Reconfiguring the competitive strategies of micro-enterprises under the influence of artificial intelligence

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Abstract. *The accelerated expansion of large retailers and e-commerce platforms has led to a reduction in the market share of independent traders in the proximity sector. Faced with this competitive pressure, which they consider unbalanced, small entrepreneurs frequently request the intervention of the decision-maker to implement legislative policies of protection or commercial support. The question arises whether this dynamic represents a genuine impasse for the national economy or constitutes a "pseudo phenomenon", in strict relation to the fundamental principles of the free market and the entrepreneurial freedom to operate in any regulated commercial sector. In this work, research and analysis were conducted and a series of relevant information for a region in Romania was obtained.* ***Objective****: Formulating strategic directions for adaptation and consolidation for small and micro enterprises, based on the increasing competitive pressure exerted by large commercial networks and digital platforms, which leverage Artificial Intelligence-based tools for consumer identification, loyalty and retention.* ***Method****: The operational developments of commercial companies, stores, warehouses, markets and tonnetes from various localities in Constanta County, in the coastal area, were monitored, and the problems and perspectives of their administrators were collected, questioned and centralized, regarding the competitive dynamics generated by large retail networks and e-commerce. The research was structured to analyze the regulatory framework applicable in the field, both at the European Union level and at the national level; subsequently, the approach continued by examining the specialized literature on the trajectory of small businesses and the specific impact that artificial intelligence has on the economic environment, with a particular focus on the commercial sector*; *steps were taken to obtain information and data from the official documents of the companies analyzed, from interviews and free discussions with company representatives. Finally, the "concept transfer" method was used to transfer ideas in the field of research and solutions were sought to achieve the established objectives.* ***Results****: A series of competitive resilience strategies have been developed for small shops and micro-enterprises. An information system model has been designed that can be developed and used by small businesses, using artificial intelligence to attract and retain customers.*

Keywords*: trade, shop, warehouse, strategy*
JEL classification*: L81, L26, O33*

1. Introduction

The outbreak of the health crisis caused by COVID-19, despite the negative consequences it generated, functioned as an accelerating factor for the rise and expansion of e-commerce. However, with the mitigation of the pandemic and the resumption of the usual social rhythm, a significant segment of economic operators active in wholesale, retail and the "HORECA" sector found that sales volumes and turnover did not return to the indices recorded before the outbreak of the crisis. While entities in

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the public catering sector maintained operational capacities through online ordering systems and direct or third-party delivery applications, and large-scale retailers managed to revitalize sales through aggressive promotional strategies, micro-enterprises have faced a different reality. Small-scale companies, family associations, and independent entrepreneurs (micro-enterprises) continue to experience systemic difficulties. Many of these entities have failed to reach their pre-pandemic performance levels, facing operational challenges that have led to a high rate of business closures. This stagnation is particularly evident among small neighborhood shops, rural traders, and vendors in traditional markets. In metropolitan areas, where competition between large retail chains is intense, the situation is even more precarious for small-scale actors. Over the last three years, this competitive gap has been exacerbated by the strategic integration of social networks and Artificial Intelligence (AI) by large corporations. These organizations leverage substantial financial resources to implement sophisticated marketing plans and AI-driven consumer engagement, tools that remain largely inaccessible to micro-enterprises due to severe budgetary constraints.

2. Literature review

The literature extensively documents the management of large corporations and medium-sized companies, but there is a noticeable lack of studies dedicated to micro-enterprises, family businesses and small local retailers. Similarly, although the marketing literature provides rigorous models for the promotional strategies and competitive positioning of multinationals, research addressing the specific requirements of small firms is limited. Most scientific publications focus on organizations with high financial potential, capable of supporting specialized personnel or dedicated marketing departments. For a micro-enterprise, such investments are often prohibitive, complicating their ability to withstand market competition. Furthermore, even when management and marketing theories are available, the rate of adoption and empirical application among small business owners remains low. Recent contributions to the field include practical "business guides" for micro-enterprises (Alexander, 2024) and studies on resource optimization (Goncalves et al., 2016). Other researchers have highlighted the constraints of human capital, noting that due to limited staff numbers, micro-firms often lack the "bandwidth" to implement complex organizational practices (Rodrigues et al., 2022). Additionally, the "theory of entrepreneurial action" has been utilized to track decision-making processes and the search for development solutions within these entities (Duarte et al., 2020).

