

IOSUD – „DUNĂREA DE JOS” UNIVERSITY OF GALAȚI

Doctoral School of Basic and Engineering Sciences



ABSTRACT

THE DOCTORAL THESIS

**Research on contributions of the
local brand for sustainable
entrepreneurship**

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ABSTRACT

The doctoral thesis, entitled Research on contributions of the local brand for sustainable entrepreneurship, addresses one of the most important and current themes, in the context in which the local brand is necessary for innovative local businesses, which can provide a strong identity, creates and transmits trust to consumers, determines the emergence and development of new businesses.

In evaluating the transformations in innovative local entrepreneurship we propose the following:

- An understanding of the concepts of brand entrepreneur, destination brand, and brand entrepreneur attachment;
- Analysis of the current state of financing made through the PNDR after 2014-2020 regarding business development in the marketing and processing of agricultural products through the PNDR in the SOUTH-EAST region;
- Research on the evaluation of the degree of awareness and involvement of several interested parties (entrepreneurs, local authorities, employees, consumers) in protecting the local Măcin brand as a sustainable destination;
- Research on how the Măcin umbrella brand can have a long-term effect on business development around the Măcin Mountains brand destination
- Perspectives of entrepreneurship in Romania - a case study in the wine industry.

Local entrepreneurship and local brands are essential for the sustainable development and prosperity of communities. By supporting local businesses and their brands, consumers can help build a more resilient, equitable, and socially and environmentally responsible economy. For an evaluation of the contribution of the local brand on the performance of entrepreneurship, it will be possible to do it at the level of different interested groups and follow the desired effects, and if they could be attributed to a community or region, the situation is desirable.

Evaluations have always been a challenge, due to the diversity of the proposed indicators, but also because the evaluation can be carried out at different levels (at the level of employees, entrepreneurs, managers, at the community level, the socio-political level, etc.). Entrepreneurship and local branding are two closely related concepts, and their combination can significantly impact local communities and economies. Here's how these two concepts intersect and how they can influence each other:

1. Promoting local identity: Local brands often reflect the traditions, values, and culture of a particular region or community. At the same time, local trainers can be motivated to understand the business around these identity aspects, thus building a brand that is deeply local community.

2. Supporting the local economy: Local entrepreneurship and local brands bring income and jobs to the respective community. By choosing to buy from local businesses, consumers support the economic growth and sustainable development of their regions.

3. Social and ethical responsibility: Local entrepreneurs are often more involved in social and environmental issues in their community, and this commitment can be reflected in their brands. By adopting socially and ethically responsible practices, these brands often become preferred by consumers and contribute to building a positive image of the community.

4. Promoting local innovation: Local entrepreneurs and their brands are often more flexible and adaptable to the specific needs of the local market. This can lead to innovations and customized solutions that better meet the needs of the community.

5. Preserving local traditions and culture: Local brands can play an important role in preserving and promoting local traditions and culture. By integrating cultural and historical

elements into their brand identity, these businesses contribute to the preservation of the community's cultural heritage.

Various frameworks have been devised for assessing contributions to the study area, such as socio-natural, financial, and socio-political impact.

Calling external institutions is our recommendation, based on the assumption that it will solve the problem of increased credibility because it is only carried out by specialists. These external institutions can be universities or research institutes, which will have a very important role through a participatory impact assessment because they engage stakeholders at different levels (eg participating farmers).

In the first chapter "Perspectives of the attachment to the brand entrepreneur through a bibliometric approach," we make a foray into the specialized literature where we examine several 503 scientific articles on the attachment to a brand entrepreneur and the effects at the level of a community. The proposals suggest that AB (employer brand) is a particularly important objective for sustainable development. The chapter is structured as follows:

A background section that provides an Introduction to the domain issue as a community management model where local branding can support not only the geological ecosystem but also has an impact on the economic and social system.

The second section presents the methodology used in the bibliometric analysis with the presentation of the model through bibliographic coupling;

The third section presents the results obtained, with the presentation of the characteristics of the data, but also those resulting from the grouping of keywords based on co-occurrence, as well as bibliographic coupling combined with the systematic review of the literature;

The fourth section presents some perspectives and limitations of the study stating that the bibliometric method provides aggregated syntheses of the literature, which allow researchers to structure the following research.

Our analyses have shown that the topic of attachment to the brand entrepreneur is a multidisciplinary field, as it attracts the attention of researchers from different disciplines, including medicine, marketing, and environmental studies (to name just a few). Based on the AB phenomenon, issues such as digitization, IT, the behavior of entrepreneurs, human resources, products, rural development, and the environment can be addressed, significant phenomena in the present and future for studying AB transparently and multidisciplinary.

