevant to compare the dynamics of their capitals budget, despite the differences between population and industry developed.

So I compared the dynamics of the income, expenditure and deficit or surplus us, as follows:

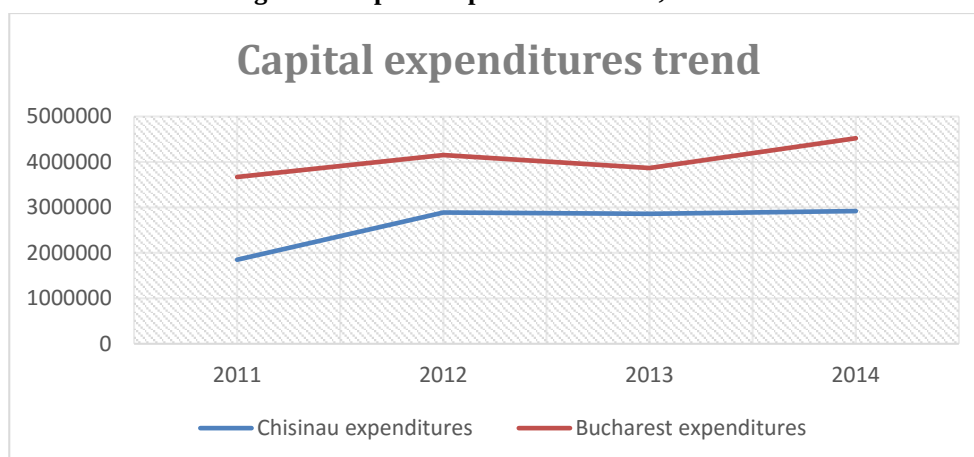
Figure 6: Capitals income trend, 2011-2014



Source: own calculation

It shows a continued increase of Bucharest local budget from 2011 to 2014, and an increase of almost 500% from 2011 to 2012 in Chisinau budget case.

Figure 7: Capitals expenditures trend, 2011-2014



Source: own calculation

We can note that spends oscillates about the same proportion as income. Small differences will be seen in the chart that follows, exemplifying the evolution in 2011-2014 of budget deficit in these two capitals:

Figure 8: Capitals deficit trend, 2011-2014



Source: own calculation

It is noticeable the increase of the budget deficit from 2011 until 2012 in Chisinau case, and the big difference between the deficit of the two cities, which are inversely proportional to the revenue of those cities.

Also, it seems that the target for 2014 of Bucharest city was to reach the 0% rate if the budget deficit, while the Chisinau has suffered an increase from 2013 until 2014.

Table 2: Capitals budget structure, 2011-2014

	2011	2012	2013	2014
Chişinău income	1390349	2433919	2790291	2729115
Chişinău expenditures	1848577	2885722	2858912	2919466
Chişinău deficit	-66000	-451803	-68620.5	-190351
Bucharest income	3490868	3962916	3837057	4519016
Bucharest expenditures	3669190	4149916	3865057	4519016
Bucharest deficit	-178322	-187000	-28000	0

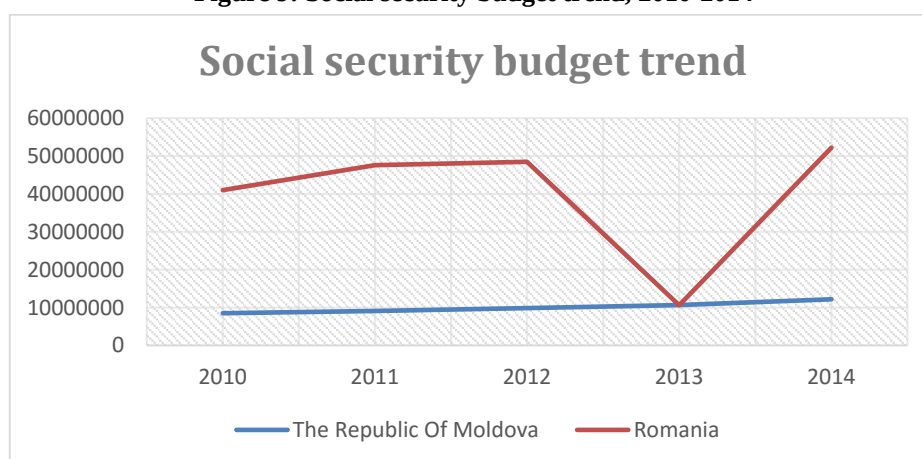
-thousand MLD or lei, after case-

5. Analyze of social security budget

These costs are support compensations, pensions, compensations for employed or non-employed persons (elderly, disabled, handicapped, unemployed, women, children and youth) (Macarie).

To analyze the social security budget I decided to rely on the analysis of the dynamics of this budget, noting the developments in the two countries budget and thus making a comparison.

Figure 9: Social security budget trend, 2010-2014



Source: own calculation

It is visible a dramatic decrease of these insurance budget in 2013, in Romania's case, from 48,460,900.00 to 10,631,793.10 thousand lei, decreasing with 80% and then a recovery that exceeds the budget collapse.

In the case of Moldova, this budget maintains a steady, but far lower trend than the corresponding course of our country, the highest level being reached in 2014, representing 12,192,372.50 thousand MDL.

Table 3: Social security budget structure, 2010-2014

	The Republic Of Moldova	Romania
2010	8492315.6	41005900
2011	9122778.7	47587100
2012	9881110.8	48460900
2013	10685789	10631793
2014	12192373	52200063

-thousand MLD or lei, after case-

6. Conclusion

Despite the fact that these two countries are intertwined, both the demographic and state development difference are generating the existence of a disagreement regarding the state budget, the local budget and state social insurance budget.

Also, the noticeable demographic difference between the two countries, namely their population, which is of 3,557,634 inhabitants in Moldova and approximately 7 times higher in Romania (i.e. 20,121,641 inhabitants) had a major impact on the differences of income and expense budgets of the countries concerned.

If structural analysis of the state budget it can be seen the discrepancy between the economic areas that are best financed in both countries (in percentage sense), Romania being ranked behind Moldova in education and health budgets, and being somewhere around 3% in our country and 11% in the neighboring country.

Also notice that the most important source of income in both countries is VAT, which provides about 43% of revenues (having among the highest rates in Europe, 20% and 24%), being followed by excise.

Dynamic analysis of the state budget highlights an increasing trend both in revenues and expenditures of both countries. Also, being more revealing, it also highlights a slightly ascending trend of the budget deficit.

The local budget deficits present a sudden increase in Chisinau case in 2012, and achieving a 0% deficit goal if Bucharest in 2014.

Outside of 2013, which represented a dramatic drop of state social insurance budget for Romania, the evolution of this budget is an upward trend in both situations.

Finally, it can be noticed the increasing trend of the budgets in both countries. An unfavorable difference is the destination of Romania funding, which is heading in much healthier directions in neighboring country (education and health sector).

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INFORMATICS SYSTEM FOR MEDIATION BETWEEN LAW FIRMS AND COMPANIES - A WEB PORTAL FOR TRACING, RECOVERING AND COLLECTING CIVIL AND COMMERCIAL CLAIMS FROM THE BAD PAYERS

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Abstract:

Economic and social activity has been subject to continuous improvements, imposing the use of the latest achievements of modern technology. The fundamental objectives of databases are centralization of data, integrity, independence among data, program security, creating and sharing links between data entities.

Recently, information systems show a rising impact on the society at both group and individual levels. Their continuous development and utilization determined specialists to attempt to identify appropriate solutions that facilitate the efficient use of information systems in all domains.

In order to improve the functionality of an entity, the ideal solution would be to create a database in ASP.NET using both SQL (Structured Query Language) and C# (C Sharp-Programming Language) languages, along with the standard markup language used to create web pages HTML (HyperText Markup Language). Design and use of such a database involves achieving a uniform collection of data, appropriately related, which are associated with real world issues. Through the use of this data a business can perform effectively and its objectives can be achieved with minimal effort.

SQL is the universal language for relational databases and is supported by almost all modern DBMS sites. Also, C# it is used for building specific programming languages (i.e. declaring types, definition of variables, etc.) as well as offering possibilities of modern data processing: data storage, special analysis of errors, masking information, etc.

Hence, we conclude that the use of a database using ASP.NET, SQL language and C# improves entity and its functionality.

Keywords: SQL, ASP.NET, Databases, C#, HTML

1. Introduction:

The marketplace is very dynamic and forces every company to react as fast as possible and to adjust their products to the actual market requirements. To enable this, one of the most important factors of development of an entity is represented by the underlying mode in managing and processing their information. An enterprise application is very valuable for the enterprise and it usually involves persistent data and many people accessing this data simultaneously. There is also a rich set of graphical user interfaces, allowing a convenient way to use it.

This application is based exclusively on web platform for all types of users: visitors, registered users and administrators. The portal content is manageable by the customer. One of the features of the portal is the facility to allow modification of content according to the needs and standards of the beneficiary.

We can say that the web portal is a central point for communication in companies and for sharing information with the public, customers or partners. By the services offered, information is accessible via the Internet from any location, is always up to date and available 24 hours a day, in a structured format, organized, unified and flexible. The access to information is controlled, depending on the rights granted by authentication with username and password.

2. Informational System. Informatics System.

The Informational System is one of the three essential components in the proper functioning of a company (Figure 1.1) .Its role is to collect, process and transmit information to decisional system and the operating system, as well as to other subsystems.

In order to distinguish between an Informational System and an Informatics System, we must perceive the notion of Informatics System as a part included in the Informational System, which is limited to collecting,

transmission and processing of information using automated means. After those steps are disseminated, the information is obtained by means of Information Technology (IT) and specialized personnel using automatic data processing.

Understanding the importance of an information system in an entity consists mainly of the actual recognition by all leaders and those involved in the management of an entity that it is essential to adapt to the globalized information society, as computer systems are becoming more and more a vital component of objectives of a business and its stability.

The purpose of computerization of an entity, regardless of its type, uses a specific set of resources, all equipment (hardware), system programs (software), software applications, operating system and database relates. All of the operations that take place within an organization will be realized within the organization that company work with qualified personnel.

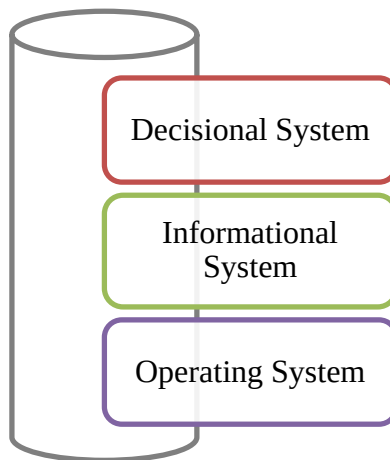


Figure 1: Essential components in the proper functioning of a company

3. Databases – General concepts

To define the concept of database, we should be thinking of a collection of related data stored in an organized manner, which refer to a particular object or subject specific real world along with the tools for handling such data. The data stored in the database actually represents entered values, which are static-meaning they remain unchanged unless there is a change manually or automatically on them. In order to be converted into information with a certain sense, we must remember that these data require processing to have "utility" for users. The information from processing, which can be performed in various ways, is dynamic as it keeps changing depending on how the database is modified.

A database must contain one or more tables representing its essential structures and always showing a specific topic such as employees, products etc. Moreover, the tables are made up of columns (fields) and records (rows). The values contained in the fields form the structure of the database tables and records containing information that forms its actual content. Overall performance of an application significantly increases by using a database that has the capacity to handle large volumes of complex information and makes it available to end users in a timely manner.

The design process of a database is guided by certain principles. The first principle is that redundant data (also called duplicate information) negatively influences as they consume space and increase the probability of errors. The second principle is the accuracy and completeness of the information. If the database contains

incorrect information, absolutely all reports that extract information from it will also contain information misleading. Consequently, any decision based on these reports will be inaccurate.

