## KATARZYNA KULCZYŃSKA

ADAM MICKIEWICZ UNIVERSITY, POLAND

# THE GUBIN-GUBEN TRANSBORDER URBAN COMPLEX AS AN ARENA OF CONSUMER BEHAVIOUR

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**ABSTRACT.** Consumer behaviour has led to the development of specific shopping systems in the Gubin-Guben transborder urban complex. One, fairly stable, is geared to the local population service, while the other displays a marked asymmetry in terms of volume and function. On the Polish side, this system responds to changes very dynamically and adjusts to the expectations of consumers from the German side; the German system, however, has opened to the Polish consumer only slightly. The author's research presented here shows that consumer behaviour is largely controlled by the exchange rate of the euro, prices, and the quality of products in the given country; but it also depends on the socio-occupational status of the residents of the two transborder towns.

**KEY WORDS:** Poland, Gubin-Guben transborder, Gubin town, Guben town, consumer behaviour.

### INTRODUCTION

The towns – Gubin (population 17 thousand) and Guben (20 thousand) – are located at the mouth of the Lubsza (Lubst) river into the Nysa Łużycka (Lusatian Neisse) river. The two towns form an urban complex which was divided in 1945 by the state border, a barrier greatly limiting the inhabitants' movement until the late 1980s. It was only the unification of Germany (3<sup>rd</sup> October 1990) and the establishment of new political and economic relations following a bilateral treaty (1991) that made the state border permeable, and produced a rapid jump in cross-border journeys (Chojnicki, 1999; Kulczyńska, 2008). Since then one can observe an increase in the role of services, especially the development of trade forms characteristic of transborder regions geared to the service of consumers from the other side of the border, as well as new forms of shopping facilities.

The aim of the paper is to characterise consumer behaviour patterns in the Gubin-Guben transborder urban complex. A start is made by describing the shopping systems of Gubin and Guben, while the issues addressed next are consumer behaviour in this urban complex and the process of the consumer making a purchase decision, or a schematic path of need satisfaction. The paper rests on a survey research on consumer behaviour conducted in both towns in June 2009.

### SHOPPING SYSTEMS OF THE SPLIT TRANSBORDER TOWNS

The unification of Germany and the opening of the Polish-German border have greatly contributed to the development of a retailing network characteristic of transborder areas through its gradual adjustment to consumer needs. In Gubin, a manifestation of this adjustment of trade to the new reality was the appearance, already in the early 1990s, of marketplaces, which are especially popular in frontier towns, as a supplement to its traditional small-scale retailing (cf. Matykowski, Schaefer, 1996; Kłosowski, 2001; Kulczyńska, 2008; Kulczyńska, Matykowski, 2008). Then, at the turn of the century, there appeared new forms of large-volume shops, so-called supermarkets, which modernized the Gubin shopping system (Kulczyńska, Matykowski, 2008). The situation was somewhat different in the town of Guben, where small-scale retailing was augmented with the first supermarkets already in the late 1980s and early 1990s, two of which became frequent targets of consumer visits from Poland, namely Penny and Kaufland (cf. Matykowski, Schaefer, 1996). At present Guben has nine supermarkets.

One of the readily visible changes in Gubin in the early 1990s was an increase in the number of economic entities representing the private sector. The rise was especially steep in section G of the Polish Classification of Activities, i.e., wholesale and retail trade (1). While in December 1989 there were only 88 firms in this line of business, in December 1990 this figure jumped to 710, in July 1993 it amounted to 926, in December 2006 to 965, and by December 2008 it had soared to 845. Over the study period 1995–2008, a drop could be observed in section G in the proportion of entities which represented exclusively the private sector, from 63.9% to 36.6%. It was not brought about by a substantial decline in the number of those entities, but by an increase in the number of entities in section K (Real estate, renting and business activities) and section J (Financial intermediation). Worth noting is the steep – more than tenfold – rise in the number of entities in section K from 57 in 1995 to 576 in 2008.

