

# Glocalization Practices of Supermarket Chains. Case Study: Food Retailers in Romania

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**Abstract:** Glocalization has continuously gained popularity over the past 20 years. The rise of nationalism and other trends in political radicalization have strengthen the need for retailers to find local solutions to their globally distributed products. In some cases, the adaptation has happened smoothly and naturally, in other situations it was imposed by the local judicial context. The paper focuses on European supermarket chains, like Kaufland, Lidl or Penny, giving special attention to their glocalization strategies used in Romania. The research has revealed that the retailers have become quite versatile and that they are currently developing products tailored to satisfy Romanians' expectations regarding traditional tastes, recipes, and design.

**Keywords:** *corporate communication, retailer brands, globalization, glocalization, marketing strategies, private label.*

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## 1. Introduction

The dynamics and strategies of major global retailers have been a research topic for decades. However, changes in customer behaviour brought about by the 2009 economic crisis, as well as the current Covid-19 pandemic, have highlighted interesting trends and have revealed new tactics used by major retail chains. In order to increase their customer numbers, hypermarket/ supermarket/ discounter chains have adapted their global strategies to local needs, in manners that impact the supply chains and economic market, as a whole.

The present paper seeks to clarify key terms like globalization, localization, glocalization, private labels, store brands etc., to describe the context which has led to unique glocalizing marketing strategies within the Romanian market, and to present the results of the analysis of the store brands developed by supermarket chains only for customers in Romania.

## 2. Literature review

### *2.1. Globalization, localization, glocalization*

Globalization is currently a term used with ease in various contexts by people with various backgrounds. However, literature review has revealed a multitude of definitions which usually underline only certain aspects of the concept. The need to provide a comprehensive definition has been identified by researchers. For example, one relevant study regarding the attempts to define globalization has been undertaken by Dr. Nayef Al-Rodhan, Senior Scholar in Geostrategy and Director of the Program on the Geopolitical Implications of Globalization and Transnational Security Geneva Centre for Security Policy, and Ambassador Gérard Stoudmann, Director of Geneva Centre for Security Policy, who have analyzed 114 definitions provided by scholars, journalists or politicians between 1974 and 2006. Their overview “illustrates that many of the definitions refer to questions of economics: of the 114 definitions presented here, 67 of them make some reference to the economic dimension either through market expansion or the selling of goods and services. Many of these definitions do, however, include other dimensions: quite often they involve political and social aspects as well.”(Nayef & Stoudmann, 2006, p.6)

Based on their professional experience and taking into consideration the theoretical data analyzed, they proposed the following definition “Globalization is a process that encompasses the causes, course, and

consequences of transnational and transcultural integration of human and non-human activities.” (Al-Rodhan, 2006, p.5)

Regarding the second concept discussed in this chapter – localization – the literature review shows more consensus, and we find it suffice to provide dictionary definitions. The Cambridge Dictionary defines localization as “the process of organizing a business or industry so that its main activities happen in local areas rather than nationally or internationally”(“Localization”, 2020a), while the Business Dictionary underlines the marketing aspects of the process “localization is the practice of adjusting a product's functional properties and characteristics to accommodate the language, cultural, political and legal differences of a foreign market or country.”(“Localization”, 2020b)

We shall discuss in more detail the evolution of the concept of glocalization, which is the focus of the present paper. Roland Robertson (1992), who is credited with popularizing the term, describes glocalization as „the tempering effects of local conditions on global pressures” (Robertson, 1992, p. 100) and that it means “the simultaneity – the co-presence – of both universalizing and particularizing tendencies.” (Robertson, 1992, p. 100)

The glocalization is a clever way “to govern the globalization”(Robertson, 1992, p. 37) and to supplement the valid contribution of the localization in this process. As the table below shows, this means "thinking locally and acting globally" for the local/typical products and of "thinking globally and acting locally" for the global products which require local adaptations; that is strategic integration and interaction between globalization and localization.