Regarding the integration of artificial intelligence, a significant number of technical and economic studies have emerged, detailing the evolution of AI from its conceptual origins in 1956 (Minsky, as cited in Encyclopedia Britannica, 2024), to the current "AI Revolution". In the retail and e-commerce sectors, AI has automated a vast array of tasks, demonstrating an ability to reason, plan, and learn from operational errors (European Parliament, 2020). Similarly, studies have been conducted within the Organization for Economic Trade and Development on the digital transformation of document access and its adoption by small and medium-sized enterprises (OECD, 2021). Some of the economic units included in this work have not yet taken measures to adapt and work according to these new modalities. Despite its recognition as a priority for digital transformation, scholars emphasize that AI solutions must be customized to be effective; generic programs often fail to align with the specific operating models and corporate cultures of individual firms (Deloitte Romania, 2025). The most significant evolution in this sector has been the integration of artificial intelligence within e-commerce frameworks. For specific product categories and services, operational coordination is now entirely managed by AI systems (Papastamoulou et al., 2025). This paradigm shift demonstrates that AI is no longer merely a supplementary tool but a core infrastructure that optimizes the entire commercial cycle.

Thus, it is appreciated that "AI is changing the way we shop online. It helps us find products we like, makes customer service faster, manages stocks, improves sales, increases security and makes the shopping experience better in general" (Aamir, 2025). Another author appreciates the fact that "AI in e-commerce is not just an extravagant supplement", but "a powerful tool, with a real impact in almost every area of business" (Laukaitis, 2025). Other authors emphasize the use of social networks, which offer the possibility of individual sales (peer-to-peer) or automated (Beard, 2025). In this regard, sales on certain platforms, which have a very large number of users, are recommended (Walters, 2025).

Online commerce companies around the world have grown significantly and have reached profits comparable to those of large chain stores (Datanetica, 2024). In Europe, there is also very high competition between online stores, which in a short period of time have developed greatly (eCommerce News Europe, 2024). Other authors have focused the study on a series of general aspects related to the use of artificial intelligence in retail (Anica-Popa, et al., 2021). Part of the study is focused on aspects related to consumer protection, increasing their satisfaction with the use of AI by stores. Other aspects refer to reducing costs, reducing the number of employees of companies, optimizing stocks, increasing profits, but also the risks associated with the use of AI, etc. But the study does not address the concrete aspects of the use of AI in retail, it does not differentiate between large store chains and small retailers, who do not have the financial power to purchase these AI programs. Another particularly important aspect is the use of AI in Marketing (Kaput, 2022). To this end, a series of papers have been developed, which analyze and synthesize the use of AI for the purpose of preparing, launching, promoting and using advertisements for different types of products and services. To this end, many companies have emerged that create modern, appropriate and personalized design using AI.

Studies have also appeared that track the use of AI in Marketing by companies, the way it is used, the investments made to implement AI in current Marketing activity, but also propose solutions for the development of this type of activity in the future "quantum era" (SAS Customer Intelligence 360, 2025). Most references to artificial intelligence have appeared in specialized technical works, which, in addition to presenting some inventions and technical innovations, integrate the AI part into the respective technique or technology, seeking solutions for technological processes to be controlled by AI. In this regard, an article about AI, which can "learn a thousand tasks in a day", published in one of the most active publications on robots and AI, the magazine "Science Robotics", can be noted (Dreczkowski et al., 2025).

In a way, technique, technology and computer science have taken precedence over economics, the application of their results in the fields of commerce and online business development. Even though large companies have made and will continue to make large investments in AI, the business world, although it needs the help of AI, is still not using it to the level it could. The specialized literature and especially the articles published at conferences and in international journals, in the vast majority of cases address issues related to AI in the field of business, classical and online commerce, but refer to large companies, international corporations, and manufacturers of well-known names (brands) (Wiszniewski, 2025).

The approach of small companies, of the microeconomic level, by the authors, is tangential, that is, they mostly remember that "they exist too". In order to be able to establish what kind of strategies are necessary for some micro enterprises, we must follow the legal and fiscal aspects, developed in the government program, depending on the negotiations with the European Union. In this regard, the "National Medium-Term Budgetary-Structural Plan", was taken into account (Ministry of Finance, 2024). In this plan, the Romanian Government has committed to the European Commission to gradually reduce, by 2027, from 500,000 euros to 88,500 euros, the turnover threshold for companies to be subject to the 3% tax on micro-enterprise income. But the 3% tax does not solve the problems of micro-enterprises. The struggle of small producers and traders to survive in an AI-dominated market remains an area that requires more focused academic and practical attention.

3. Research methodology

The research methodology consisted of:

1. Empirical observation and data collection: A comprehensive analysis was conducted across 65 retail outlets with diverse commercial profiles, 5 municipal markets, 2 traditional bazaars (consisting of various stalls and kiosks), and 4 regional warehouses located across 17 localities in Constanta County. The process involved direct observation, structured questioning, and the systematic recording of operational data.