In practice most common type of database is a relational type, in which data is stored in tables. A relational database may contain, in addition to tables and indexes, stored procedures, triggers, users / groups of users, data types, etc. Other databases are hierarchical model and object-oriented model.

4. C# Programming Language

Appearing with .NET, C# represents a programming language which has as central object-oriented programming (OOP), providing an effective way to write programs for internet, software components, Windows etc. C# is derived from two of the most important programming languages available, namely C and C++ and is "related" to the Java language, which in turn is a descendant of the languages C and C++ but differs from C# through many important features. Like C++, C# language alphabet consists of large and small letters of the English alphabet, numbers and other characters. Its vocabulary is composed of identifiers, separators, expressions, delimiters and comments.

C# is a language designed for applications running on .NET Framework, simple language that combines the productivity of modern languages rapid application development with the power of C++ programming. As stated by Constantin Gălăţan and Susana Gălăţan, C# "offers full support for the development of software components, very necessary for instance in distributed environments"¹, and is also "not only object oriented but also oriented components."

On the other hand, C# provides necessary support internationalization, which allows writing applications that can be easily adapted without interfering with the software architecture to be used in different regions of the world where different languages are spoken. Also, using C# applications are written both for highly complex systems that function under a variety of operating systems and dedicated systems (embedded systems). Dedicated systems have a very broad area stretching from small devices such as mobile phones or digital watches, to stationary devices, such as traffic lights traffic.

Another very important feature of C# is that it automatically manages memory used, taking free memory used by objects that the application no longer needs. Thus, developers will no longer have to decide when is the time that the items should be destroyed, as they do in the case of C++.

Numerous C, C++ and Java programmers have migrated to C# because of the similarity of these languages, but mostly because of the new facilities made available in C#. Now, C# is attracting more and more followers, becoming one of the most popular programming languages around the world.

5. HyperText Markup Language – HTML

The term "generalized markup" appeared because of the need to structure the information, involving the use of labels to identify portions of information. It implies also the inclusion of information between the labels start or end labels, which enables nesting and structuring information in a hierarchical manner. Using marking, it makes information easier to process or software, as labels clearly define portions of information where they begin and where it ends.

Standard Generalized Markup Language (SGML - "Standard Generalized Markup Language") is the first attempt to define a generalized mark. This language defines how any markup language can be specified formal; resulting in that SGML is a meta-language.

Hypertext Markup Language (HTML - "Hypertext Markup Language") is an SGML application, its orientation is towards presenting text on a single page documents via markings and attributes, giving indications on their browsers to display and hierarchy information.

HTML is the markup language that dominates the Web. "With this language the following can be achieved: platform-independent documents, links to other documents and / or other Internet resources, inserts

¹ Constantin Gălăţan, Susana Gălăţan, *C# pentru liceu – Programare în Visual C# 2008 Express Edition*, Ed. L&S Infomat, Bucureşti, 2008, page 2

graphics, sound and video and a”²dialogue “between the reader and the respective application document.”. The concept of platform independence signifies that a document can be displayed similarly in different computers (so the fonts, graphics and colors), which is a must for such a different audience.

Using the web browser, namely specialized playback software, HTML provides the means by which a document can be recorded with various types of metadata and rendering hints. Metadata includes information about the title and author, about how the document is divided into different sections, paragraphs, hyperlinks (information enabling the document to be linked to other documents), etc. Playback indications ranging from minor text decorations, for example indicating that a word must be emphasized, to complex script files, forms and image maps.

6. Using CSS for formatting Web documents

For an HTML document, the concept of "style" is similar to the "formatting" of a document. In this case we can say that a "style" represents the value of some attributes from HTML, values that can be applied to a part or the whole document.

An advantage in using these styles is that it greatly reduces the effort to bring changes to the layout or arrangement of page elements, making effective management styles available to developers of web pages. Language known as Cascading Style Sheets (CSS). With its help spacing between paragraphs, fonts, columns sizes and arrangement, background, images or dyes, and a variety of visual effects can be controlled.

Thus, we conclude that the language of CSS is to expand the functionality of HTML, layout of the document as a whole or certain parts of which are individually controlled much easier. However, there is the disadvantage that some browsers do not support CSS language or are being able to interpret and display the Web page - as if it did not exist. It is recommended to use known browsers such as Mozilla Firefox, Google Chrome, Internet Explorer, Opera and others that are compatible with CSS.

7. Application

With the assistance of HTML , CSS , C # , SQL and ASP.NET technologies, which we presented in previous chapters , we created an application which has as a main purpose the creation of a liaison between companies to law firms . The application is based on an online billing program for potential customers, i.e. companies. Thus, customers can issue invoices by accessing the web application anytime and anywhere, without having to install anything on their computer or device. Generating invoices is done in a easily accessible mode ,by adding desired products or services , which will automatically be saved in the application. However, linking to this application will be made through an encrypted connection, which ensures security of recorded data.

Starting from the billing program itself, we conducted a web portal to provide customers with a list of bad payers firms that have outstanding invoices. This list is automatically generated from the billing program when an invoice is not received on due date. In this way, when a new client approaches the company, it can be verified through a simple search whether or not he appears as bad payer. Moreover, web portal enables mediation with some lawyers who will make available contact details. Data entry will be done by lawyers, also in an encrypted manner; and it is stored safely in the database.

The need for such web portal derives from the fact that if there is no connection between law firms and companies, the latter end up unable to recover receivables from customers. So, a team of lawyers specialized in certain areas fully use their expertise for tracing, recovering and collecting civil claims and/or commercial from some bad payers. To achieve these applications we used the Microsoft Visual Studio 2012 program that includes a complete set of tools used to generate ASP.NET applications. Microsoft Visual Studio provides support for a broad category of programming languages, including Microsoft Visual C#, which is why we chose to use it.

For billing program we realized a login page for existing users. Also, there is the option for new users to register. Logging in is done through a user name and password set by him.

² Banciu D., Doloc-Mihu A. – *”Studii de bibliologie și știința informării.”* Nr. 2, Ed. Universității din București, 1996, page 83

Figure 2: Login page

Logare utilizator

Utilizator :

Parola :

[Inregistrare noua](#) || [Recuperare parola](#)

After user login, it will access the online billing. The program offers the client the possibility of adding the companies for which the invoices will be issued. Also, it has the possibility to add new customers. To issue a new invoice, the user must select both their premises, and the customer is billed. All other data will be included in the bill keystrokes and recorded in the database.

Figure 3: Entering companies dates

Bine ai venit, andreea_bogoslov@yahoo.com

Date unitate	Cienti	Facturi fiscale	Rapoarte
--------------	--------	-----------------	----------

Denumire: Cod Fiscal: Nr. Reg. Comert: Adresa: Telefon:
 Email: Fax: Cont: Persoana contact: CNP:
 CI contact: Capital social: Serie factura: Serie chitanta: Cota TVA:

	Denumire	Cod Fiscal	Nr. Reg. Comert	Adresa	Telefon	Email	Fax	Cont	Persoana Contact	CNP	CI	Capital social	Serie factura	Serie chitanta	TVA
Selecteaza	TNT4	RO141465	J32/506/2	Constantin	543534242	tnt4@tnt.com	5443535	RO83433	Ioana	24343533	sb523424	200	TNTMAG	TNTMAG	24
Selecteaza	TNT3	RO141465895	J32/506/20016	Constantin Brancusi	990987643	tnt3@tnt.com	543232254	RO9865456	Tudor	156426282633	sb627223	200	TNTMAG	TNTMAG	24

Figure 4: Blank bill

Alegeti o unitate :
 Alegeti un client :

Produs: UM: Cantitate: Pret unitar: TVA:

Nr. Facturi: Delegat: CI:

Data:
 Data scadenta:

Factura fiscala

Serie:
 Nr. Facturii:
 Data:
 Data scadenta:

20

Figure 5: Invoice

Denumire : TNT4	Factura fiscala Serie: TNTMAG Nr. Facturii: 123 Data: 10/5/2015 Data scadenta: 11/6/2015	Denumire : SC TOUCH
Cod Fiscal : RO141465		Cod Fiscal : RO 33333
Numar Registrul Comertului : J32/506/2		Numar Registrul Comertului : J27/23
Adresa : Constantin		Judet : NEAMT
Capital social : 200		Tara : ROMANIA
Cont : RO83433		Cont bancar : 345667888
		Banca : BRD
		Telefon : 7869654

Denumire	Cantitate	U.M.	Pret unitar	Valoare	Tva	Valoare TVA	Total	
Tastatura	1	buc	36	36	24	8.64	44.64	*
Computer	1	buc	1800	1800	24	432.00	2232.00	*
Mouse	7	buc	20	140	24	33.60	173.60	*

DELEGAT: Popescu Mihai CI: VX465783		TOTAL: 2450.24
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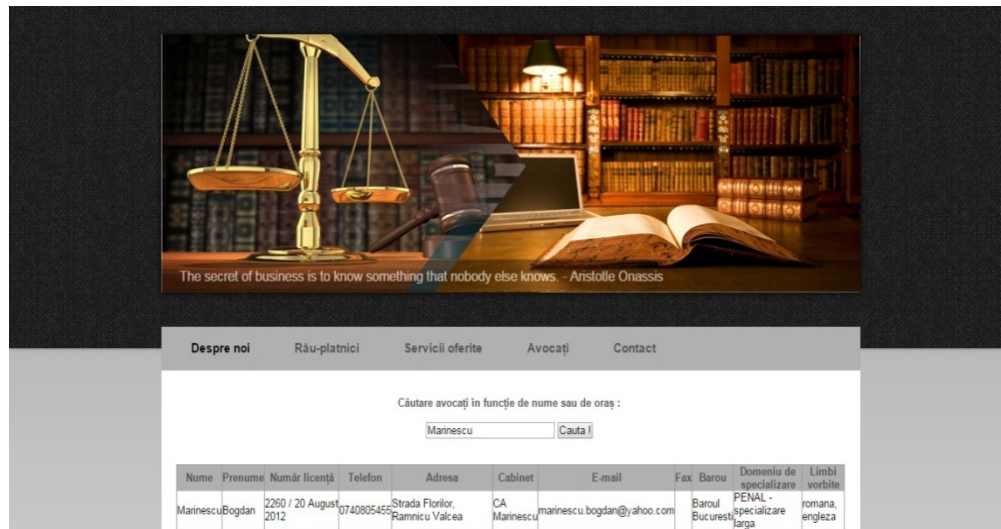
The web portal allows customers to distinguish bad-payers and to contact the lawyers registered in the database.

Figure 6: Page designed for bad-payers search

denumire	serie	numar	data	data_scadenta	suma	delegat	ci_delegat
SC TOUCH	TNTMAG	3	12-03-2015	19-04-2015	17.36	aa	aa

The team of lawyers aims to become partner of economic entities by providing professional and competitive services. The lawyers' team comes up with solutions tailored to the needs of the customers, offering legal advice in prevention, tracking, collection and recovery of debts, representation in court and enforcement by the executor.

Figure 7: Page designed for lawyers search



New lawyers can register through a registration form in which they can enter contact data. After registration they have the opportunity to log into the newly created account. The lawyers can submit the status of cases accepted. New web portal visitors will be then able to see the status of cases, to analyze and to choose a lawyer to represent them if needed.

Figure 8: Registration form for lawyers

Inregistrare avocat

Email-cont:

Parola:

Confirmare Parola:

Nume:

Prenume:

Nr. Licenta:

Telefon:

Fax:

Adresa:

Cabinet:

Barou:

Domeniu:

Limbi vorbite:

8. Conclusions and future developments

In conclusion, the implementation of this application will bring considerable improvements to the work of companies and any entity they will use. Also, it should be noted that in the future the application will provide progress reports on the sales levels of users-which will be prepared based on recorded invoices.