Brand attachment refers to the emotional and psychological connection that people develop with a particular brand or product. This type of attachment can be the result of positive experiences, personal beliefs, values, or even identification with the brand's image and message. Here are some reasons why people can develop an attachment to a brand:

1. Quality and Performance: People may develop an attachment to a brand because of the consistent quality and performance of its products or services. Repeated positive experiences can strengthen this bond.

2. Values and identity: When a brand's values align with those of the consumer, it can develop a strong emotional connection. Identifying with a brand's mission or principles can create a sense of belonging.

3. Experiences and memories: Pleasant experiences associated with a particular brand, such as purchase interactions, excellent service, or creative advertising campaigns, can contribute to consumer attachment.

4. Reputation and Trust: A brand with a solid reputation and trust in the market is more likely to gain and retain loyal customers. Credibility and transparency can strengthen consumer attachment.

5. Community and Belonging: Some brands build communities around them where consumers can interact and share experiences. This sense of belonging to a community can contribute to brand attachment.

6. Innovation and evolution: Consumers can develop attachments to brands that demonstrate innovation and the ability to evolve with their needs over time. A brand that stays current and relevant is more likely to retain customer loyalty.

Our study shows that the bibliometric method provides aggregated syntheses of the literature, which allows researchers to structure the following research.

In the present research, the bibliometric study of AB, we proceeded with a keyword co-occurrence analysis and a bibliographic coupling of the documents followed by a systematic literature review. The bibliographic linking of the documents provided the opportunity to identify the intellectual offer and the diversity of the field, on specific thematic groups (clusters), the evolution during the analyzed period, and the relationships of the most cited works in each cluster.

We have identified five (seven) clusters, the first with the largest size, with rapid growth, refers to the social dimension in branding (cluster 1, red). Most of the works are new after 2017 and promote regional identity including regional serenity, in the development of a brand in rural or urban areas.

The red cluster contributes to the development of different types of energy in AB which, together with the green cluster, have developed rapidly (figure 1.6) and can contribute to the population's access to them. The two clusters can represent the implementation of the European policy on AB, which can be an engine of change in different industries.

The particular number of articles in the red, blue, and yellow clusters, which reflect the manifestation of academic interest, show the greatest prospects for results and advanced research in the coming period. The behavior of the entrepreneur, of the employee in local branding, and access to such an infrastructure, will include AB as an engine for social transformations, which refers to partnership-cooperation-ecological responsibility, such as a sustainable living environment.

All this shows that organizations that want to improve their entrepreneur brand can focus on using employee testimonials and corporate communication as their main branding activities.

The first step is to develop fundamental confidence in your message and branding. As a person works to create a resume, they should consider themselves a product of the company. Being comfortable with ourselves allows us to interact in a mutually beneficial way.

It is suggested that the images and reputation of an entrepreneur are very difficult to manage. The research included limitations related to the analysis method presented at the beginning. The exclusion of books, and articles presented at conferences (which could) could also present other research themes, and other case studies, and the fact that we only chose

the Scopus database in our searches, could limit the topics analyzed in other databases. The fact that we chose the VOSviewer software, and the works in other circulation languages other than English were excluded, could slightly change the construction of the clusters that we analyzed.

In the second chapter "Analysis of support measures regarding the marketing and processing of agricultural products through PNDR in the SOUTH-EAST region" of the doctoral thesis, "we proposed to present an analysis of the current state of implementation of the PAC concerning the pursuit of access to the capital of farms to improve activities in the agricultural and food chains.

The analysis carried out on the two programming periods 2014-2020, and transitional 2021-2022, especially in the South East Region, confirms the reduced capacity to access direct subsidies and decoupled payments from production, as well as investments for modernization, expansion or improvement of infrastructure, aspects which can have a significant impact on production yields. Road infrastructure, irrigation networks, and other facilities can influence production and distribution capacity. Moreover, climate change, drought, floods, or other extreme events can adversely affect crops and agricultural production, thus influencing yield.

It is concluded that although numerous factors can influence the yield in Romanian farms, the optimization and improvement of agricultural practices, investments in technology and infrastructure, as well as the efficient management of resources remain key elements to achieve better results in agriculture. Adapting to environmental changes and market demands can also be critical to a farm's success. In addition to access to capital, farmers' unequal access to marketing groups, networks, and training impacts their ability to fully benefit from commercialization

Agricultural marketing and processing can bring several significant benefits to agricultural farms. These activities contribute to the efficient exploitation of production, the increase of revenues, and the strengthening of the market position.