2. Legislative analysis: Current legislation governing small businesses and micro-enterprises was examined, focusing on fiscal frameworks and regulatory factors that influence managerial decision-making.

3. Theoretical review: Academic literature concerning management and marketing specifically tailored for micro-enterprises, individual traders, and family associations in the retail and wholesale sectors was analyzed.

4. Comparative benchmarking: The integration of artificial intelligence by large retail chains and e-commerce platforms was tracked to identify how AI is utilized for sales promotion, consumer behavior modeling, and loyalty programs.

Based on the synthesized data, the "concept transfer" method was applied. This involved adapting established management and marketing strategies from specialized literature to the unique, recorded realities of small-scale enterprises, aiming to identify viable managerial solutions to withstand competition from malls and global digital platforms.

The study was guided by several core research questions:

1. What is the current national status and evolutionary trend of micro-enterprises over the last 2-3 years?

2. What is the macroeconomic impact and GDP contribution of these units?

3. What is the current state of human resources and employment within this sector?

Preliminary findings indicate the following:

1. Sectoral contraction: In early 2024, registered micro-enterprises totaled 857,424 units, alongside 50,377 small legal entities (NOTR, 2025a). However, data from late 2024 shows a sharp decline to approximately 408,000 active micro-enterprises (Oncu, 2024), a downward trend that persists into 2025 (NOTR, 2025a). This contraction serves as a critical indicator of the "economic health" of the SME sector, raising fundamental questions about the necessity of small-scale commerce in the modern economy (NOTR, 2025b).

2. Fiscal and economic impact: These units currently demonstrate a low contribution to GDP. Research indicates the persistence of tax evasion despite the implementation of the "e-invoice" system. Discrepancies between invoiced quantities and actual stock levels result in "double evasion", affecting both VAT collection and consumer protection.

3. Labor market dynamics: As of January 2023, these entities employed 1,415,162 individuals (Labor Inspection, 2024a). However, by late 2024, registered figures showed 5,781,970 employees across 751,460 total employers (Labor Inspection, 2024b). Micro-enterprises typically employ 2-3 people, though estimates suggest a higher actual figure, indicating the presence of "undeclared work". Furthermore, the prevalence of minimum-wage contracts leads to reduced social and health insurance contributions, highlighting structural imbalances in the Romanian labor market (EURES, 2025).

Subsequent analysis led to further investigative queries:

- Does the contemporary economy still necessitate the existence of micro-enterprises and "neighborhood" shops?
- Would fiscal relaxation or increased taxation yield better results for sectoral stability?
- What is the future trajectory of the workforce: respecialization or labor migration?
- Which specific tactics and strategies are most effective for micro-enterprise resilience?
- To what extent can AI be leveraged by small-scale actors to mitigate market fluctuations and personnel shortages?

The research for this paper was organized as shown in Table 1. The information and data were obtained from official documents of the European Union regarding microenterprises, from official documents of the ministries in Romania, the study of specialized literature and from own research.

Table 1. Research directions and objectives

Objectives	Research direction and stages	Observations
1. Study of European Union documents and Romanian laws.	-The position of micro-enterprises in the EU vision. -Romanian legislation on micro-enterprises.	-Identifying the positive aspects of the legislation on microenterprises.
2. Study of specialized literature.	-Study of articles and studies published in specialized magazines and in the media, regarding microenterprises. -Study of articles related to artificial intelligence.	-Choosing ideas and concepts that can help establish tactics and strategies to resist competition.

Objectives	Research direction and stages	Observations
3. The chose of the economic units.	-Study of store layout maps. -Selection of stores those are relevant to the essence of the study. -Contacting administrators and requesting that they accept participation in the study. -Sending questionnaires to be completed. -Studying and selecting relevant responses for this work.	-Small economic units were chosen, which have permanent activity.
4. Study of the situation of the use of electronic surveillance means and artificial intelligence in commerce.	-How to use electronic means for surveillance of stores and warehouses. -Computer programs used in video surveillance. -Using artificial intelligence for customer search, product promotion and customer loyalty.	-

Source: author's study.

4. Research results

The selection of shops, warehouses and market stalls was not easy, due to the fact that the managers of many shops and stalls refused to be included in this study, suspecting that such a study was being done for purposes other than scientific research.

Annex 1 presents the model of the questionnaire used to obtain the information. Each unit that completed the questionnaire received a statement that the information and data provided would be used for the development of this study and those details about the names of the companies and managers would not be made public.