The application uses modern technologies for secure passwords, documents and trafficking issued in the platform and invoices, receipts and company data are available only to clients. In addition, they are performed regular backups and algorithms are constantly improve, so customers always receive the highest level of security.

The web portal offers a wide range of useful information about bad-payers companies, centered on visitor/user, having the possibility to select the information that they want, to look into the archives and to interact with lawyers. Also, the application is offering information available 24 hours a day, being always up to date and accessible via the Internet from any location. Withal, the web portal is specialized in complete management of claims, providing customers assistance in debt recovery and offers a range of services provided by lawyers.

Acting within an unstable environment and a competitive market in constant growth, a company needs to ensure the security of personal data and also to have the opportunity to find out if new customers are reliable. Such applications facilitate the achievement of these objectives with least effort and maximum efficiency, helping to maintain the companies on the competitive market.

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THE PERSONAL BRAND KLAUS IOHANNIS

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Abstract: *The aim of the present paper is setting the theoretical grounds of the process of creating and managing a personal brand on one hand, and applying the identified theoretical aspects on the personal political brand Klaus Iohannis on the other. In the following, we also seek to identify the methods which ensured the success of the brand, helping Klaus Iohannis to be elected president of Romania.*

-We are what we pretend to be. Kurt Vonnegut

Key words: brand, personal branding, Klaus Iohannis, Facebook, autobiography

1. Introduction

The election of Klaus Werner Iohannis as the president of Romania can be seen as a surprising option of the Romanian electorate, given the fact that even though locally he has been a brand for years, at a national level his name had little resonance.

For this reason, the fundamental objective of the present paper is identifying the methods which ensured the relatively unexpected success of the political brand Klaus Iohannis. We will start from the premise that at the core of this success lie the following key factors: the promoting of well selected brand attributes, such as a serious, dignified and incorruptible personality; the inherent values of the person Klaus Iohannis: age, appearance, ethnicity and its stereotypical characteristics; the publishing of the autobiography *Step by Step (Pas cu pas)* as a means of eradicating the negative brand characteristics such as the mysterious, dun and cold character traits as well as creating emotional connections with the electorate; the identification of a distinct segment during the election campaign and the intense and efficient communication with this target group through the internet platform Facebook.

The notoriety of the politician, mayor of Sibiu since 2000, rose in the year 2009 when he was proposed by the liberal party PNL for the office of prime minister. However, this fact did not assure a long-term fame at national level. For instance, in the media monitoring report published by the Konrad Adenauer Foundation for the end of 2013 – beginning of 2014, the name Klaus Iohannis is not listed among the top 20 most mentioned politicians in the Romanian media. From his opponents, Victor Ponta is on the first place in the top, followed by Elena Udrea on the 12th place and Monica Macovei on the last one (Konrad Adenauer, 2015). Despite all these, less than one year after the survey was conducted, Klaus Iohannis was elected president.

Furthermore, Klaus Iohannis is the first Romanian president to belong to an ethnic minority, the Saxon minority, population of German roots. Extrapolating, the election of Klaus Iohannis could be compared to the success of Barack Obama in the United States. This fact, as well as the low notoriety have turned the personal brand Klaus Iohannis into an especially interesting subject of study.

2. Brand and personal brand

Originally the concept "brand" comes from an Indo-European word, is defined as "to be hot", word used since 2000 BC. Hr. by Egyptians, who used to mark their animals with a hot iron in order to recognize them. Throughout history, branding was used by the Greeks and Romans, as a form of punishment to prisoners, slaves, deserters, sinners and witches, practice retrieved and used until the mid-nineteenth century by Anglo-Saxons.

The American Marketing Association (Keller, 1998) defines brand as "a name, term, design, symbol, or a combination of them, intended to identify the goods or services of one seller or group of sellers and to differentiate them from competitors" (Corbu, 2009).

One of the biggest companies which distributes FMCG products, Interbrands Marketing & Distribution, considers a brand "a mix of tangible and intangible attributes symbolized by a mark which, if properly managed, creates value and influence".

In marketing, but not only, at least in Romania, we are lately often confronted with a new term which is surprisingly useful for people in general. It is the concept of "personal branding".

The personal brand is a subcategory of the umbrella concept brand. Depending on their nature, brands can be classified into four categories: "product and/or service brand", "organizational brand", "location and / or country brand" and "personal brand" (Budac, 2011). As a subcategory of the brand, the personal brand meets most characteristics of the classic brand, treating a person's name and actions as an individual "product".

"The personal brand is a clear, strong and especially persuasive public image of an individual. Primarily, the personal brand is the mental image on the opportunities you have to get customers what they want or need. This mental image represents your values, your personality, the experience and qualities that make you unique among competitors". (Peter Montoya, 2009)

"Branding means creating an emotional response in people's minds when they hear your name, see you online or in person." (Erik Dechers, Kyle Lacy, 2011)

"People like Oprah, Donald Trump, Madonna, Ion Țiriac are instantly identified just by uttering their names. Even if the perceptions about their personalities is not identical, it generates a positive or negative set of attitudes for all who hear their name. Therefore, the personal brand is the mental image others have when they think of you." (Manea Anca Daniela, 2011)

"The personal brand is "the art of articulating and communicating skills, personality and values so that others seek your help for their problems." (Dan Schawbel)

In personal branding the greatest focus is set on the one hand on the individual and on the other hand on marketing, in order to build up an image which positively differentiates us from others. People with a strong personal brand have more chances to achieve what they want. (Ioan, Luca, Sasu, 2012)

When it comes to the marketing mix or the "four P's", these apply to personal marketing as well:

- Product, the person around which the marketing strategy is build;
- Price, which reflects the knowledge, skills and experiences of the person;
- Placing, represents all physical places where the person concerned establishes new contacts;
- Promotion, the all forms by which the person makes his/herself known. (Ioan, Luca, Sasu, 2013)

3. Important elements in the construction of the personal brand

3.1. Self-knowledge

Although people are not used to attach importance to self-knowledge, the knowledge of our own personality has a definitive role in all decisions we make throughout our lives, including in the choices linked to profession or vocation. In this sense, think how important the self-knowledge can be for the construction or reconstruction of a personal brand. It is essential that a person who wants to positively register in people's minds, first gets to know himself, his personality, talents, passions, values and the things that motivates him and is aware if something has to be reorganised.

3.2. Behaviour and attitude

In general, behaviour may be conscious or unconscious. Conscious behaviour, as is the case with brand management is motivated and determined by a particular purpose. For this reason, in personal branding each action must express the personality of the individual and generate the expected feedback.

The attitude in general is an issue that determines the quality of a relationship and the climate, but in branding the attitude influences the final results.

3.3. Communication

Communication means "any transmission of information, ideas and emotions from a social entity (person, human group, collectivity) to another via messages" (Chelcea, Ivan, Chelcea, 2005).

The way that a person writes, speaks, chooses the words, the tone they use, the manner in which they communicate etc., all are important elements in building the image. The same person may have a certain image created in the family, one in front of friends and another at work, but a strong personality should strive to create a single image everywhere.

- **Verbal communication**

Of all the forms of communication, verbal communication is the most frequently used. People spend almost their whole time communicating, our personal and social life largely depends on this

activity. In verbal communication generally, but especially in verbal communication that is intended to strengthen your personal brand, you:

- will keep the aim of communication in mind;
- will respect the personality of your interlocutor;
- will create a positive communication atmosphere;
- will use a clear, precise and suggestive style;
- will use short sentences with one idea in a sentence;
- will avoid negative expressions;
- will avoid ambiguous formulas, such as: might, perhaps;
- will use present and future tense, not past (example: it must be done, not should be done);
- will avoid regional registry and slang;
- will encourage the interlocutor to discuss and ask questions.

Communication is a personal skill and the conscious or unconscious formation of this capability is a plus for guiding our own behaviour and for a better understanding of other people around us.

- **Nonverbal communication**

„People often judge a book by its cover and not by its content”. The same people are judged more by their appearance, not by the amount of skills and knowledge they hold. Nonverbal communication is also known as „body language” or „meta language” and serves to control, regulate or stress verbal communication, it can support, replace or contradict the latter.

Any person, known or not, since the beginning of the communication process should pay attention to: the first impressions they make, the depth of knowledge and enthusiasm they possess.

Nonverbal communication refers to:

- **Gesture language**

Every human gesture has a meaning and can be interpreted. While building your personal brand is very important to know this language, because if we observe negative, unwanted reactions then we can remedy the situation.

In gesture language the eyes, face, hands, arms, legs and body position are analysed. Facial expressions show the emotion, the attitude and the mood of a person. The eyes are an excellent indicator of sentiments, as the expression says „the eyes are the mirror of the soul”. People who want to be treated with honesty must look straight into the interlocutor’s eyes. Regarding the direction of a person’s gaze, it is known that someone who looks to the right is influenced by precision and logic, and someone who looks left is more subjective and emotional.

- **The language of clothes**

We must pay attention to the way we dress and to our attire, as there is always an "unwritten code of clothing" by which we communicate something to people around us. Image change is not possible without a significant change in look or dressing style.

- **The language of space**

Also known as "proxemics", the language of space refers to the distance that a person chooses in order to communicate with another person. This distance often is chosen depending on the culture.

- **The language of colour**

Colour language affects communication because it is the mirror of our personality and how we use colours varies from one culture to another.

- **The language of silence**

In personal brand management people communicate something even when they don’t speak. The silence can be interpreted as: approval or disapproval, keeping the mystery, reason, admiration or discretion.

- **The language of time**

A message can be understood differently depending on the context and time of sending and weather it is connected with other previous messages or not. People who efficiently use the resource time are seen as persons who cultivate and maintain amiable relations, are able to establish priorities, are flexible, with sprit of observation, good memory and effort capacity.

➤ **Paraverbal communication**

In nonverbal communication, other important aspects are vocabulary, communication style, intonation, tone of voice, rhythm, resonance, speed, volume, inflection, clarity and so on. They are known as paraverbal communication. (Roșca, Daneș, 2001)

• **The online interpersonal communication**

Interpersonal communication is the communication that transmits messages between two or more persons with a purpose and an effect and the opportunity of obtaining immediate feedback. It has a significant role in personal brand construction because all relationships are based on a person's interaction with other people.

The digital era imposes a new way of communication and interaction between producer and consumer, namely the shift from the „Push” type of communication to the „Pull” type. In classical communication the company established product, price, communication and distribution types and was transmitting them unilaterally to clients with the help of various instruments. The "Pull" type of communication changes this dynamic completely by concentrating on understanding the customer. In this type of communication the customer and the organization are equal, they become partners of communication. (Dumitrescu, 2013)

In the present context we can say that the Internet has become an important vector in communication, breaking the cultural, social, political and religious barriers and is used mainly in personal brand development. In the personal brand management we can use absolutely all forms of online communication: official personal webpages, e-mails, social networks, blogs, forums, profile websites, video CVs and so on.

In terms of personal branding, it is out of the question that someone who wants to strengthen their image is not present on the web, especially nowadays, when the majority of people, from children to retirees have at least one account on one of the social networks. Thus, through all the hours spent daily in front of computer, consciously or unconsciously, each of us is building their own brand.

4. The Personal Brand Klaus Iohannis

Before we start the analysis of the personal brand Klaus Iohannis, we would like to stress the importance of branding especially in the political field. First and foremost, let's talk about the human tendency to label a newly met person in a very short time span. This tendency can be traced back even before the spoken word and, anthropologically speaking, has the purpose of assuring the individual's survival in an unfriendly environment, through the rapid identification of potential friends or foes. In addition to this, we bring up the notion of confirmation bias. On ScienceDaily, the term is defined as “a phenomenon wherein decision makers have been shown to actively seek out and assign more weight to evidence that confirms their hypothesis and ignore or underweight evidence that could disconfirm their hypothesis.” (ScienceDaily, 2015). By combining these two human tendencies and applying them on our field of interest, we can conclude that individuals form quickly their opinion about a certain person. If this first impression is a positive one, in the future they will tend to see other positive characteristics in the person, and vice-versa, if the opinion is of a negative nature, they will pay more attention to the person's negative characteristics.