The principal targets of pedestrian consumers from Guben are the two Gubin marketplaces. To do their daily shopping for foodstuffs, the Germans choose the bazaar in Obrońców Pokoju Street, whose history goes back to the 1970s and

which is located closer to the border crossing. In the present form, it has been in operation since 1989. The other destination of the German consumers is the marketplace in Śląska Street (Table 1). The research which the present author conducted in June 2009 showed that the basic goods offered in the marketplaces were chiefly clothes, foodstuffs, tobacco products, and flowers. What encourages German customers to do their shopping in Poland is primarily the lower price of goods, and in the case of foodstuffs, also the opinion that Polish food is more ecological.

Table 1. Characteristics of the marketplaces in Gubin (2009)

	A	В
date of establishment	1970s, in present form since 1989	1991
area in m <sup>2</sup>	1,154.9	3,000
mean stall area in m <sup>2</sup>	12	12
total number of stalls	119	192
number of stalls in use	97	160
distance from state border in m	300	1,000
owner	Gubin Town Office	Gubin Town Office
administrator	Gubin Town Office	Gubin Town Office

Explanation: A – Marketplace no. 1 (foodstuffs) in Obrońców Pokoju Street;

B – Marketplace no. 2 (industrial goods) in Śląska Street

Source: Own compilation on the basis of interviews with marketplace managers and data of the Gubin Town Office

The impressive marketplace boom of the mid-1990s has passed, perhaps never to return, and so has the intensity of traffic in the marketplaces. A research by Matykowski and Schaefer (1996) showed that in May 1991 the marketplace in Obrońców Pokoju Street was visited by about 1,340 consumers (60% of them being German citizens) within an hour (12:00-13:00), while the figure for the one in Ślaska Street was about 800, including 420 from Germany (52%). Today the number of customers at each of the bazaars varies between 200 and 500 daily (slightly more at weekends). The declining number of customers and the equalization of prices on both sides of the border have resulted in a systematic drop in the number of bazaar stalls. In 1993 there were 512 of them at the Ślaska Street bazaar, while by 2009 they had shrunk to a mere 192, with only 160 actually in use. In view of the dwindling bazaar trade in Gubin, there are plans to combine the two marketplaces by relocating the Obrońców Pokoju facility (foodstuffs) to Ślaska Street (with its non-food goods). This solution draws a protest from the Obrońców Pokoju merchants objecting to the substantial distance of the new location from the border (1 km).

It has often been reported that the retailing structure of Gubin is largely determined by the behaviour of consumers from Germany. Because of the differences in the prices of some goods on the two sides of the border, the Gubin facilities most often visited by German consumers (apart from the marketplaces) are primarily the supermarkets. The appearance of such a great number of large-volume shops in Gubin when the town has a population of only about 16,700 (2008) has had a detrimental effect on its small-scale retailing. Local business people can be observed to close down their groceries, which cannot compete with the cheaper goods offered by the supermarkets. The supermarkets can also be seen to gradually steal customers from the marketplaces, thus contributing to the steady decline in the number of stalls there.

# CONSUMER BEHAVIOUR IN THE GUBIN-GUBEN TRANSBORDER URBAN COMPLEX

In June 2009 a survey research on consumer behaviour was conducted among 530 residents of the neighbouring countries (270 among Germans shopping in Gubin and 260 among Poles shopping in Guben) which corroborated many observations made by the present author. German customers shopping on the Polish side, i.e., in Gubin, usually visit the marketplaces (40.9% of responses) and supermarkets (36.0%). In turn, consumers from Poland usually choose Guben