Table 1. A Framework for Alternative Global Marketing Strategies  
Source: Polat (2020)

Product strategy	Communication strategy	
	Standardized communication	Localized communication
<b>Standardizes product</b>	<u>Global strategy</u> <ul style="list-style-type: none"> <li>• Uniform product</li> <li>• Uniform message</li> </ul>	<u>Glocal strategy</u> <ul style="list-style-type: none"> <li>• Uniform product</li> <li>• Customized message</li> </ul>
<b>Localized product</b>	<u>Glocal strategy</u> <ul style="list-style-type: none"> <li>• Customized product</li> <li>• Uniform message</li> </ul>	<u>Local strategy</u> <ul style="list-style-type: none"> <li>• Customized product</li> <li>• Customized</li> </ul>

		message
	<u>Glocal strategy</u> <ul style="list-style-type: none"><li>• Customized product</li></ul> Customized message	

Foglio and Stanevicius (2006) have also identified and explained “the pushing glocal factors”: saturation of the market, presence of a glocal demand (differentiated niches in the global market and local markets), territory and localism, costing, interest in local culture and tradition, increase of the sales, laws and rules, glocal management, glocal marketing (Foglio & Stanevicius, 2006, p. 26). They consider glocalization to be:

1. a way to supplement globalization and localization synergy ally and strategically;
2. a system to manage the approach to the glocal market (global/local market);
3. the capacity to remain rooted strongly in the local reality, also facing the global market;
4. the chance of articulating in global and local (glocal) key the chain of the value (system of activities) developed by the enterprise to plan, produce, sell his products or services);
5. a method which allows the local or global enterprise to arrive in optimum way respectively to the global or the local market. (Foglio & Stanevicius, 2006, p. 32)

In the opinion of Dumitrescu and Vinerean (2010), “glocalization refers to the strategies a multinational corporation employs abroad to cater to local idiosyncrasies” (Dumitrescu & Vinerean, 2010, p. 147). The two authors studied the evolution of Walmart in Argentina and found that the original approach of US-based marketing strategies was rapidly rejected by most Argentinian consumers. “After a few years of trial and error, Walmart finally brought forth five major business and cultural changes that proved successful: adaptation of store design, adaptation of products to local tastes, adaptation of shopping culture, adaptation of employment practices and workplace culture and acceptance of trade unions.” (Dumitrescu & Vinerean, 2010, p. 148)

To conclude this chapter, we shall present the assertions of Kotler et al. (2009), the renowned marketing author, on the matter. He elaborated certain advantages of glocal marketing, as follows:

Consumers feel that the brand is relevant to them and is tailored to their needs and wants.

There is harmony and balance between the different levels of marketing activity: strategic, tactical and operative. Brands gain greater market share (Kotler et al., 2009, pp. 467-468). A significant part of the successful glocal strategies leading to increased market share is in direct connection to the products produced under private labels by supermarket chains.

## ***2.2. Private label/ store brands – a general presentation***

Among the marketing strategies retailers can employ to maximize each store's activity, the creation and sale of private label brands proves to be ever more productive in recent years. Moreover, the research undertaken for the present paper has concentrated on one interesting glocal strategy, which proves to be a trend in Eastern Europe, especially in Romania – that is the development of private label brands with traditional model design and traditional recipes inspiration.

The subject of private label brands has been under scholar attention since the 1980s, however the economic crisis of 2009 seems to have had the biggest impact on consumer behavior towards these labels. The terminology is yet to be clarified, as the terms private labels, store brands and retail brands overlap in most consulted sources.

Batra and Indrajit (2000) begin their article “Consumer-Level Factors Moderating The Success Of Private Label Brands” with the statement “Sales of private label brands (PLBs), also called “store brands,” have been growing rapidly in recent years” (Batra & Indrajit, 2000, p. 177). Marshal Hargrave defines the concept in his article “Private Brand” as follows “a private brand is a good that is manufactured for and sold under the name of a specific retailer, competing with brand-name products. Also referred to as “private label” or “store brand,” prices for private brands tend to be less than those of nationally recognized name brand goods.” We have also seen the terms “retail brands”, “in-house” or “owned brands” used with the same meaning” (Hargrave, 2019). However, an in-depth analysis reveals slight differences in meaning, from the connoisseurs’ point of view, which say that private labels and in-house brands refer to the same product and the same brand, but there is a difference of where they lie on the supply chain, as private labeling usually refers to the branding process from the manufacturers' end.