Now, making a short incursion into the political field, how capable do you think the average individual is at discerning which parties and politicians represent his/her interests best? The scientific work Knowledge and Attitudes is just one of many sources providing the following answer: not very capable. The authors claim that “an overwhelming body of evidence calls into question ordinary citizens' ability to perform these [political] duties” (Visser , Holbrook, Krosnik, 2015). We can safely assume that Romanian citizens are similar to those in the US in this aspect.

Considering all these we can see how important a positive personal brand is in politics. We have concluded that people tend to quickly label those around them that the initially formed opinion tends to remain unchanged because of the confirmation bias and that a vast majority of the population votes without being fully aware of political aspects. Thus, many of the population's electoral decisions are not taken considering the ideological and political philosophies of the candidates, but rather on grounds of their perception on the candidates themselves, or, better said, on their brand.

4.1 Personality and values

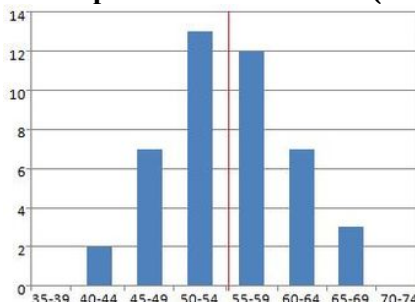
A clearly defined personal brand has to possess two or three dominant characteristics and around ten to fifteen secondary ones, completing the first. (Budac, 2011) The totality of these attributes as perceived by the target audience form the personality of the brand. For the outline of the personality of Klaus Iohannis' political personal brand, the following sources were used: 1) mass-media and various surveys on the public's perception of the brand, 2) the declarations of the online brand managers, Ioan Dan Niculescu and Vlad Tăușance, who talk openly about the brand values they focused on, and 3) the statements of Klaus Iohannis himself about his own personality, mainly extracted from his autobiography Step by Step.

After analyzing all these sources, we can provide the following outline on the personality and values of the brand: As main attributes we have: integrity, equidistance and discipline. The brand is also defined by the following secondary attributes and values: moderation, consistency, reliability, capability, decency, modesty, respectability, rational thinking, honesty, determined, organized and calm personality, polite behaviour, authenticity, uniqueness, simplicity, discretion and understanding, good-faith, balance and perfectionism. To these, we also have to add attributes of a negative nature, which seem to persist despite the brand managers' efforts of eliminating them: stiffness, mysterious character which could give the impression of falsity, severe and cold attitude, which can be perceived as arrogance, lack of an expressed sense of humour.

Beside these values which are connected to Klaus Iohannis' personality, we will also refer to some inherent attributes which may have had a positive impact on his brand, most of which are inborn and not developed. The first of these characteristics is ethnicity. By the Romanian nation, Saxons are considered to be serious, dignified, hardworking and disciplined. They are perhaps the only minority marked by predominantly positive traits. As far as the Romanians' view on themselves, surprisingly they tend to regard themselves in a rather negative manner, as cunning, dishonest, lazy, opportunistic and superficial. These stereotypes and prejudices may have strongly influences the brand of Klaus Iohannis and that of his main competitor, Victor Ponta, turning them into veritable ethnic symbols.

Another value of an intrinsic nature is the age of the candidate from Sibiu. Human society tends to greatly respect an advanced age, associating it with wisdom, knowledge and competence. Age is a notion which is strongly ingrained in the individuals' consciousness and they constantly seek to guess the ages of the people around them. In the famous magazine *Psychology-Today*, the university professor Mark van Vugt analyzes the connection between age and the individuals' leading capability as perceived by society. Worldwide, state leaders within the 45-65 age group tend to be chosen. The author concludes that a large group of people will follow a young leader if their society is in need of a drastic change of a revolutionary nature, and offers the examples of Fidel Castro (who was 33 years old when taking charge), Napoleon (30 years) and Emiliano Zapata (31 years). On the other hand, when people rather desire stability and not a great change, they will choose an older leader. In this case, an advanced age is closely connected to experience, a crystallized intelligence which combines knowledge from various sources and a greater capacity of solving social conflicts. (Vugt, 2015) Thus, the age of Klaus Iohannis at the moment of election, 55 years, may be considered optimal for a state leader, especially given his 14 years' experience as mayor.

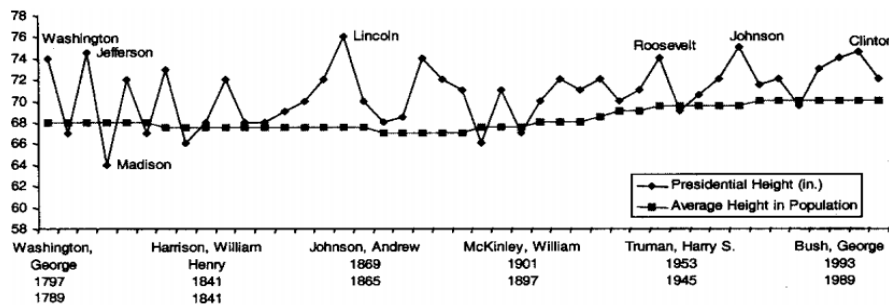
Figure 1. Age of US presidents at election (Wikipedia, 2015)



Another aspect worthy of attention is the **physical build** of Klaus Iohannis, whose height is above average. Studies show that tall people are not only perceived as more attractive and imposing than their less tall peers, but they also earn more, financially speaking. On *PsychologyToday* we find an article which focuses on this matter, stating that as well in the case of humans, as in the case of animals, a robust build is closely linked to a higher hierarchic status. Society tends to prefer taller leaders, preference which

is probably deeply rooted in the collective mind and can be traced back to old, violent times when robust and physically strong leaders could ensure the resources, safety and survival of their followers. This principle remained valid to the present day. (Murray, 2015)

Figure 5. Height of US presidents compared to the medium height (Persico, Postlewaite, 2015)



The **clothing style** of Klaus Iohannis is also worth mentioning. In most of the images of him found online, perhaps with very few exceptions, he appears very neatly dressed. To exemplify the impact the style of clothing may have on those around us, let's think about the pilots of airline companies such as Lufthansa. Their uniforms are remarkable as far as appearance and quality is concerned. In an interview for the German magazine *Spiegel*, Elisabeth Hackspiel-Mikosch, university professor at the Fashion Academy Düsseldorf, states the following: "The uniform is vital. It imposes authority and security. It signalizes to the passenger that the pilot can be trusted" (Tiedge, 2015). The respectful, imposing appearance of the president is thus a valuable component of his brand. However, if it is accompanied by a too serious attitude it can suggest aggressiveness, having a threatening effect on others, reason for which a less severe attitude is recommended.

4.2. Branding through Facebook

Out of all platforms used for promoting the personal brand Klaus Iohannis, the social networking site Facebook had the strongest impact. The politician's profile was created likely in May-June 2014, with the first contribution being posted on June 8th. In order to identify the methods used in order to ensure the success of the profile, which is followed by 1,6 million people, it will be first analyzed from the point of view of the **posted textual content**, in the time frame preceding the elections.

The messages of Klaus Iohannis describe the actions undertaken by the candidate during his campaign or on various occasions, in a similar way to the entries in a journal. They also refer to his political promises and describe his opinions on various political aspects. His actions are described as such, without giving the impression of a blatant advertisement. The messages are formulated in a positive way, often addressing the reader directly and using the first person plural pronoun "we" or the adverb "together", which has the purpose of creating a feeling of unity and solidarity between sender and receiver. The messages are almost always accompanied by a video or, in most cases, by images which complete their statements. In very few cases the textual content takes the form of a critique, which is in accordance with the brand personality and the recommendations of the experts.

As far as the images on the page of Klaus Iohannis are concerned, they are of a superior quality and have been clearly shot to stress the textual message they often accompany. Remarkable is also the thematic and visual consistency of the pictures. The candidate is their main subject and is often shown surrounded by regular people, at meetings with his followers, at the launch of his autobiography with his readers, in factories with workers, in the park with fellow cyclists, in Sibiu with teacher and students etc.

Analyzing the **overall balance of text, image and video**, we can conclude that the images dominate the page, which is a good strategy. Generally speaking, when we refer to communication with an audience especially on an emotional level, visual contributions are preferred to the textual ones. While a text can be easily ignored by the receivers, an image will be automatically perceived by them. Even if just for a fraction of a second, an image can still hold a strong impact. Furthermore, psychologically speaking, people have the tendency to view an image as a more trustworthy and reliable information source than a text, proving the authenticity of a certain event to a much larger degree. Thus, the method applied by the site's administrators, posting more visual than textual content, is a felicitous one.

We should also pay attention to the **length of the posts** with focus on the video contributions. In the online issue of *Adweek*, magazine specialized in the marketing field, we find an infographic dedicated to the ideal length of online postings. As far as the length of a video is concerned, the infographic claims that it shouldn't exceed three minutes. Generally speaking, communication experts recommend videos as short as possible, especially if intended for social media, of one, two or maximal three minutes. Another strategy worth mentioning is that if a video is filmed for two minutes it should be shortened to one minute fifty-something seconds for instance, making it more appealing to the audience. On Klaus Iohannis' profile, more than half of the videos posted respect the three minute margin more or less.

Another aspect to be analyzed is **the frequency of the posts**. To do this we considered the contributions posted in October 2014, reaching the following conclusions: out of the total of 31 days of the month, in 18 days contributions were posted and in 13 days nothing was published on the page. As far as the posts number/ day is concerned, usually only one contribution was posted per day, two contributions were posted in two days and only one time three contributions were published during the same day. This frequency can be considered to be well balanced, the page's fans are being kept up to date without being assaulted with a too vast amount of information.

4.3. Branding through the publishing of the autobiography

The first edition of *Step by Step* was published in October 2014 and became a real success according to mass-media. One of the **main purposes of the presidential autobiography** was probably the elimination of the brand's negative attributes. Among these we note the mysterious character lacking an expressed sense of humor and a warm and friendly attitude. **Another purpose** could have been the establishing of emotional connections with the electorate through focusing on the humaneness of the candidate. During the career as a mayor, this aspect of Klaus Iohannis had been only vaguely accentuated, he himself stating that he was not a fan of promoting his person and opinions through media appearances. While the political brand attributes were promoted by the campaign team of the candidate, his humaneness was left to be accentuated by other means, and the publishing of the autobiography proved to have been a successful strategy in this regard.

First and foremost, we will make a reference to **the title of the book**. Formally, it is short, significant and easily memorable. Semantically, the phrase "step by step" is very expressive. In the Romanian language it is frequently used and has positive connotations in most cases, suggesting a planned, orderly and determined approach on reaching a certain goal. As synonymic expressions we have "little by little" or "slowly but surely". A person who obtains good results "step by step" is being opposed to a person who obtains success "overnight". Nepotism, corruption and the lack of interest of some politicians are sources of great discontent for the Romanian population. By choosing the title *Step by Step*, the author suggests that he is different from other politicians, that he obtained his accomplishments through hard efforts over a longer period of time.

From the entire autobiography we can extract various characteristics of Klaus Iohannis, some directly and some indirectly. The first were mentioned in the section dedicated to the personality of the political brand. As far as the latter are concerned, first we mention the author's capacity of **shining a positive light upon himself while at the same time giving the impression of modesty**. For instance, the author claims: "For my activity at the service of this community [the Democratic Forum of Germans in Romania] I have received over time many distinctions which flattered me every time" (Iohannis, 2014).