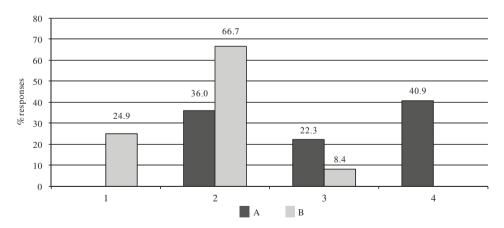


Fig. 1. Shopping places visited by neighbours from across the border Explanation: A – German shoppers in Gubin (Poland, N=470); B – Polish shoppers in Guben (Germany, N=345); 1 – shopping centre; 2 – supermarket; 3 – traditional small shop; 4 – marketplace

Source: Own compilation on the basis of a survey research, Gubin-Guben, June 2009

supermarkets (66.7% of responses) and shopping centres (24.9%) offering a wide and diversified product range (Fig. 1). An analysis has shown a relatively low proportion of respondents satisfying their needs in small outlets. This follows from the relative absence of small retailers, mostly groceries, in the two towns, dominated by large-volume, usually discount-type facilities which offer goods at much lower prices than small shops. Thus, a customer representing a socio-occupational category in a specified income bracket will choose a supermarket as a place to satisfy his or her basic consumer needs.

The level of interest of both countries' citizens (especially the residents of the two towns) in shopping on the other side of the Nysa Łużycka river is best illustrated in Fig. 2.

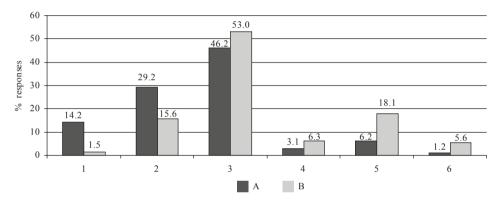


Fig. 2. Frequency of shopping on the other side of the Nysa Łużycka river Explanation: A – German shoppers in Gubin (Poland, N = 260); B – Polish shoppers in Guben (Germany, N = 270); 1 – daily; 2 – several times a week; 3 – several times a month; 4 – once a month; 5 – several times a year; 6 – once a year

Source: Own compilation on the basis of a survey research, Gubin-Guben, June 2009

As follows from an analysis of the structure of shopping frequency, consumers usually do their shopping several times a month. This frequency is definitely preferred by both the Poles who do their shopping in Guben (53.0% of responses) and the German shoppers in Gubin (46.2%). Next come Poles who declare shopping across the river several times a year (18.1% of responses), while nearly half of the Germans polled (43.3% of responses) do their shopping in Gubin regularly, i.e., daily or several times a week. Such frequent consumer visits are undoubtedly a result of the freedom to cross the border, which is due to the changes in the early 1990s, Poland's accession to the European Union (1st May 2004), and finally to the Schengen zone (21st December 2007), which has eliminated passport control on the border.

Customers of both nationalities also indicated periods in the year when they do more shopping across the Nysa Łużycka river. Of the Germans polled, 14.2% declared more frequent visits in Gubin at Christmas and Easter time as well as from May to September, which is connected with the sale of seasonal fruits (e.g., strawberries) and vegetables (e.g., asparagus). Poles, in turn, tend to shop in specific seasons of the year more often than Germans (30.4% of responses): Christmas and Easter time, as well as the months of the seasonal sales of goods: January-February (the sale of the autumn-winter collection) and August-September (the sale of the spring-summer collection). Such a seasonal sale in Germany is an extremely good shopping opportunity, with bargains up to 70% off the original prices. Hence the great interest of customers from Poland in shopping in Germany, reinforced by the fast and ready access to the shopping facilities in Guben. In Poland seasonal discounts on the prices of goods are also organised, but their rate is not so high as with the western neighbours.

When speaking of the shopping frequency, worth noting is also a distinct dependence between the direction and intensity of customer traffic across the state border and the exchange rate of the euro. It should be kept in mind that in Poland the national currency is still in force, while Germany switched to the European Union currency, the euro, on 1st January 2002. Now, the higher exchange rate of the euro, the more German customers shop in Gubin, while a lower rate induces Poles to make more frequent visits in Guben. The most popular articles bought by consumers from Germany and Poland are listed in Table 2.