If we consider the changes brought about by the latest world economic crisis, Nielsen has observed that the weak economic recovery, resulting low consumer confidence and falling real incomes since 2009 have had a positive effect on consumers’ acceptance of private-label goods.

Private label growth in some countries has been due to retailer “pull,” whereby companies are pulling shoppers into buying private label using methods like advertising and touting value for money. Germany is a good example of a market where discounters have led private label growth. In other countries, such as Spain and Italy, the growth of private label has been fostered by an economic “push”, where conditions are pushing consumers to shop differently.

The analysis presented by Nielsen (2014) shows that there were some consistent themes across Western Europe, such as: the number of private-label items available to the consumer has increased 4%, the share of sales that private label accounts for has grown, increasing to 36% (and growing faster in Italy and Spain), and in cases where brands have driven promotional spending, as has been the case in the U.K., the efforts have effectively acted as a ceiling capping private label growth.

Other findings underline that “store brands have become an important contributor to retail differentiation and basis for building store loyalty” (Collins-Dodd & Lindley, 2003, p. 345). A regression analysis presented by Dodd and Lindley (2003) demonstrates a “positive relationship between consumers’ perceptions of individual store own brands and their associated store’s image dimensions and attitudes toward store brands in general”. The data available at the time the article was published shows that “in Britain, house brands have reached close to half of grocery sales. Retailers are viewing private label products as an opportunity for building store image and differentiating their stores from competitors” (Collins-Dodd & Lindley, 2003, p. 346).

“Digital has driven the ubiquity of national brands, so price comparisons are a click away. Private brands are one of the only ways to differentiate, drive destination shopping and blur price comparisons.”, says Carol Spieckerman, a retail strategist and trainer. Spieckerman prefers the term “private brand” since retailer brands have moved well beyond simply changing out the label. Retailers now actively market these brands and see their private brand portfolios as corporate assets (Smith, 2018).

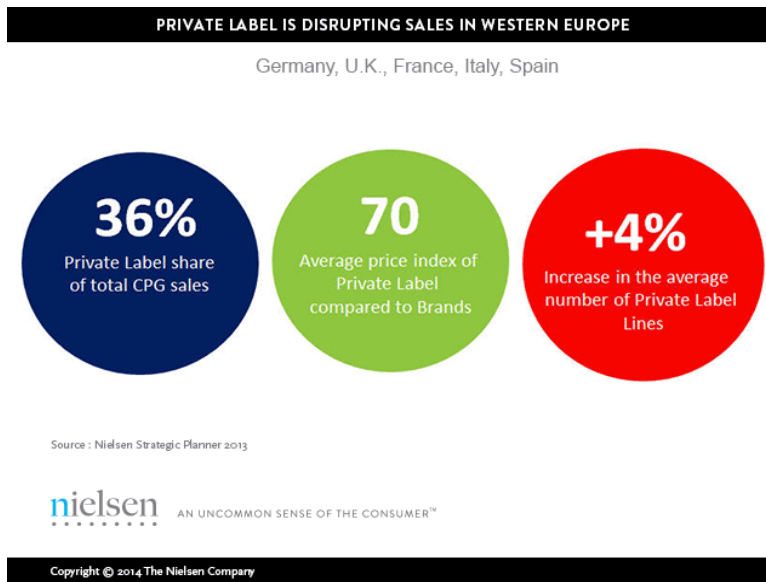
Many scholars have concentrated on analyzing the American and Western European retail markets, especially the specificity of the US and UK scenery. Regarding the importance of private label brands in the two countries, significant differences have been identified, as store brands have a considerably large share of the food and grocery market in UK and other western European countries. Findlay and Sparks consider that the strength of private labels in Europe is partly structural. “First, regulated television markets mean that cumulative advertising for name brands has never

approached US levels. Second national chains dominate grocery retailing in most west European countries, so retailers' power in relations to manufacturers' is greater than it is in the United States. In the US, the largest single operator commands only 6% of national supermarket sale, and the top five account for a total of 21%. In the United Kingdom, by contrast, the top five chains account for 62% of national supermarket sale" (Findlay & Sparks, 2002, p. 272).