Another example is the entire description the author makes of the progresses of Sibiu since 2000, the year he assumed the mayor's office, describing them enthusiastically and taking credit without giving the impression of ostentation or arrogance: "I admit, it was moving to read these things about the city I had the chance to change in the first ten years of my activity as a mayor" (Iohannis, 2014). These are just a few examples which also follow the branding experts' advice to describe **instances where the brand owner's actions contributed to the wellness of others**, in our case, to the wellbeing of the Sibiu community.

When talking about Sibiu, the author openly expresses his attachment to the city, at the same time emphasizing the progresses made during his time as a mayor, directly and indirectly taking credit for them but also accentuating the great amount of work and efforts on his side. Out of the five chapters of the book, two are dedicated exclusively to the city, Sibiu being regarded as a **microcosm** by the actual president, who claims that the positive changes obtained at a local level can be implemented nationwide too. This idea persists throughout the book: "**My proof is Sibiu** and the trust its inhabitants have placed in me" (Iohannis, 2014).

Other aspects worth mentioning as far as the book's content is concerned and its benefic influence on the personal brand are: **the image as a family man** Klaus Iohannis builds for himself by describing the relationship with his wife Carmen Iohannis and their struggles to overcome difficulties throughout time. Another aspect of a politic and diplomatic nature is the emphasis on the **good relations to Western Europe**, especially to Germany, formed and maintained by Klaus Iohannis, which are repeatedly mentioned in the book: "I have personally gotten to know Ms. Angela Merkel and have kept a good relationship to her [...] Surely it would be an advantage for Romania to keep the connection to such a great political figure" (Iohannis, 2014).

Another recommendation by branding experts is the **forming of emotional bonds** with the receivers. This can usually be obtained by **expressing one's own emotional states** (which does not show vulnerability but proves the humaneness of the brand) and by **describing situations many readers are or were in**. In the autobiography we find examples for the first instance such as "I was moved, thrilled, flattered, scared" etc. As far as the latter advice is concerned, the author describes many situations which help the reader to identify with him: "I do gardening, housework task; when I'm lucky I go on trips or meet up with friends, **like everybody else**", "during vacation I do all kinds of things, just **like everybody does**" (Iohannis, 2014).

Another successful method used by the author to create emotional bonds is the **description of the hardships he had to endure in life**, especially those of a financial nature: "Per se, the family home did not exist. We paid rent and moved around several times", "[during college] I lacked the things **everybody else** did" or, talking about the communistic period "There were times **we all were afraid**" (Iohannis, 2014).

A last aspect which should be mentioned and which is in accordance with the experts' advice is **the way the author talks about other personal brands**. In most instances, other famous people are described in a neutral or favorable manner, without giving the impression that the author blatantly promotes or criticizes others. And most important, something which the experts keep insisting on, Klaus Iohannis **does not fiercely criticize his political opponents**, but, in most cases, he just states his doubts on the integrity of their actions.

5. Conclusions

The aim of the present paper was **to establish the theoretical notions of personal branding and to apply them on the personal political brand Klaus Iohannis**. At the center of the analysis we had the personality and the values of the brand. As main characteristics we identified integrity, equidistance and discipline. The brand is also strongly marked by the following complementary attributes which were constantly promoted by the politician and the online campaign team: moderation, consistency, reliability, capability, decency, modesty, rational thinking, honesty, determined, organized and calm personality, polite behavior, authenticity and others. To these we also have to add attributes of a negative nature, like: stiffness, mysterious character which could give the impression of falsity, severe and cold attitude, which can be perceived as arrogance, lack of an expressed sense of humor and of a warm and friendly attitude. Beside these traits, three other inherent values which could have contributed to the brand's success were identified: the age, appearance and ethnicity of the current president.

The paper was mainly focused on the efforts of Klaus Iohannis and of the online campaign team dedicated to outlining and managing the brand. The results of these efforts were visible on the **Facebook page of Klaus Iohannis** and were a success in part due to the following methods: the personal approval of each posted message by Klaus Iohannis himself; the good thematic structure of the textual messages; the positive enunciation and the fact that most messages address the reader directly; their capacity of shining a positive light on the brand without giving the impression of advertisement; the augmenting of the messages with pictures of a high technical and artistic quality; the visual presentation of the candidate surrounded by regular people; the fact that the visual content dominates the textual one; the frequency of the posts which keeps the Facebook followers up to date without assaulting them with a too high and tiring amount of information.

The last part of the analysis was dedicated to the way in which the brand was promoted through the **autobiography, Step by Step** (Pas cu pas). Among the most valuable attributes of the work we have: the expressive title which suggests a determined, calculated, steady and rational personality of the main character; the author's capacity of self-appraisal while at the same time giving the impression of modesty; the description of instances in which the author's actions were destined to helping others, especially the community of the city of Sibiu; the emphasis of the author's good relation to Western European political

figures; the emotional bonds created with the readers through the expression of the author's own emotions and the description of the hardships he endured in life; the rare, subtle and unaggressive critique on other political brands; the positive promoting of the brand's values by stressing its qualities and not by emphasizing the deficiencies of the competition.

By all these we consider that the presuppositions of the present paper have been met and the hypothesis that the personal brand Klaus Iohannis is a successful one has been proven.

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CONSUMERS HEDONIC AND UTILITARIAN MOTIVATION TO SHOP ONLINE. A COMPARATIVE ANALYSIS OF ROMANIAN AND AMERICAN CONSUMERS

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Abstract: *In the era of globalization that we live in, e-commerce and e-marketing find themselves very dynamic. Over the last decade, in order to survive and develop, enterprises had to keep up the pace with the technological climate. Today, we can firmly say that e-commerce as well as e-marketing are projections of technology which add up to organizations performances. In order to keep up with the challenges brought up by consumers demands, retailers have focused their efforts into developing effective strategies for their businesses. As a consequence, their interest increased with regard to the study of consumer behavior, especially in the virtual environment, which is why this paper aims to determine consumers motivations to purchase online and find out who the consumers are in terms of demography. The studied motivations consist of two types: hedonic motivations and utilitarian motivations, while the analysis was made on two different populations: the Romanian population and the American population.*

Key words: *e-commerce, e-consumer, hedonic motivation, utilitarian motivation*

1. Introduction

The development changes along with its rhythms encountered nowadays in the business sector and not only were never seen before. These changes are conspicuous especially in the online-related business areas which automatically leads to changes in consumer behavior. Today, many entrepreneurs focus or extend their business into the online environment, so as a consequence they need to be aware of the consumers updated needs, habits or motivation to shop in this relatively new environment. In fact, the main aim of the entrepreneurs is to keep their businesses competitive, so their interest in determining what motivates consumers to shop is constantly growing in the actual business context. Due to the fact that determining online consumers motivation is part of the modern field of interest for marketers and not only, I have decided to study hedonic and utilitarian motivations in consumer with regard to online shopping, comparing two different consumer populations: Romanians vs. Americans.

2. Theoretical framework

Recent literature has been paying significant interest in studying shopping motivations over or outside the internet. Among the first authors to do research in the field of hedonic motivations were Hirschman&Holbrook (1982). Their ideas were later developed by Arnold&Reynolds (2003), Guido (2007), Teller, Bridges&Florsheim (2008). Today, we refer to hedonic motivation to shop as being characterized by an emotional state. In accordance to this, consumers do not necessarily seek value in products, but in the shopping process. The utilitarian value is being defined in literature as purpose oriented. Consumers who exhibit utilitarian motivation seek to purchase as effectively as possible; the process is visualized as a task and the consumer is considered rational. Wolfenbarger&Gilly (2001), To

(2007), Sakar (2011) have contributed significantly in the area of utilitarian motivation.

At a global scale, in 2014, e-commerce retail sales totaled \$1.3 trillion, meaning 5.9% out of the entire retail market. This share is expected to rise to 8.8% until 2017. Moreover, 63% of the US population has purchased at least once online in 2014, spending \$300 bn. This amount is projected to reach \$490 bn. in 2018. For many of the electronic category products, there has already been a transfer from the traditional channels to the web ones. In Romania, at the end of 2014, the online retail market recorded \$1.1 bn., in comparison to \$600 million in 2013 (data comprising only sold products, excluding sold services). Still, the share of e-commerce in the total Romanian retail market is barely situated between 2.2% and 2.5%. The average value of transactions in 2013 was €37 (paid in RON), while the average age of online consumers being situated between 25 and 35 years old. Among the most online purchased products in Romania are IT products, apparel and décor products.

3. Research model

3.1. Problem definition

Because of the dynamic online business environment, marketers need to investigate the way consumers behave with regard to online shopping in order to be able to formulate a strategy. As a consequence, it is important to identify and analyze the factors that influence consumers to purchase online in order to be able to keep up with their requirements.

3.2. Purpose and research questions

The main purpose of the paper is to identify and analyze the factors that influence the behavior of American and Romanian consumers, factors that lay at base of hedonic and utilitarian motivation.

Table 1: Objectives and hypothesis

Objectives	Hypothesis
O1. Determine the influence of related factors upon utilitarian online shopping motivation (central)	H1. Convenience influences positively utilitarian motivation
	H2. Achievement influences positively utilitarian motivation
	H3. Availability of information influences positively utilitarian motivation
	H4. Cost saving influences positively utilitarian motivation
O2. Determine the influence of related factors upon hedonic online shopping motivation (central)	H5. Gratification influences positively hedonic motivation
	H6. Adventure influences positively hedonic motivation
	H7. Idea shopping influences positively hedonic motivation
	H8. Role shopping influences positively hedonic motivation
	H9. Authority influences positively hedonic motivation
O3. Determine the online shopping motivational type of consumers, based on their nationality (central)	H10. There is significant difference between American and Romanian consumers in matters of online shopping motivation

O4. Determine the online shopping motivational type of consumers, based on their gender (secondary)	H11. There is significant difference in matters of online shopping motivation between genders
O5. Determine the willingness to spend online based on nationality	H12. There is significant difference in matters of willingness to spend online based on nationality

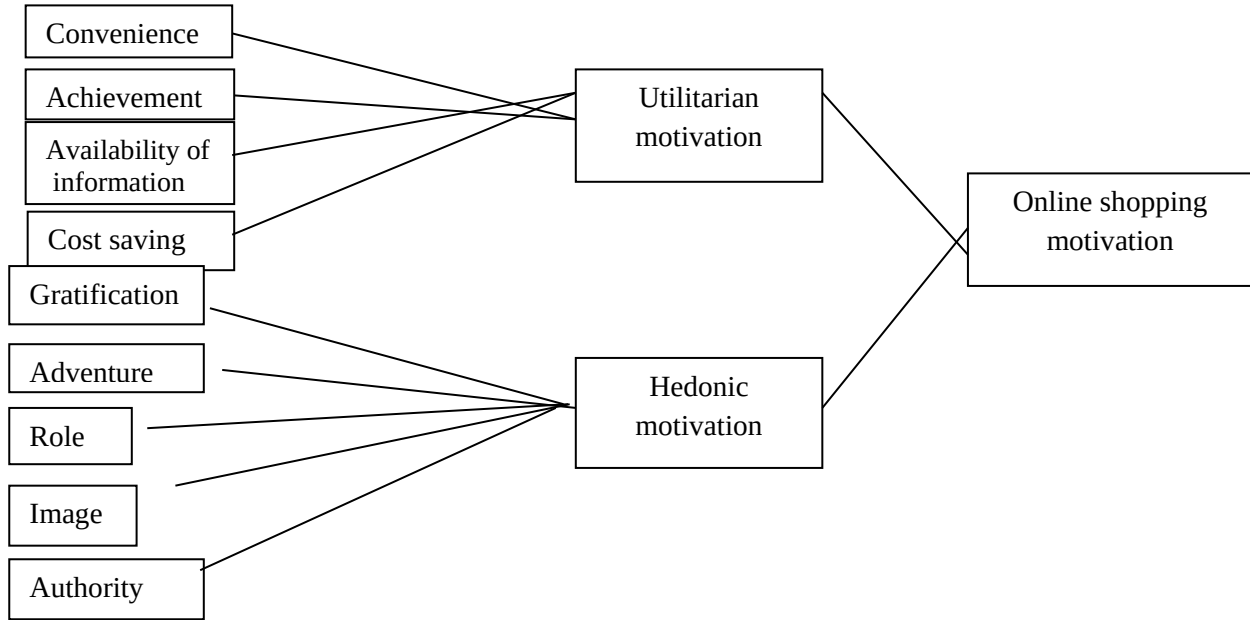
3.3. Limits

The main limit of the present study is time. Also, the budget represents another limit. Furthermore, the plan to make a comparison between American and Romanian consumers imposed a new limit: sample size. However, this study represents a base model for further research.