There are notable projects, which stood out through their impact on the development of the agri-food and rural sector in Romania. These could include:

Modernization and expansion of processing units: Projects that contributed to the modernization and expansion of agricultural processing units, such as milk processing plants, fruit and vegetable processing units, or meat processing farms.

Creating efficient supply chains: Projects that have facilitated the creation of efficient supply chains for agricultural products, connecting producers with processing facilities and markets.

Promotion of innovation and advanced technologies: Projects that introduced innovative technologies and modern solutions in the processing processes of agricultural products to increase their efficiency and quality.

Supporting local producers and sustainable agriculture: Projects that promoted local products, sustainable agriculture, and ecological practices in the processing and marketing processes.

These examples represent just a few of a wide range of projects that have benefited from funding under Measure 4.2. of PNDR. Evaluating the success of these projects can involve multiple aspects, including the economic, and social impact and the sustainability over time of the benefits brought to rural communities.

The conclusions brought by the study undertaken in the field of marketing and processing of agricultural products for farms can be expressed through several aspects, such as increasing added value, product diversification, access to new markets, increasing visibility

and market share, establishing relationships with customers, optimizing the use of resources, income stabilization, operational efficiency, compliance with market requirements, contribution to local economic development.

Processing agricultural products, such as food processing or the production of value-added goods, can significantly increase the value of products. This allows farmers to get better prices for their products and implicitly the capitalization of their farms.

The processing of agricultural products allows farmers to diversify the range of products, they can facilitate access to new markets. By transforming raw materials into finished products, farmers can expand their supply and better respond to the diversity of market demand. Processed products can have a longer shelf life and can be more easily transported and distributed, allowing farmers to explore opportunities in expanded geographic markets.

Marketing strategies can increase the visibility of the farm's brand and products. Proper promotion and building a strong brand can attract new consumers and help increase market share.

Through direct marketing, short value chains, and local processing of some categories of agricultural products, farmers can develop closer relationships with their customers. Selling directly to consumers or through local markets can create a direct link between producer and consumer.

Processing of agricultural products can help to use agricultural resources more efficiently. For example, smaller or non-salvageable products can be processed instead of being wasted, thus reducing losses and maximizing yield.

By diversifying activities and capitalizing on products throughout the year, farms can mitigate the impact of seasonal fluctuations or price changes, helping to stabilize incomes.

Agricultural processing can lead to improved operational efficiency, especially with the adoption of modern technologies. Using advanced equipment and technology can reduce costs and increase productivity.

Processing can also enable farmers to better respond to specific market demands by developing products tailored to consumer needs.

By stimulating agricultural processing and marketing activities at the local level, farms can contribute to the economic development of rural communities and the creation of new employment opportunities.

Overall, the marketing and processing of agricultural products are essential tools for the sustainable growth of farms, contributing to local economic development.

Access to Measure 4.2. within the National Rural Development Program (PNDR) generated various problems for potential beneficiaries:

Rigorous eligibility requirements: Measure 4.2. comes with specific eligibility requirements, and meeting these may be difficult for some applicants. These requirements included criteria related to investment types, project size, geographic areas, or other specific conditions.

Insufficient financial resources: Investments needed to access European funds through Measure 4.2. exceeded the financial resources available to some beneficiaries or smaller rural communities. This represented a barrier to the submission of projects or their implementation.

Administrative and documentation difficulties: The process of submitting funding applications and preparing the necessary documentation was quite complicated for those who do not have experience in such procedures. Lack of administrative knowledge or expertise can be a problem in accessing funds.

High competition: High number of requests for funds under Measure 4.2. may lead to fierce competition between projects, and this may result in some proposals not being selected for funding, even if they are valid and would have a significant impact.

Complex monitoring and reporting procedures: Beneficiaries are required to comply with certain reporting and monitoring procedures during the implementation of the project. These requirements can be difficult for some, especially farmers or small business owners who may have limited administrative resources.

Changes in funding rules and policies: Subsequent changes to funding rules or policies may affect eligibility or access to Measure 4.2 funds. and can create uncertainty for applicants.

To overcome these problems, it is essential to have an adequate level of information and preparation before accessing Measure 4.2., to seek the support of specialist consultants, or to enlist the help of responsible local and regional authorities to successfully navigate through the process for accessing European funds intended for rural development.

In chapter 3, "Research regarding the involvement of interested parties in protecting the local Măcin brand as a sustainable destination", the results of the research are presented based on the study carried out between March 2022 and October 2023, with questions regarding the involvement of interested parties (producers, local authorities, distributors, etc) in protecting the local Măcin brand as a sustainable destination.