This presents a big challenge for manufacturer brands which are trying to find solution to keep the market share. They have even taken retailers to court for copycatting and, as a result, "retailers have de-listed household brands from their shelves. There's little room for concession" (Lincoln & Thomassen, 2009, p. 3).

However, research shows that the success of private label is not just about cost. As shown in the study mentioned above, retailers in Europe have also created new demand, particularly by „offering new premium private-label lines and by launching dine at home meal offerings with bistro or restaurant quality foods, a trend that is most evident in the U.K" (Nielsen, 2014).

Figure 1. Private labels in Western Europe  
Source: Nielsen (2014)

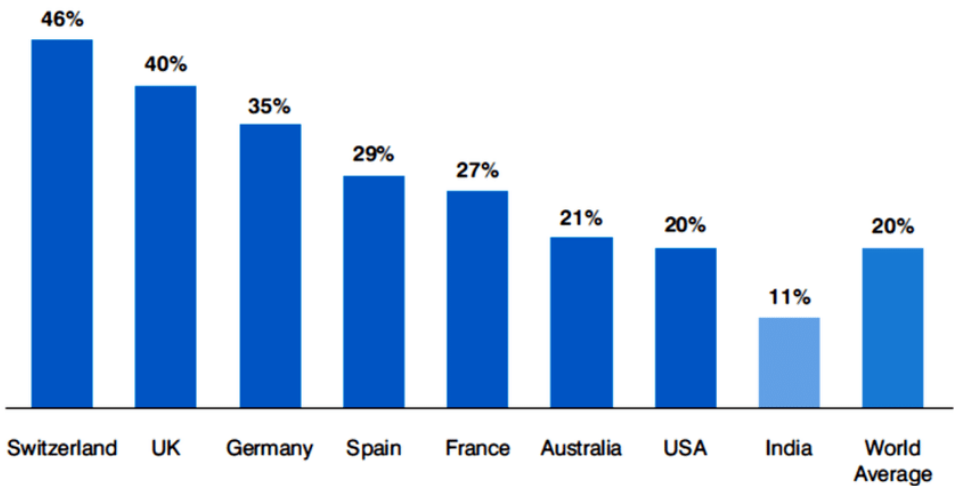




In 2021, constrained spenders will continue seeking out cheaper alternatives to the product options they would normally buy, opting for more value offerings and private label products, at least for their everyday staples. (Nielsen, 2020) Tiering products and pricing will become increasingly important as the year progresses.

These trends are also connected to significant changes in customer behavior, as private label brands were considered to be of inferior quality and therefore o choice only for those who could not afford the manufacturer brand. Nowadays, however, “77 percent of Millennials say they don’t want to buy the products their parents did, and 88 percent think private label is just as good [...] It’s no wonder why, out of the top 100 brands in the consumer packaged goods segment, 90 percent are in decline” (Smith, 2018), highlights Tina Sharkey, co-founder and CEO of Brandless.

Figure 2. Private Label Share in Overall Organized Retail Sales  
Source: Azeem (2012)



As the ecommerce landscape continues to mature within the European market, we foresee private label gaining a second wind of growth. Particularly within discount retailers in Europe, store brands have hit a plateau. Gleaning insights from the U.S. market, online retailers are making a move towards prioritizing their own labels over branded items. In fact, Nielsen (2020) data, powered by Rakuten Intelligence, shows that dollar share of U.S. CPG e-commerce sales have doubled for private labels in the last two years. And although overall private label sales remain underdeveloped compared to brick-and-mortar penetration in the U.S., private

labels account for 18% of baby care products and 13% of grocery within the U.S.

As we have already pointed out, the current Covid-19 pandemic also impacts the market and consumer behaviour, to the advantage of private labels. Early in the COVID-19 crisis, many consumer-packaged-goods (CPG) brands disappeared from store shelves due to panic buying and pantry loading. Some shoppers, not finding their preferred brands, instead bought private-label goods, and have continued to do so. The fact that private labels are frequently cheaper than national brands has helped, too, as financially strained consumers tighten their purse strings. These two advantages – high availability and low price – have made private-label products considerably more appealing to consumers during the COVID-19 pandemic (Begley & McQuat, 2020).