Table 2. The most popular articles bought by consumers from across the Nysa Łużycka river

German shoppers in Gubin (Poland, N=624)		Polish shoppers in Guben (Germany, N=477)			
A	В	С	A	В	С
vegetables and fruits	165	20.1	chemist's articles and toiletries	194	37.4
meat and sausages	151	18.4	clothes	95	18.3
dairy products	124	15.1	foodstuffs	85	16.4
clothes	97	11.8	footwear		10.4
tobacco products	87	10.6	6 radio/TV, household goods, 49 electronic appliances		9.4

Explanation: A – article; B – in absolute numbers; C – in %

Source: Own compilation on the basis of a survey research, Gubin-Guben, June 2009

Despite the already mentioned gradual equalization of prices on both sides of the border, one can still observe transborder journeys for shopping purposes. Germans still find it worthwhile to buy tobacco products in Poland. The research conducted in June 2009 showed that a packet of Marlboro Light (20 cigarettes) cost 2.40 euros in Poland which, converted at the mean National Polish Bank rate of 12<sup>th</sup> October 2009 (1 euro = 4.2602 zlotys), gives 10.22 zlotys. In Germany, the same packet of cigarettes costs 4.00 euros (17.04 zlotys). Such a big difference in the price of cigarettes accounts for the great number of shops (or bazaar stalls) offering tobacco products in Gubin.

The Germans who decide to shop in Poland are mostly motivated by the lower prices of goods there (39.1% of responses); they also appreciate the high quality of Polish products (20.4%) (cf. Fig. 3). In turn, the motives driving Poles to shop in Guben are, again, lower prices (32.2% of responses), the high quality of products (31.0%), and their wide selection (29.9%). What strikes one is that for both groups of customers the factor that turned out to be the main stimulus for shopping on the other side of the Nysa Łużycka river was the lower price of a product.

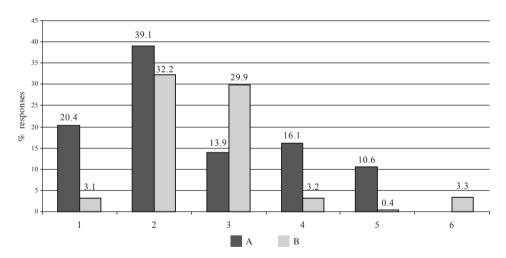


Fig. 3. Motives for shopping
Explanation: A – German shoppers in Gubin (Poland, N = 540); B – Polish shoppers in Guben (Germany, N = 538); 1 – high quality of products; 2 – lower prices; 3 – good selection of products; 4 – nice service; 5 – possibility of price negotiation; 6 – seasonal sale

Source: Own compilation on the basis of a survey research, Gubin-Guben, June 2009

### PROCESS OF THE CONSUMER MAKING A PURCHASE DECISION

In the theory of consumer behaviour, several theoretical models have been elaborated which give a simplified picture of reality and highlight the most important determinants of consumer behaviour. Those studies usually rely on structural models reflecting a complete decision-making process leading to the purchase of a product (e.g., the Nicosia model of consumer behaviour). Those integrated models of consumer behaviour provide a methodological basis for conceptual and empirical models of behaviour patterns developed within the decision orientation predominating in consumer behaviour studies (Rudnicki, 2000; Sagan, 2004).