4. Research design and collection method

The present study is a descriptive research and uses the quantitative method. The chosen method of data collection is the primary method, which includes a questionnaire with items regarding consumers motivation to shop online. The targeted population for the study is represented by the general public. The sample size is reduced, since the present study is a pilot study. As a consequence, the number of Romanian respondents was 78, while the number of American respondents was 35. The questionnaire items were selected and adapted from the literature; It is built up from two main parts: the first part consists of items related to factors which aim to analyze motivation; the second part covers the part of the study responsible with determining demographic factors of online shoppers. The first part comprises two sub-parts with regard to hedonic and utilitarian motivation. The hedonic section aims to analyze the following factors: Gratification – through 3 items, Adventure – 2 items, Image Shopping – 3 items, Role Shopping – 2 items, Authority – 3 items. Gratification takes place when an individual is looking to spoil itself through the shopping activity which is seen as a stress reliever. The Adventure factor considers the adventure/stimulation in the shopping process, while Image shopping is done when an individual looks to expose itself to new products and to keep up with the new trends. Role shopping is done for others; the consumer obtains satisfaction while purchasing for friends/family. Last but not least, Authority enables the consumer to exercise control over the shopping process. The utilitarian section is analyzed through four factors: Convenience – 3 items, Realization – 3 items, Information availability – 3 items, Cost saving – 2 items. The Convenience factor is characterized by saving time and efforts during the shopping process. Achievement involves the task-oriented aspect of the consumer along with the satisfaction that comes with the realization of the established objectives. Information availability refers to the variety of information from which the consumer may get the information he is interested in about products/services. Cost saving includes the economic aspects, which enable consumers to purchase at more competitive prices. The items were built on a 7 point Likert scale with answers ranging from 1 (strongly disagree), 4 (neutral) to 7 (strongly agree). The second and the final part of the questionnaire ends with the “easy” questions. The items include information about respondents educational level, gender, age and willingness to spend online. The questionnaire was distributed in the online environment, in order to obtain a diverse population. The link was active for a period of three months: from February 2015 to April 2015.

Figure 1: Research model



5. Data analysis

In order to analyze the input, the coded variables corresponding to hedonic and utilitarian motivations were computed according to the factors illustrated in the research model. For the Convenience factor were computed 4 variables from the following items: I shop online because I can buy things whenever I want; I shop online because I can find whatever I need; I can access a wide selection of products online; Timing of the online shopping is very convenient to me. After the descriptive statistics analysis, the calculated mean is 20.292. Taken together with a variation coefficient of 28%, H1 is accepted since the mean is representative and designates a homogeneous population. As a consequence, Convenience influences positively utilitarian motivation. The Achievement factor computed 3 variables from the following items: I already know which products I want to buy when I shop online; It is important to accomplish what I had planned on while shopping online; It feels good to know what my shopping trip was successful. The calculated mean for the Achievement factor of 14.78 with a variation coefficient of 29% confirms H2: Achievement influences positively utilitarian motivation. For the Availability of information factor were computed 3 variables from the following items: I can get information easily while shopping online; Internet provides a lot of information; Information via internet is the newest. In the context of a variation coefficient of 25%, the mean of 15.78 is representative which leads to the confirmation of H3: Availability of information influences positively utilitarian motivation. The Cost saving factor computed 2 variables from the following items: Online shopping can save money; I spend less while buying on the internet. The calculated mean for the cost saving factor is 8.4 and since the variation coefficient of 37% is under 40%, H4: Cost saving influences positively utilitarian motivation, is accepted.

Figure 2: Descriptive statistics SPSS output table for utilitarian computed factors

Statistics					
		Convenience	Achievement	Info availability	Cost saving
N	Valid	113	113	113	113
	Missing	0	0	0	0
Mean		20.2920	14.7788	15.7876	8.4071
Mode		28.00	11.00	18.00 ^a	8.00
Std. Deviation		5.72694	4.29022	4.10673	3.15560
Variance		32.798	18.406	16.865	9.958

a. Multiple modes exist. The smallest value is shown

The Gratification factor comprises 3 computed variables from the following items: When I'm in a down mood, I go online shopping to make me feel better; To me, online shopping is a way to relieve stress; I go online shopping when I want to treat myself to something special. A calculated $\bar{X}=7.66$ and $CV=52\%$ rejects H5. As a consequence, there is a lack of positive influence of Gratification on hedonic motivation. The Adventure factor computed 2 variables from the following items: Online shopping is an adventure; I find online shopping stimulating. The $\bar{X}=6.59$ and $CV=42\%$ reject H6, meaning that there is a lack of positive influence of Adventure on hedonic motivation. Idea shopping computed 3 variables from the following items: I can keep up with the new trends while online shopping; I like to go online shopping to see what the latest fashion is; While shopping online I can expose myself to new products. With a $\bar{X}=11.177$ and $CV=43\%$ H7 is rejected, which means that there is a lack of positive influence of Idea shopping on hedonic motivation. Role shopping computed 2 variables from the following items: I like to shop online when it is for other people; I like shopping online for others because when they feel good, I feel good. In the context of $\bar{X}=7.398$ and $CV=49\%$, H8 is rejected, meaning that there is a lack of positive influence of Role shopping on hedonic motivation. Last but not least, Authority computed 3 variables from the following factors: When shopping online, I feel in control; I have control over my online shopping process; Internet enables me to control my own shopping trip. The $\bar{X}=12.885$ is representative in the context of $CV=33\%$, which means that H9: Authority has a positive influence on hedonic motivation, is accepted.

Figure 3: Descriptive statistics SPSS output table for hedonic computed factors

Statistics						
		Gratification	Adventure	Idea	Role	Authority
N	Valid	113	113	113	113	113
	Missing	0	0	0	0	0
Mean		7.6637	6.5929	11.1770	7.3982	12.8850
Mode		3.00	5.00 ^a	8.00 ^a	8.00	12.00 ^a
Std. Deviation		4.01250	2.77951	4.84073	3.66825	4.27148
Variance		16.100	7.726	23.433	13.456	18.246

a. Multiple modes exist. The smallest value is shown

In order to test H10, the Independent-Samples T Test was run. The p values of 0.0942 for utilitarianism and 0.558 for hedonism greater than 0.05 indicate that there is no significant difference between Americans and Romanians in matters of online shopping motivational type. This leads to H10 being rejected. The same test was run for H11, which resulted in a significance level (2-tailed) of 0.053 for utilitarianism and 0.576 for hedonism which led to H11 rejection, meaning that there is no significant

difference between genders in matters of online motivational type. However, the mean differences of $\bar{x}=63.89$ for males and $\bar{x}=57.74$ for females in utilitarianism explain the significance level of 0.053, which is very close to 0.05.

In order to determine whether there is significant difference in matters of willingness to spend online based on nationality, the Crosstab analysis was run. The significance level (2-tailed) of 0.000 determines that there is statistical significant difference between Romanians and Americans in matters of willingness to spend online, which leads to H12 being accepted. Most of the Americans (31.4%) spent on their last online purchase between \$30-\$50, while most Romanians (24.4%) spent on their last online acquisition between \$10-\$30.

6.Conclusions

Because online shopping is becoming more and more popular, marketers are facing the constant challenge of understanding online consumers needs. Understanding the consumer's needs and working upon the factors that affect the online consumer behavior, marketers will be able to gain competitive edge. The findings of the present study followed to give a wide picture regarding consumers motivation to shop online through a series of specific factors. Demographic factors such as nationality or gender were also considered. The willingness to spend online was also foreseen which can give an insight to online retailers about consumers behavior. The findings gained in this study confirm that Convenience, Achievement, Availability of information and Cost saving influence positively utilitarian motivation, whereas only Authority has a positive influence on hedonic motivation. In matters of online shopping motivational type, there was no significant difference between neither nationality (Romanians vs. Americans) or gender. However, the results concluded that Americans are prone to spend more while shopping online than Romanians.

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ROMANIA'S PUBLIC DEBT – CAUSES AND EVOLUTIONS

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Abstract: *In general, public revenues should cover public spending needs. But in most countries, this is a rarity, due to fiscal and budgetary inefficient and unstable system. Therefore, to meet its current and future payments, countries are forced to resort to extraordinary resources, which for them is the contracting of public debt from internal and external creditors. The public debt is currently a controversial subject that arouses great interest from a state public (population, media, corporations, etc.) and the state apparatus (government, local governments, public institutions). In recent years, especially after the outbreak of the financial crisis in 2009, which has spread across Europe, we see an occurrence and the persistent sovereign debt crisis in European countries, which revived sovereign debt sustainability. The crisis is due to the high levels of budget deficits in the EU countries, deficits that have fueled accelerated growth of sovereign debt. In the following pages I presented the evolution of local and government debt in Romania and Romania's public debt compared to the other 27 EU member states during the reference period 2004 - 2013.*

Key words: public debt, debt sustainability, economic growth, fiscal and budgetary system

1. Introduction

The reasons that cause a liability in the name and on behalf of the state are different, but the main causes generating in Romania are deficit (caused by government actions of spending more than the permitted level of budgetary resources) and external deficit (or trade deficit, the situation where the value of imports of a country is higher than the value of exports).

Government debt is defined as total amounts that a state and its local authorities directly lends (or guarantees) from a resident or a non-resident, at one time, and that it undertakes to repay under the set conditions. The obligations arising from states loans include the full repayment of the loan, paying interests, fees and additional costs.

Developed countries resort to a greater extent on domestic funding sources, because they have a diversified and modern economy, while developing countries resort to financing from outside the country, due to a weak development of domestic equity loan market, but also because of shortages of foreign exchange resources obtained from foreign trade. Expenditure involving repayment of loans and payments of commissions and interest are a heavy burden for most developing countries. As explained above, we can say that economic dependence of countries is even higher as the share of external debt in total public debt is higher.

The size of public debt and its structure differs from country to country depending on the existing micro and macro conditions. In countries where inflation persists for longer periods, it is preferred contracting loans on short or medium term than in the long term, because they are less exposed to capital erosion and are more attractive to holders of equity loan.

The Maastricht Treaty of 7 February 1992, the treaty which founded the European Union, settled a criteria regarding public debt and budget deficit level of member countries. Thus, the total public debt must not exceed 60% of GDP and the budget deficit rate should be below the threshold of 3% of GDP.

Debt management involves financing needs of the state and its payment obligations at a cost as low as possible in the medium and long term, while keeping risks to a tolerable level. In any sovereign territory in the world, as well as in Romania, public debt is managed on two distinct forms:

- **Governmental public debt**, which represents a part of the public debt of a state, characterized by payment obligations of government to internal and external creditors.
- **Local public debt**, which represent a part of the public debt, characterized by payment obligations of local authorities to internal and external creditors.

Public debt management is particularly important for a state. A non-based prudential management can have bad macroeconomic consequences that entails inability to pay debt, high costs or stagnant production, factors that lead to bankruptcy of banks, private and public firms, and at least, to damage the country's credibility against the other. Low credibility leads to reduced government capacity to mobilize external or internal resources.