### **3. Methodology**

The paper is based on an extensive literature review, meant to clarify terms like globalization, localization, glocalization, private labels, store brands, and to describe the special context within the Romanian market which has encouraged glocalizing marketing strategies, like the 51% bill.

The analysis of the store brands developed by supermarket chains only for Romanian customers has been conducted in two steps: 1. observations carried out in supermarkets from Timisoara Metropolitan Area, in the summer of the year 2020, and 2. the conclusions drawn by observing the product offer were extended through a thorough research of online data, both on websites in Romanian and English. On one hand all supermarket chains websites were consulted for information about store brands developed for a Romanian audience, on the other hand FMCG websites were interrogated to find information about the timeline of their brands' development. The results of the qualitative research methods include design examples and slogans, figures, and tables.

### **4. Results and discussions**

#### ***4.1. The Romanian context***

The profound changes undergone by the Romanian retailing since the integration in the EU have also led to changes in consumer habits. Romanians have discovered the hedonistic facet of shopping, turning shopping expeditions into a social event, an opportunity to interact with other family members, friends or sales personnel (Dabija & Băbuș, 2014, p. 372). Another reason underlying the development of retail formats is in

connected to Romanians' desire to purchase at home the brands and products which they saw abroad, in Western countries.

The crisis coerced consumers to reduce impulse purchases and pay more attention to their type and amount. [...] Thus, the Romanian consumer becomes a "smart shopper" by optimizing the utility of purchases. In this context, gaining the consumer's loyalty toward a particular retail format or brand is a real challenge for the management of Romanian retailers. In order to instill a loyal, repetitive behavior into consumers, the management of retailers must make sustained efforts to increase consumers' trust in its offer and build their satisfaction with the entire offer (Cernicova-Bucă, 2018; Dabija & Băbuș, 2014). One strategy is based on advertising, either with a common, global message or with a locally adapted one. However, less people are influenced by the classical approach to advertising and thus out-of-the-box programmes and niches approaches could prove to be the better option.

Therefore, Pop Cohut and Catană (2009) considers that "encouraging the consumption of Romanian products through a national programme could be the manner in which the small and middle size enterprises, which have not invested so far in advertising, manage to get over the crisis period" (Pop Cohut & Catană, p. 499). In their opinion, small and middle-sized enterprises in Romania, in the field of production and sale of Romanian products could represent a solid basis of the production and trade with Romanian products, by concentrating some national strategies and programmes meant to promote not the concept of "Made in Romania" but to raise the awareness of the Romanian consumer especially through the creation and maintenance of jobs and for the development of the Romanian production; to stimulate the producers in giving a higher attention to the Romanian market, the tastes and preferences of the Romanian consumer whose profile is certainly easier to recognize than the profile of another consumer from the exterior; to stimulate the Romanian producers in achieving investments in modern technology and not in the least to support the field of bio products, a field recording a high tendency of interest and growth (Pop Cohut & Catană, 2009, p. 500).

In 2010 and 2011, fairs with traditional products brought together hundreds of consumers interested in "clean", healthy, qualitative products.

The concept "Made in Romania" mentioned above refers to "any creation, product or service of any nature realized on the territory of Romania in a proportion of at least 50%, or which has undergone substantial transformations on the territory of Romania" ('APPSR Has Officially', 2001). It was launched in 2001 by the Association for Products and Services

Promotion-Romania (APPSR) and was the first national non-governmental program dedicated to promoting and supporting Romanian products and services on the domestic and international market.

Figure 3. Made in Romania

Source: Association for Products and Services Promotion-Romania (2001)



Another change in consumer behavior became obvious in 2010/2011 when fairs with traditional products brought together hundreds of consumers interested in “clean”, healthy, qualitative products.

However, the most important measure which influenced the development of private label brands with Romanian traditional design and taste was the so called „51% bill”, adopted by the Romanian Parliament on June 8th 2016.

According to the law no. 150/2016, the supermarkets in Romania will have to sell at least 51% products purchased on a ‘short chain of supply’, including meat, vegetables, fruits, honey, eggs, dairy products and bread from local production. This meant that local retailers would have to sell more food (meat, eggs, vegetables, fruits, honey, dairy, and bakery products) produced in Romania or the region. Exceptions are traders with a business of up to 2 million Euros.