The character of the consumer and his or her decision-making process lead to a reaction in the form of the attainment of the set target, i.e., the purchase of a product (cf. Fig. 4). Hence the stimuli in this process can be divided into so-called marketing instruments (product, price, distribution, and promotions)

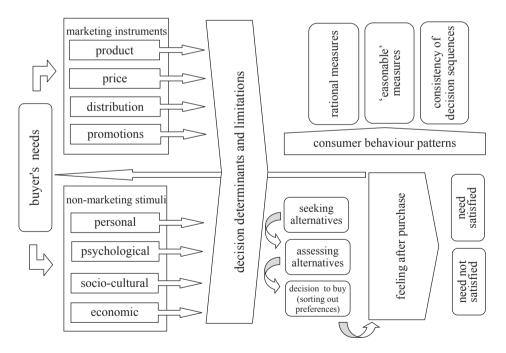


Fig. 4. Purchase of a product by a consumer in terms of the decision-making process

Source: Compiled on the basis of Światowy (1994), Garbarski (1998), Rudnicki (2000), Kieżel (2004)

intended to elicit specific consumer responses, and non-marketing stimuli controlling the consumer's market behaviour, which include economic, sociocultural, psychological, and personal factors. The starting point for all types of the consumer's market behaviour is one's needs which compel him or her to action. In the second stage of the decision-making process, i.e., seeking alternatives, during which the consumer considers a product and its concrete brand as a means to satisfy a need, the most important task of both producers and traders is making the potential buyer aware of the product brand and the benefits one will enjoy on making the purchase. Stage three involves an assessment of the alternatives in terms of their values, which depend on the kind of product and the characteristics of the buyer. The consumer trying to fulfil a need will certainly consider a choice which is going to bring him or her some benefit, e.g., in the form of satisfaction. The fourth stage is the decision to buy, which is a final act ending the evaluation process and settling the ultimate choice. A significant stage in the decisionmaking process is the appropriate level of the buyer's satisfaction with his or her purchase, because one is then likely to repeat the same or similar shopping behaviour (Światowy, 1994; Garbarski, 1998; Rudnicki, 2000; Kieżel, 2004).

In short: consumer behaviour is a process of varying complexity. Since cognitive processes are dynamic and the aspiration level of customers undergoes a metamorphosis over time, there are also changes in consumer behaviour shaped by a variety of factors (Meffert, 1986). One may risk the statement that at present, consumer behaviour in Poland is largely dependent on distance, both in the social sense and in terms of the economic cost of travelling, and the traditionally understood shopping attractiveness of the particular places in town (Kulczyńska, Matykowski, 2009).

The research conducted in the Gubin-Guben transborder urban complex has shown consumer behaviour there to be mainly controlled by the exchange rate of the euro, the prices of goods in the given country, and the socio-occupational status of the local communities living in the two towns. German consumers seek success associated with the purchase of specified products at the lowest price possible. Those are chiefly foodstuffs, which are much cheaper in Poland and the purchase of which increasingly rests on the opinion that Polish food is more ecological. In turn, the high proportion of Polish customers who often attend seasonal sales, i.e., when the price of a product is at its lowest, leads to the conclusion that they are primarily opportunity hunters intent on 'getting the best deal'.

Those consumer behaviour patterns have been shaped by specific shopping systems. One, fairly stable, is geared to serving the local population, while the other displays a marked asymmetry in terms of volume and function. On the Polish side, this system responds to changes very dynamically and adjusts to the expectations of consumers from the German side of the river; the German system,

however, has opened to the Polish consumer only slightly. A glaring example of the opening to the German consumer is provided by Gubin's information layout, facilitating neighbours from across the Nysa Łużycka river to move around the town. Additional communication-promoting elements in purchasing a product are undoubtedly the possibility of paying in euros and speaking the native tongue, because every trader or merchant in Gubin has mastered the German language to a degree enabling discourse with the buyer.

### NOTE

(1) In the first half of the 1990s there was another classification of economic activity in effect, viz., the National Economy Classification (61–65 Trade), but for the purposes of clarity the nomenclature employed here is that of the systematization currently in force.

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### **CORRESPONDENCE TO:**

Katarzyna Kulczyńska Adam Mickiewicz University Institute of Socio-Economic Geography and Spatial Management Dzięgielowa 27, 61–680 Poznań, Poland [e-mail: katakul@amu.edu.pl]