2. Sustainability of public debt

The concept of debt sustainability has been widely debated over the last 20 years by various economists, one being the renowned US economist Nouriel Roubini, who through his work “Debt Sustainability: How to Assess Whether the Country is insolvent” published in 2001, gives to countries in economic difficulty and evaluate ways to maintain its debt sustainability. Roubini argues in this paper the idea that: *“In general, there is no simple rule that can help a country to determine when the accumulation of external debt is sustainable or not, exactly, if it suffers from a problem of solvency or liquidity. However, there are a number of criteria that should be used in assessing a country's external debt sustainability”* (referred economist criteria are the current account deficit, the revenues and the expenditures).

Contributions to give a meaning of sustainability were classical economists such as David Hume, Adam Smith or David Ricardo. For a long time the issue of sustainability was addressed only in terms of the effects of public debt on the economy. According to David Hume, the public debt was likely to lead to harmful tax increases in the short term and possibly long-term default. Adam Smith also consider the idea that debt financing will result in major economic imbalances. He believes that debt financing should be used in exceptional circumstances such as wars.

Although it was debated intensely, sovereign debt sustainability remains today a vague concept. Even it is clear that it somehow prevents government bankruptcy, there is still no general definition of this concept. Public debt is the sustainable level of debt that may be reimbursed by the state without achieve revenue and expenditure adjustments later. This, therefore, is determined by the solvency and liquidity of state.

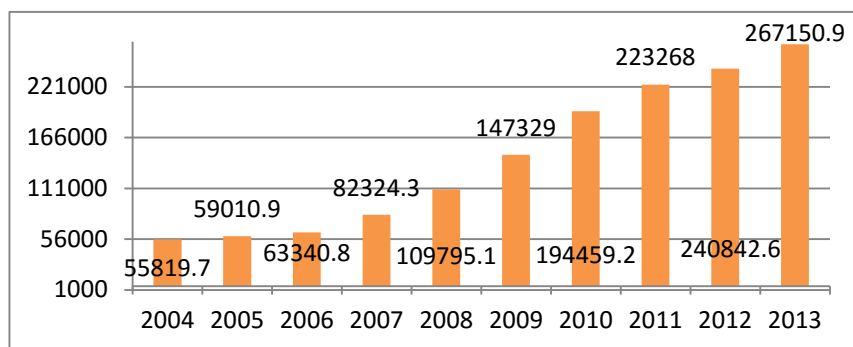
Public debt sustainability is being questioned by the following question: the existence of budget deficit cause a rise of public debt. Therefore, fiscal policy sustainability is closely linked to sovereign debt sustainability. If the interest rate on public debt exceeds economic growth, public debt will grow faster than GDP. Ultimately, this will lead to unsustainable deficits that require corrective action (austerity measures).

In recent years, especially after the outbreak of the financial crisis, since 2009, which has spread across Europe, **we see an occurrence and the persistent sovereign debt crisis in European countries**, which revived sovereign debt sustainability. This crisis is due to the high levels of budget deficits in the EU countries, deficits that have fueled accelerated growth of sovereign debt. Indebted states found themselves unable to refinance debt and save indebted banks.

Debt crisis in Europe arose from the US banking sector event, an event that actually triggered the economic crisis of 2008. The prestigious US investment bank, Lehman Brothers, collapsed amid bad investment choices, which led to fear of possible financial losses of banks and investors that are in business relationship. To prevent bankruptcy and other banks in the system, banks have stopped lend to each other, creating major difficulties for banks that depended on such loans. European banks that have invested large sums in US mortgages were seriously affected. To avoid numerous bank failures, European governments decided to rescue them (such as Germany, France, Denmark, Netherlands, United Kingdom and other countries. The cost of rescuing banks proved to be very high and, for the avoidance of bankruptcies and indebted governments, they called on EU external financing solutions (financial assistance from the IMF or IBRD, mainly).

3. Romania's public debt compared to other EU countries in the last 10 years

Figure 1: Evolution of total public debt of Romania during 2004-2013 (Million RON)



Source: "Report on Public Debt Structure in Romania" provided by the Ministry of Public Finance (published on 31.12.2014)

In the lower table (**Table 1**) we can see an increasing trend in the last period of public debt and its components (local and governmental), all reaching high levels in 2013 for a developing country like Romania (when local debt had a level of 14,971.1 million RON and government debt a level of 252,179.8 million RON), compared with levels recorded at the beginning of period (when local debt had a level of 672.4 million RON and government debt a level of 55,147.3 million RON). The total debt reached in 2013, according to the above **Figure 1**, the level of 267,150.9 million RON from the level of 55,819.7 million RON recorded in 2004. Thus, in 2013 compared to 2004 we remark that local government debt increased 22 times, government debt increased 4 times and total public debt increased 5 times.

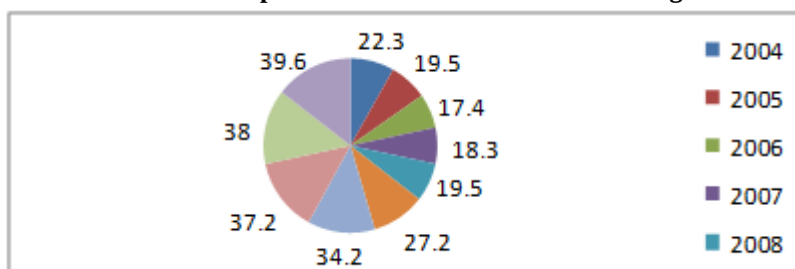
As we can see in the below **Figure 2** during 2004-2006 the percentage of government debt to GDP suffered small fluctuations (government debt to GDP decreased in 2005 by 2.8 percentage points compared to 2004 and declined in 2006 by 4.9 percentage points compared to the same year). Since 2007 there has been a slight increase in each year of the indicator mentioned above, so that in the last year analyzed it corresponded to a rate of 39.6%, a level under 60% of GDP limit imposed by EU.

Table 1: Governmental and local public debt during 2004-2013 (Million RON)

Year	Governmental debt	Local debt
2004	55147.3	672.4
2005	56381.8	2629.1
2006	59868.5	3472.3
2007	76149.6	6174.7
2008	100,556.4	9238.7
2009	136,493.8	10835.2
2010	182,510.3	11948.9
2011	210,388.6	12879.4
2012	226,841.9	14000.7
2013	252,179.8	14971.1

Source: "Report on Public Debt Structure in Romania" provided by the Ministry of Public Finance (published on 31.12.2014)

Figure 2: Evolution of Romania's public debt as a share of GDP during 2004-2013 (% of GDP)



Source: "Report on Public Debt Structure in Romania" provided by the Ministry of Public Finance (published on 31.12.2014)

Table 2: Romania's public debt by loans from international financial institutions during 2009-2013

and projections for the 2014-2023 period (Million EUR)

Year	Loans from IMF	Loans from EU	Loans from IBRD
2009	6.9	12.3	0.8
2010	52.3	42.2	6.2
2011	62.1	110.5	10.1
2012	188.4	154.1	18.8
2013	1012.0	151.6	11.0
2014	1010.9	156.3	10.6
2015	163.04	1650.1	10.3
2016	0.0	104.0	10.3
2017	0.0	1253.8	10.3
2018	0.0	1426.9	10.3
Year	Loans from IMF	Loans from EU	Loans from IBRD
2019	0.0	1033.8	10.3
2020	0.0	0.0	10.3
2021	0.0	0.0	10.3
2022	0.0	0.0	610.3
2023	0.0	0.0	403.7
TOTAL	2495.6	6095.5	1143.6

Source: "Report on Public Debt Structure in Romania" provided by the Ministry of Public Finance (published on 31.12.2014)

Regarding the loans taken from the IMF (Table 2), Romania returned to it in 2009 the amount of 6.9 million EUR and in the next year the amount to be repaid increased to 52.3 million EUR, which means an increase of 7 times over the previous year. Another significant increase was noted in 2012 compared to 2011, when redemption value increased by 126.3 million EUR. Next year redemption value increased 5 times over the previous year, amounting to 1012.0 million EUR. Romania will have to pay in 2014 to the IMF, according to forecasts of the Ministry of Finance, the amounting to 1010.9 EUR and in 2015 an amount of 163.04 million EUR.

The amount to be reimbursed to EU lenders (Table 2) also increased annually, so that in 2013 it increased 12 times the level of 2009, the amount being 139.3 million EUR. The biggest financial effort to repay loans to the EU will be made in 2015, when it will return the amount of 1,650.1 EUR. Other large sums will be repaid in 2017, 2018 and 2019 (1253.8 million EUR in 2017, 1426.9 million EUR in 2018 and 1033.8 million EUR in 2019).

To IBRD the returned values are lower, so in 2013 was refunded the amount of 11.0 million EUR, being a larger amount than that of 0.8 million EUR recorded in 2004 (an increase with 10.2 million EUR). From 2015 to 2021 Romania will have to pay the IBRD the value of 10.3 million EUR. Value expected to be repaid in 2022 will grow over the previous year with 600 million EUR, following that in the next year that decline to 403.7 million EUR.

Taking account of actual values (2009-2013) and the forecast ones, by 2023, Romania will repay to the IMF the amount of 2,495.6 million EUR, to IBRD the amount of 1143.6 million EUR and to EU institutions 6095.5 million EUR.

In **Figure 3** we find that *Greece* reached in 2013 an impressive public debt ratio to GDP of 174.9%, which means an increase of 37.93% over 2009. There was in the EU countries such as *Spain* (92.1%) and *France* (92.1%) who are on track to reach the threshold of 100%.

Compared to 2004 the debt of *Spain* has increased by 103.31%, while that of *France* increased by 40.76%. In contrast, *Denmark* and *Slovenia* in 2013 recorded a debt of 10.1% of GDP, respectively 18.3% of GDP. Among states that have complied with the level of 60% required by the EU regarding public debt, were framed in 2013 only 13 countries out of 28, thus re-emphasis notice sovereign debt crisis. With the exception of *Sweden* (down 4.22% compared to 2009) and *Hungary* (decreasing by 1.15%

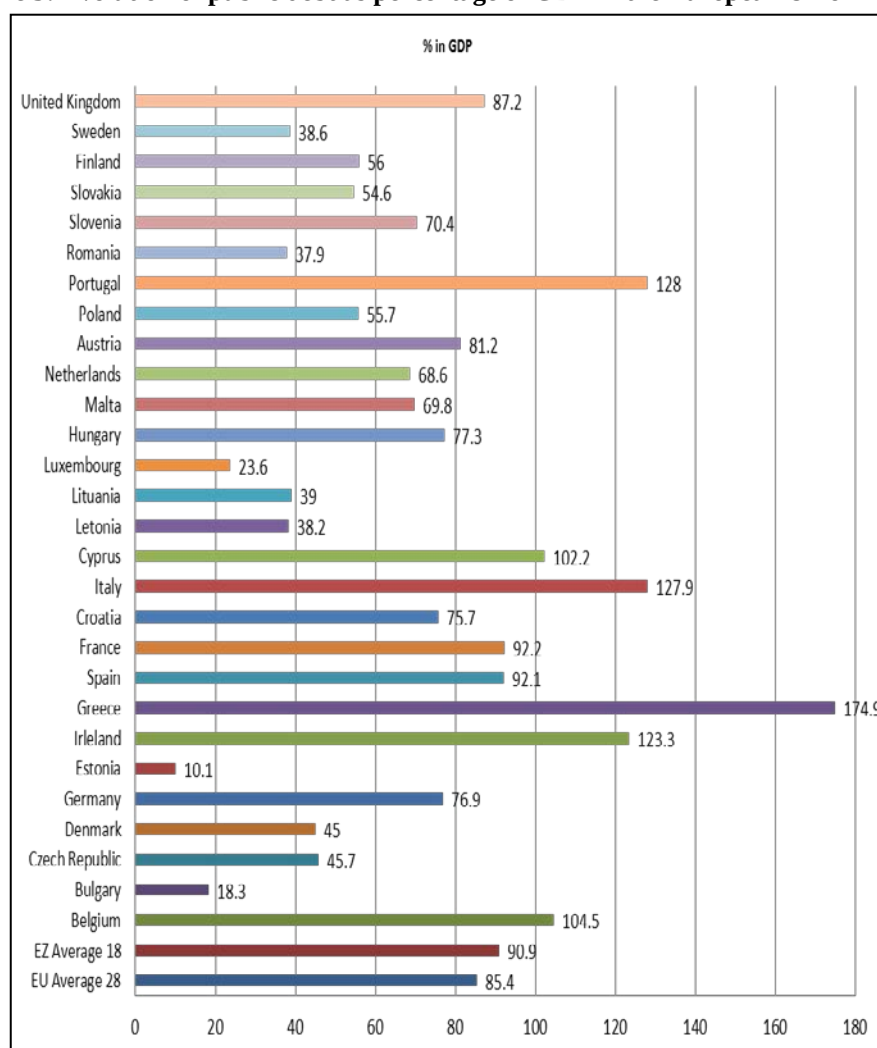
compared to 2009), all states have suffered in 2013 an increase more or less pronounced (of which 8 countries - *Ireland, Spain, Croatia, Cyprus, Luxembourg, Portugal, Slovenia, Slovakia* had increases over 50% compared to the values registered in 2009).