A short supply chain is one involving a limited number of operators engaged in cooperation and economic development at local and regional level, and close relationships between producers, processors and traders (Bernovici, 2016).

As in the majority of states from the European Union there are no such laws as Bill 150/2016 (Mailat, 2016), and because the law breached the European legislation regarding the free movement of goods, the European

Commission started infringement procedures. Even if Petre Daea, the Minister of Agriculture at that time, stated on March 17 that “the infringement will not be finalized. The European Commission has begun to understand Romania’s position” (Rotaru, 2017), the law was amended one year later, in July 2017, in order to prevent further action from the EU.

In the total FMCG market, the value share of own brands is 18%, registering an increase of 1.5pp in the first half of 2019 compared to the same period last year. Almost all households (98%) bought at least one private label product in the first part of this year. The frequency of buying private label products is, on average, 5 times a month. Romanians spend, on average, 16 lei on a single purchase deed on a private label.

At the level of market segments, in the first half of the year, in total FMCG market, mainstream brands accounted for 34%, premium brands accounted for 24%, economic segment brands accounted for 21%, private budget brands 14%, and premium brands 4%.

There are categories where the private label dominates - market share over 50% - in volume and value: wet wipes, refrigerated food, facial wipes, frozen pastries and desserts, cheese specialties, canned fish and seafood, ice cream, cooking chocolate (Oancea, 2019).

In Germany, the market share of own brands is 40%, in Austria 32%, in Italy 27%, in Hungary 29%, in Poland 19%.

But what is different in our country, compared to markets like Germany, is that the price segments in the private label area are much more clearly defined, and the interest of retailers is to develop the premium and super premium area (Oancea, 2019).

In 2019, the sales of fast-moving consumer goods (FMCG) in Romania increased by 9%, in volume terms, in the first half of the year compared to the same period of 2019, according to a study published by market research firm GfK. With a 19% market share, discount stores surpassed supermarkets in terms of sales (17% market share) and became the second-biggest segment of the modern retail sector after the hypermarkets (25%) (Chirileasa, 2020).

Private label brands continued their upward trend, especially in dairy products, while the premium segment grew slightly in importance for alcoholic and non-alcoholic beverages, and coffee.

#### ***4.2. Global strategies of supermarket chains in Romania***

After becoming a member of the European Union in 2007, Romania became the market of interest for food retailer giants. Their expansion in our

country was sometimes beyond anyone's expectations and now in Romania operate the following global food retail chains:

Table 2. Global retail chains operating in Romania (2018)

Type	Name	Stores	Parent
Cash&Carry	Metro	30	Metro AG
	Selgros	22	TransGourmet
Hypermarket	Auchan	33	Auchan Retail International
	Carrefour	39	Carrefour Group
	Cora	11	Louis Delhaize
	Kaufland	134	Group Schwarz Gruppe
Supermarket	Carrefour	217	Carrefour Group
	Market	814 (including	Delhaize Group
	Mega Image	Supeco)	Mid Europa
Discounter	Profi	1355 (including	Partners
	Lidl	Profi Loco)	
	Penny Market	238	Schwarz Gruppe
Convenience store	Supeco	264	REWE Group
	Carrefour	84	Carrefour Group
	Express	28	Auchan Retail International
	MyAuchan		Delhaize Group
	Shop&Go		Mid Europa
	Profi Loco		Partners

It is worth mentioning that Real hypermarket and Billa supermarket also entered the Romanian market. However, on November 12, 2012, Auchan Group signed an agreement with the German distributor METRO GROUP with the purpose of divesting Real's activities in Central and Eastern Europe. Auchan Group was to take over the operational activities and the corresponding real estate assets of the METRO GROUP subsidiaries in Poland, Romania, Russia and Ukraine. There were 91 hypermarkets in the mentioned countries and 13 commercial galleries in Russia and Romania ("It's Official", 2012).

In December 2015 Billa supermarkets (85 stores) were bought by Carrefour Group for the approximate sum of 100 mil. Euros (Roșca, 2015). We shall discuss the relevance of this information later on.