The main objective of the research is to identify the degree of involvement of several interested parties in protecting the local brand. In sustainable rural development, as well as in place branding, a challenge is the involvement of multiple stakeholders, especially the "unusual suspects". During the research, numerous other secondary objectives were achieved, and starting hypotheses were established, which are verified at the end of the chapter.

Establishing the objective of the research falls within the current guidelines of the CAP in the agri-food sector, which aims to increase productivity from farm to fork.

The total sample was 95 interviewees, from which 15 resident specialists of the Dobrogei area, Măcin, Tulcea county were selected to answer the final objective of the study. This exploratory study addresses knowledge gaps through in-depth interviews with key professionals in Tulcea.

The results suggest that the potential of the Crama Măcin brand of the destination can be negatively affected by a concentration of restrictive thinking, which prevents the introduction of innovation in the management of the place. Further quantitative research is needed to elaborate these findings in other cities to improve understanding of the uses and interpretations of local branding among stakeholders.

In recent years, concern for sustainable development has become increasingly visible in the Măcin area, with an emphasis on sustainable agricultural practices, environmental conservation, and supporting the local community to maintain a balance between economic growth and the protection of natural resources. The existence of impressive natural landscapes and activities related to rural tourism, which include hiking, nature trips, and authentic experiences in local communities, attract the attention of those interested in ecotourism and discovering authentic destinations.

These characteristics reflect a varied and comprehensive interest in the Măcin area, highlighting the multiple aspects that make this region so special and attractive to people from various fields of interest: from nature conservation and culture to gastronomy and tourism.

Some wine producers, including wineries, have shown an interest in sustainable agricultural practices or environmental conservation, which can help improve the quality of life in the community.

It's important to note that the level of community engagement can vary over time and depending on each brand's strategy and priorities. Măcin Winery or other wineries in the area may be involved in several community development initiatives or may have plans to expand their activities in support of the community, but this information may depend on their further development. As a recommendation, it is necessary to check the current information and news to have an updated and accurate perspective on the involvement of the Măcin Winery in the local community, the support of local culture and traditions: The promotion and preservation of local culture and traditions is an essential aspect of the sustainability of a community. Organizing cultural events, and supporting local craftsmen and artists can contribute to preserving the cultural identity of the area.

Partnerships and collaborations: Collaboration with non-governmental organizations, educational institutions, local authorities, and other entities can create strong synergies to implement and support sustainable development projects in the Măcin community.

These actions could contribute to strengthening and improving the sustainability of the Măcin community, aiming to combine economic prosperity, social equity, and environmental protection in a way that provides long-term benefits for the inhabitants and the environment of this region.

In essence, the image conveyed by the Măcin Winery's wine ranges is that of an authentic connection with the region and the local community, offering consumers not only a product but also an experience that introduces them to the cultural, natural, and viticultural universe of the Măcin area

Chapter 4 "The effect of the Măcin Winery brand image in the development of attachment to the Măcin Mountains tourist destination", addresses the issue of the umbrella brand being considered a dominant concept for the development of a brand's performance. Such associations could affect brand structure and consumer decision-making. Thus, tourist destinations offer opportunities within outdoor activities to develop brand associations, differentiate their brand from similar products, and increase emotional connection with the tourist destination. The purpose of this study was to establish a scale of brand association in a recreational context and to explore the influence of brand associations on participants' place attachment formation in a tourism destination setting.

The sample was 93 residents of the Măcin Mountains area, Tulcea County. Two research instruments were used to capture the concepts of brand association and place attachment. The research data confirmed the two objectives of the study. The results indicated that the brand association scale is a reliable and valid research instrument for future studies in tourism destinations. Moreover, multiple associations could act as antecedents of place identity and place dependence. Specifically, tradition, escape, product delivery, and importance association could significantly develop both dimensions of place attachment. However, few brand associations did not have a significant impact on the formation of place attachment. This study provides several managerial and theoretical implications for Măcin Mountains tourism destination managers.

The study contributes to the outdoor recreation and adventure tourism literature with two theoretical implications. The main contribution is that it explored an empirical model between brand associations and place attachment.

We have mapped dominant brand associations that may impact the consumer recall process. In addition, the researchers treated place attachment as an outcome. This is consistent with previous studies in outdoor recreation settings.

The second contribution is that the study applied the brand association conceptual framework to the outdoor adventure destination sector for the first time. In addition, based on (research and 2003, n.d.) and (Gladden et al., n.d.) recommendations that explored the utility of brand associations in the context of business and sports teams, the growth of our areas is a step forward by applying the same concept and adventure tourism. We therefore enrich the destination marketing literature by adding the fundamentals of the comprehensive and integrated model of association of a number.