Romania recorded in 2009 and an increase of 63.36% over 2004 an increase of an increase in 2013 of 103.76% over the value recorded in 2004. Compared to the average *EU28* of 85.4%, the *Romanian debt* is 55.62% lower, and 78.33% lower compared *Greece's* debt.

As seen in the above values, *Romania compared with the most indebted EU countries (Greece, Italy, Ireland, Portugal)* has not yet alarming levels of debt, but the government will have to be more responsible in the coming years and to focus on streamlining actions of fiscal and budgetary system.

Debt limit of 60% of GDP as a target it means a heavy burden for countries with large debts and high. We cannot imagine that *Greece*, for example, to be able to honor all its debt payment obligations (over 170% of GDP). If *Greece* wants to reach the normal level of 60% it has to undertake substantial budget surpluses in the coming years. In the same category falls and *Italy*, with a public debt above 130% of GDP in 2013, which should apply the same terms as *Greece* for being closer to normal.

Figure 3: Evolution of public debt as percentage of GDP in the European Union in 2013



Source: EUROSTAT - General Government Gross Debt Section - 2014

In a series of influential articles published in 2010, Kenneth Rogoff and Carmen Reinhart (Reinhart, C.; Rogoff, K., "Debt and growth revisited"; VoxEU.org, 11.08.2010) showed that *"high levels of public debt are negatively correlated with economic growth"*, but that, however, as the same two added in another article published in 2012 (Reinhart, C.; Rogoff, K., "Public debt overhangs: Advanced-economy episodes Since 1800", Journal of Economic Perspectives, 26 (3) : 69-86), *"there is no link between these two variables when public debt is under 90% of GDP"*.

Later in 2013, Reinhart and Rogoff's research were challenged by young economists Herndon, Ash and Pollin of the University of Massachusetts, who claimed that *"in a country with a public debt of over 90% of GDP, economic growth would average 2.2%, according to studies conducted empirical and not (0.1)%"*. The economists argue that *"GDP average growth for countries with public debt to GDP ratio above 90% is not much different from when the debt to GDP ratio is less than"*. Rogoff and Reinhart, however, outside their error, said a great truth verifiable in actuality, in their book published in 2009 ("This time is different"), namely that *"all economic crises preceded by an explosion of sovereign debt, basically due to falling tax revenue"*.

According to the article written by Pedro Schwartz ("Does too much debt really matter?") in 2013, who defined correctly the problem of public debt was James Buchanan, in his paper written in 1999 ("Public Principles of Public Debt"). He said that *"no matter how they use public money or for whom, but that, in fact, "the sacrifice" could be that the next generation will endure through taxation and budget constraint, previous governments' waste of money"*. Another conclusion drawn by James Buchanan is that *"private and public debt operations are similar, except for the above hypothesis, that, if public debt repayment burden falls on someone who is not fully enjoyed by those funds"*.

4. Conclusions

Romania's public debt in recent years, unfortunately, was intended to maintain a state existing condition characterized by covering deficits in social security budgets and maintaining an oversized state apparatus and poorly managed. Romania had and has still worrying level of debt, but the government should be more accountable in future years and focus on streamlining actions strict fiscal and budgetary system.

We conclude by saying that Romania is not an supraindebted country yet, but if public debt continues to grow, it is likely that in a few years it would turn into the category of supraindebted countries, especially taking into account the permanently instability of the public system. But in the coming years, estimates made by experts in public finance reassure us, because external public debt service would decrease annually, so that in 2022, it will have to be repaid only 403.7 million EUR.

5. Recommendations

To halt the galloping rise in public debt must made efforts in the area of fiscal consolidation and fiscal budget. Also this restructuring must be accompanied by measures of economic growth, such as:

- lower unemployment;
- keep inflation at moderate levels;
- record lower budget deficits or even surpluses.

If the three measures will be implemented, the country will become more attractive to foreign investors and for those who want to invest using European funds, thus, limiting governments to borrow from foreign banks. Foreign investment, the engine of the national economy, leads to economic growth, which is followed by the decline of government dependence to external creditors, of course, if there are no external financial and monetary imbalances.

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SOCIAL ECONOMY AND SOCIAL ECONOMY STRUCTURES: CHALLENGES, DEMANDING

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Abstract: At european level there is no generally accepted definition of the concept of social economy. Because the particulars of the agreement are related to the specific experiences of developing societies, sometimes talks about the Anglo-Saxon model of social economy. At the same time, in the last decade, efforts are being made to measure the impact of social economy in the system of macroeconomic indicators of national economies such as Gdp(Gross domestic produc), employment rates etc. To achieve this, a clarification of the structure of the sector is inevitable, and the European Commission has mandated CIRIEC [1] in December 2006, to issue a manual Guide for the classification of social economy actors in order to integrate their contribution in national macroeconomic indicators calculation.

Key words: social economy,abilities,disable,motivation

1. Introduction

From the analysis of the different types of approach with regard to defining the scope of the social economy, the three main ways of defining are:

- (a) the approach 1: through specific social economy organisations (associations, foundations, cooperatives, mutual associations);
- (b) approach 2: through some specific operating principles
- (c) approach 3: the mixed approach.

Approach 1: Traditional and modern actors of the field of social economy: definition of the social economy is made by recourse to traditional actors that are part of this area (associations, foundations [4], [5] cooperatives and mutual aid houses [6]) as well as the modern economy called actors social (social enterprise) [7]. Of the most famous definitions under this approach, such as:

ES is understood as "amounting to non-profit organizations, cooperatives and other forms of private undertakings associated with or has been used as a synonym for State-owned enterprises". [8] ES through cooperatives, mutual societies and associations (increasingly more and foundations) outlines the specifics of these organizations in the ES, in particular to the benefit of its members or of the large communities, but to generate profits for investors ".

It is important not to confuse the term social enterprise (Society with limited liability, trading company,who has laid down in the statutes of social goals) with the term social economy enterprises, which refers to the various actors in the social economy: associations, cooperatives, etc. Social enterprises are businesses legally in economic and legal terms, aimed at social character and reinvestment of profit in the interests of all members, without the track to obtaining individual profit determination.

We conclude that the term social economy refers to those organizations located between the public sector and the private economic sector and the social economy organizations are engaged primarily in relation to economic and social revitalization of a community, rather than their own organization's success.

In the following I will talk about launching a project of Social Economic structure, called "Skills matter and economic ", during which I was present, as part of the team that organized this event.

Figure 1: SPORTS CLUB ASSOCIATION "ASTRAL WHEELS"-Sibiu, launches Social Economy Structure



Skills Matter and Economic project, created to improve the quality of life of disable people, was released on 02 April 2015, in Sibiu.

SES's mission is to improve the quality of life of disable people by facilitating access to mobility adapted equipment, training on using and improving their health status, as well as the provision of adequate transport, allowing them full professional and social integration.

The overall objective of the project is to increase the participation of vulnerable groups in the labour market and in economic and social life through the improvement of skills and the development of their entrepreneurial skills and through the implementation of an effective model of social economy through the transfer of good practices. The specific objectives of the project are: the establishment of 8 new social economy structures that will create a total of 41 jobs, of which 28 persons from vulnerable groups; improving professional competences and competitiveness on the labor market to 41 people in the social economy structures, of which 28 persons from vulnerable groups; empowerment of the eight social economy structures; increasing the quality of services offered to persons with disabilities in Romania; The originality of the project is piloting and transfer in Romania of a model of good practice in the field of social economy implemented by partner from the United Kingdom. Finally, the project aims to develop a network of social franchise.

The project launched in Sibiu general aims at increasing the participation of vulnerable groups in the labour market and the implementation of an effective model of social economy by using the transfer of good practices. What exactly is the project "Skills matters and economic"? Services that benefit users of wheelchairs, the initiators of the project say. It is adapted to transport disabled people, which include adaptation, maintenance/repair of the wheelchair and user training, as well as arrange products. Interestingly, all these activities will deal with disabled people, employed by the folks from "Astral Wheels" and the Foundation of Motivation, receiving thus a chance to integrate better socially, professionally and personally.

The event was organized in the form of a Conference, at Ana Airport Sibiu (soseaua Alba Iulia, nr. 120), in Sibiu, at 10.00. Within it, have been submitted to the services offered by the structure of the social economy, i.e. transport adapted for people with disabilities (urban and interurban), wheelchair services (adaptation, maintenance/repairs and training users of wheelchairs) and brokering of goods and services through the protected unit authorized on the basis of law 448/2006.

Figure 2.



Figure 3.



They were shown both in informative and practical demonstrations of the use of a specially adapted in order to ensure the transport of disable people, in conditions of maximum security. They also held demonstrations of the use of fixed electrical device that facilitates access to such steps and comes in response to the need of individuals to have access to public spaces.

Social economy structure was established within the project Skills matters and Economic of the Foundation of Motivation Romania and co-financed from the European Social Fund through the sectoral Operational Programme human resources development 2007-2013. Invest in People! In the framework of the project have been established 8 social economy structures (SES), which provides services for people with disabilities in the present Romanian counties Braşov: Buzau, Cluj, Ilfov, Neamt Prahova Sibiu, Timisoara.

The project is implemented in partnership with the Shaw Trust in United Kingdom, Association of Wheelchair Sports Club children's Foundation, the Astral Saint Sava, Supernova Sports Club Association, Said the Association Sports Club Wheels of change, Ilfov (Romanian) Association of sport Motivation for People with Disabilities, and the three organizations set up in the Sports Club Association project: be Independent, the Lions Club of Timisoara, Wheelchair Sports Club Association Ability.

We try to do these activities, employ people with disabilities and offering them the chance to integrate better socially, professionally and personally. Is a service that offers them safe during shipment and transport from home to provide him with a car elevator. Is a kind of mobile lift.

The person climbs on this elevator that ascends and descends stairs using rollers. (Ioan Rusu, President of Astral Wheels).

Specialists in working with people with disabilities were satisfied with the project and said it considers an innovative one.

Is an absolutely innovative design, comes in support of disable people, both among children and among adults. I saw two operations absolutely wonderful which makes it easier than the life of persons with disabilities. What I've seen personally so far is unique. (Lee Codău, Deputy director of the General Directorate of social assistance and child protection Sibiu).

The structure of social economy (SES) has undertaken a number of 7 people, 4 of the vulnerable groups. Benefit from the delivery of services of social economy is reinvested in the activities organized by the Association of Wheelchair Sports Club Astral, devoted to inclusion of people with disabilities. Association of Wheelchair Sports Club Astral is a non-profit non-governmental organization, founded in the year 2013.

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