The results of our extended research on available online data, both on websites in Romanian and English, were strengthened through observations carried out in supermarkets from Timisoara Metropolitan Area, in the summer of the year 2020. We have identified full glocalization strategies, that is customized product and customized message used by all food retailers. The creation, implementation, and expansion of private brands, tailored for the Romanian market, has been executed differently by the global players.

For example, the biggest supermarket and convenience store in Romania – Mega Image, was the first to develop the brand “Gusturi românești” (Romanian tastes), in 2009. The range of private label products Gusturi românești includes a very diverse selection of goods inspired by the local gastronomic culture, made in Romania, in collaboration with local producers (<https://www.mega-image.ro/produse-marca-proprie/gusturi-romanesti>).

Figure 4. Mega Image – Romanian tastes  
Source: Mega Image (2020)



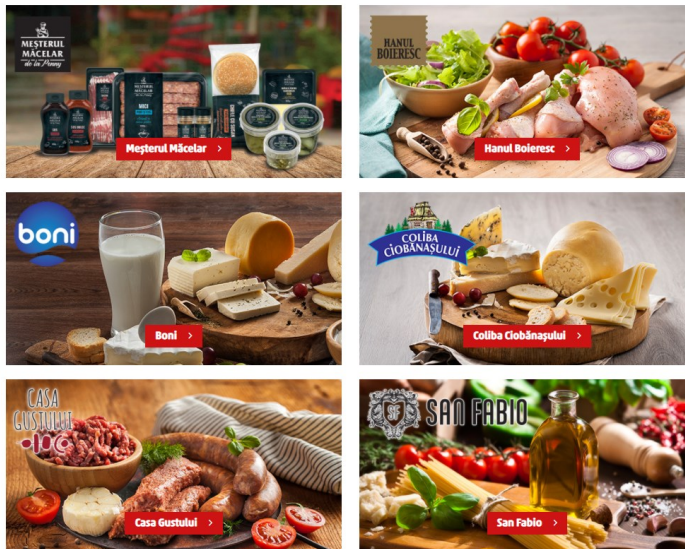
Cora brings to the market, in 2010, the line of products “Tradiția Gustului” (Tradition of taste), which seeks to adapt as best old recipes to modern times and food technologies, maintaining oldtime value with traditional Romanian products (<https://www.cora.ro/recomandari-cora/bun-si-proaspat-de-la-cora/cora-alege-romaneste>).

Figure 5. Cora – Tradition of taste  
Source: Cora (2020)



Also, in 2010, Penny began to offer customers a range of private labels with typical Romanian names like “Hanul boieresc” (The Boyar’s Inn). They diversified it in 2011 (“Coliba Ciobănașului” / The Shepherd’s Hut), and then again in 2017 with a special campaign dedicated to the Great Union of Romanian territories (100 years of Romania – 100 products). (Penny, 2020)

Figure 6. Penny - Private labels





At the beginning of this chapter, we mentioned that Carrefour bought Billa in 2015. This is important from the point of view of private labels, as for about one year Carrefour kept the private labels developed by Billa for the Romanian customers, that is the line “Bun, din România! Gustul pe care îl știm cu toții” (Tasty, from Romania! The taste we all know), marketed in 2014. At the same time, the equivalent private label “Drag de România – îți merge la suflet” (Dear Romania – it goes to your heart), launched in 2013, was merchandized on the same shelves. Even if other products from Billa supermarket were not kept by the new retail group, the importance of private label brands, adapted to local culture and tastes (Dumitrescu & Vinerean, 2010, p.147) was so high in retaining customers that they opted for the solution of gradually adapting the clients to the new offer.

Figure 7. Carrefour - It goes to your heart



In 2015, Kaufland presented to the public their new brand “Țara mea” (My country), which was then turned into the “K-Vreau din România” (I want from Romania), in 2018. The notorious store brand offers products made exclusively by local manufacturers and suppliers, and is the first of its kind produced entirely at local level (<https://www.kaufland.ro/sortiment/marci-proprii/vreau-din-romania.html>).

Figure 8. Kaufland - I want from Romania  
Source: Kaufland (2020)



Lidl was the last retailer to produce a glocal store brand, it used the knowledge gained through the experience of others, and launched, in 2015, a line of premium products, somewhat different than most others. “Cămara noastră” (Our Pantry) is meant to recognize Romania’s culinary tradition, bringing to life original recipes, with the help of the best local suppliers (Lidl, 2020).