Despite the rigor of our efforts to conduct this study, several limitations should be acknowledged. First, this was a pilot attempt to measure project association in the adventure destination context. Thus, the scale was used or modified to capture the relevant concept. Further investigation is needed to develop an integrated brand association scale as there were few dimensions in the measurement model. A second limitation relates to the fact that the data were collected from only one specific area. Thus, the findings are not representative of every adventure tourism destination and generalizations should be made with caution. A third limitation relates to the fact that this study only focused on hikers in a specific area. A different sample (eg, cross-country skiers or climbers) in a different destination may lead to different results.

As such, a multi-dimensional, multi-factor brand association framework should be developed to improve upon the initial model.

On the other hand, the results revealed some interesting suggestions for future studies. Future researchers are encouraged to include more behavioral (eg, brand involvement) and attitudinal (eg, brand trust) outcomes as the dependent variable of brand associations.

Chapter 5. "Perspectives of entrepreneurship in Romania - a case study in the wine industry". Some rural entrepreneurship activities may impede local technological progress and cause market volatility to some extent. That is, the innovative entrepreneur may rely heavily on technology, such as genetically modified seeds and digital technology, and this reliance may limit their flexibility and resilience to changes in market or environmental conditions. Thus, in terms of research focused on entrepreneurship and the rural economy in Romania, the link between entrepreneurship and rural economic growth remains somewhat divergent, and the direction and intensity of the net influence of farmers' entrepreneurial activities on rural economic development remain to be further researched and explored. The purpose of this research is to explore the issue of land used for grapes and their production as a raw material for the wine processing industry in Romania. The relationships between consumption, as the main component of demand, between production and import, as sources of supply, in the wine market are investigated.

The case study of the wine market is discussed because of the increase in imports after Romania acceded to the European Union and, in addition, because of the implications of viticulture on land use in the context of food competition. The research answers the question of the factor relationships between the production, import, and consumption of wine, as well as the question of the extent to which consumption requirements can be met by domestic production. For this purpose, data on wine consumption, production, and import are calculated to investigate their interdependence, using the regression model. The main findings reveal that a one-unit increase in wine consumption leads to a 0.13-unit increase in wine production and wine imports, respectively. The relevance of this study lies in its ability to lead to a better

understanding of the interdependence between wine consumption, production, and import, in their forecasting and, in addition, in the identification of sustainable entrepreneurial opportunities in the Romanian grape processing industry, considering the significant potential of wine production.

This research analyzes the current state of innovative entrepreneurial activities of farmers and the current state of rural economic development in Romania, approaching a dynamic and spatio-temporal perspective. The study uses statistical data by region from 2007 to 2022. This study is an overview of the grape wine market in Romania, revealing the relationships between consumption, as the main component of demand, and production and import, as the component of supply. The research was necessary because it provides a clearer understanding of the determinants of increased import of grape wine vs beer.

The data (Table 5.2) show that wine production has consistently exceeded consumption (except for the years 2007, 2008, and 2009, when a special situation occurred, both due to Romania's accession to the European Union and the economic crisis). This result validates the hypothesis (H1) that wine consumption can be satisfied by domestic production in Romania.

Although harvested areas, yields, and total grape production are all on increasing trends (Fig. 5.4, Fig. 5.6), the number of companies working in the wine industry is decreasing. This decrease gave way to wine imports on the Romanian market and validates the hypothesis (H2) that an increase in wine imports is the result of Romania's lack of processing capacity and not of inadequate grape supply.

These results are consistent with INS, 2024 reports showing that a limited increase in domestic processing capacity may cause Romania to ship its surplus to other countries. This again validates hypothesis H2 in this study.

Another conclusion of the study is that consumption has a more significant influence on imports compared to its influence on production, as shown by the results of the regression model. These results validate the hypothesis (H3) that there are more significant reactions between consumption and imports of wine, compared to consumption and production of wine. This explains the rapid increase in imports, as a result of the increase in consumption.

One of the most significant results of this study is its practical implications. These consist of identifying investment opportunities in the grape processing industry in Romania. Usually, the leading countries in the production of grapes are also the leaders in the production of wine from grapes ("FAOSTAT," n.d.). However, Moldova, France, Hungary, and Spain, which are not among the top producers of grapes, are important wine-producing countries in the world. We can thus conclude that there are significant investment opportunities in the processing industry in Romania, given the high potential as a supplier of grapes and the high demand for wine from grapes.