Figure 9. Lidl - Our Pantry  
Source: Lidl (2020)

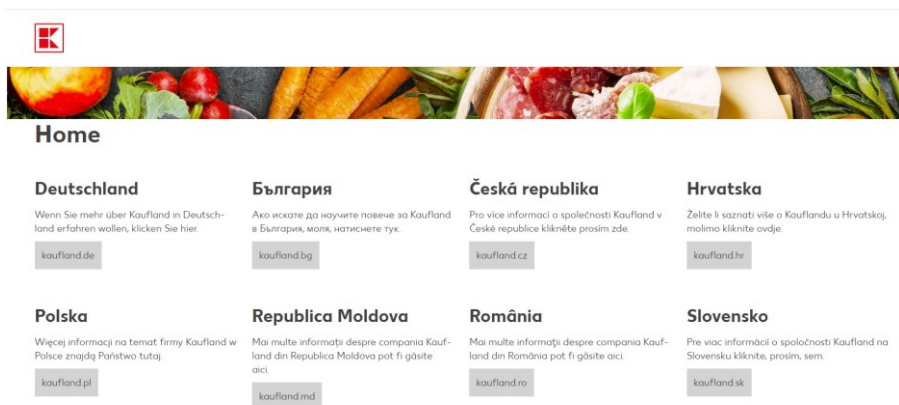


Auchan is a hypermarket with a great variety of private labels, but it has not developed a line with traditional Romanian products, even though it encourages local agriculture through the national program “You produce, we support you” (Auchan, 2016) launched in 2016.

Our endeavour to find out if the type of store brands developed for the Romanian market are replicated in other countries, led us to the analysis of Kaufland websites in all countries where the chain is present. Because we searched for relevant information with the help of Google translate, we do not assess our findings as irrefutable.

Figure 10. Kaufland.com

Source: <https://www.kaufland.com/>



One interesting aspect was that in Germany (<https://www.kaufland.de/>) products are marked through tags that indicate their high quality, this being more important than their local origin. The research also showed that similar store brands do not exist in other countries, even if in Poland (<https://www.kaufland.pl/>), Croatia (<https://www.kaufland.hr/>), Slovakia (<https://www.kaufland.sk/>), Check Republic (<https://www.kaufland.cz/>), Bulgaria and the Republic of Moldova (<https://www.kaufland.md/ro/>) products that came from local suppliers were identified as such.

## 5. Conclusions

Glocalization is more than a modern approach, it is a necessity for big international companies, that want to protect their market share. The current changes, brought about by the Covid-19 pandemic, have encouraged this trend, as both companies and customers have understood the risks of long supply chains and have begun finding local/ short supply chain solutions to their needs.

Our research has shown that glocal marketing strategies are used by all food retail chains operating in Romania. Their practices extend beyond the customization of private labels, and actually include the developing of original store brands, totally adapted to local culture. The attention given to message and design is essential, as supermarkets seek to reassure clients that they are selling products of Romanian origin.

We would like to point out that all the analysed food retailers have built store brands that use strong Romanian words, deeply rooted in our culture, sometimes even impossible to translate. Moreover, the graphic randering uses traditional motifs and colours, which are automatically linked to our traditions, to our roots, to our folklore and symbolism.

We conclude that the unique case of 51% bill has had a major impact on the way food retail chains have adapted their offer, and, even if it was not enforced as initially planned, it has managed to guide trade policies. However, we do not assert that store brands like “Vreau din România” or “Cămara noastră” are exclusively a result of local political initiatives. The strength of these brands is given also by the rise of nationalism, which can be seen everywhere in the world, and which gives big companies the chance to develop store brands as a sign of genuine interest for elements of national identity, thus increasing brand loyalty.

## 6. Limitations and recommendations

Even if our pilot research on Kaufland’s websites has highlighted some interesting aspects regarding retailers’ practices at a European level, we believe that further in-depth studies of glocalizing strategies would reveal valuable data, especially because the literature review on the subject of glocalizing marketing practices is quite scarce.

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