4.1. The situation of small "neighborhood" shops

The research was organized and carried out over 40 months, between 2022-2025. The situation and evolution of small shops, stalls in permanent markets and bazaars were monitored. Annex 2 presents the localities included in the study, the types of shops, markets, bazaars and warehouses. As can be seen from Annex 3, the situation of: 19 mixed stores. 23 grocery stores, 56 stalls in markets and bazaars, 23 other types of stores (one of which is for various services), 4 warehouses. In total, data and operational information were recorded from 123 economic units. These are grouped as follows: 65 LLC (61 stores and 4 warehouses); 58 family associations (4 stores 54 stalls and kiosks). The majority of these retail outlets are organized as limited liability companies (LLCs), while others operate as family associations; notably, stalls in municipal markets and bazaars are exclusively managed by family associations. To ensure consistency in the longitudinal data, seasonal businesses in seaside resorts were excluded from this study.

Regarding financial transparency, the administrators of several commercial entities exhibited a degree of reticence concerning specific profit margins, confirming only that current profitability levels are sufficient to maintain operational continuity. Based on the field research and systematic observations, the inventory and commercial profiles of small "neighbourhood" stores were documented, as detailed in Annex 3.

The workforce within these enterprises typically consists of family members and relatives, supplemented by external employees. Analysis of the educational demographics reveals a significant gap in specialized training: the vast majority of the staff lacks formal economic or commercial education. A high proportion of employees are categorized as unskilled labor, with many having incomplete secondary or vocational education.

Furthermore, higher education degrees are exceptionally rare among both business owners and their employees. The salary of employees is not motivating. Most of them are employed with minimum wages in the economy, without bonuses or other benefits. The market segment for this type of stores is represented by the following categories of customers, as presented in Annex 4.

4.2. Situation of stalls in markets and bazaars

Annex 5 presents the situation of stalls in markets and bazaars. Markets have large areas, include several sections, compartments or stalls, many of them have almost the same products, with differences related only to the source of supply (from producers or bulk goods warehouses). In the bazaars studied, most kiosks or stalls have clothes and shoes for sale, fewer have toys and various products (electrical, metalworking, etc.).

Their customers are about the same as those who go to small, neighborhood stores. As a rule, they look for cheaper products, even at "second hand". The employees at the market stalls are, in most cases, members of the same family, but other people are also employed at the stalls and kiosks in the bazaars. Salaries are at the minimum level in the economy.

4.3. The situation of a small, "neighborhood" retail and bulk warehouse

Annex 6 presents the situation of small "neighborhood" warehouses. These warehouses are supplied from manufacturers, importers, national and county wholesalers. They are also called "local wholesalers" (Iordanoaia, 2022).

The customers of these warehouses are usually small neighborhood stores, but also individuals, who prefer to source from these warehouses for purchases of products in larger quantities. Some warehouses impose a minimum purchase limit (quantities or amounts), but most do not impose any limit on the amounts spent or quantities purchased. The staffs are employed, with minimum wage in the economy, with some exceptions.

4.4. Survey results

Following the administration of questionnaires and structured interviews with store and stall managers, the following findings and perspectives were synthesized:

1. Fiscal pressures: Respondents perceive the current levels of corporate taxation, labor-related taxes, and local levies as excessively high, creating a significant burden on operational viability.

2. Human capital constraints: A primary challenge identified is the difficulty in recruiting qualified personnel. The available labor pool lacks specialized education and adequate professional motivation. Consequently, administrators increasingly favor family-centric staffing models, often opting to forgo further investment and expansion to mitigate labor-related risks.

3. Digital disruption and consumer behavior: The rise of e-commerce has significantly reduced the demographic of younger customers. This segment increasingly prefers online platforms for purchasing apparel, electronics, and mobile devices, prioritizing the convenience of home delivery over traditional retail interactions.

4. Competitive pressures from large-scale retail: Traditional bazaars face declining foot traffic as consumers shift their preferences toward brand-name stores located within large shopping malls in Constanta.

5. Supply chain adaptation and "price arbitrage" strategies: Due to frequent supply chain disruptions-specifically, the failure of national or regional wholesalers to adhere to delivery schedules-small-scale administrators have adopted a reactive procurement strategy. To maintain inventory levels, they frequently source products directly from large retail chains during promotional events or price reductions.

A commercial markup is then applied to cover "logistical costs", resulting in shelf prices that are either equal to or slightly higher than those of large competitors. While this serves as a short-term resilience tactic, it is not considered a sustainable long-term solution, as it fails to address the rapid pace of shifting consumer preferences and market evolution.

4.5. Human resources profile within the analyzed economic units

The study revealed a generally low level of specialized training among administrators, with the majority lacking formal economic or commercial education. A specific segment of the sample consists of individuals who operated within the pre-1990 state-owned socialist trade system as store managers or sales clerks. These individuals subsequently acquired their respective commercial spaces through early privatization or management-lease systems, maintaining the original business profiles. However, this demographic is aging, with most administrators being over 60 years old. While some attempt to

integrate family members into the business to ensure intergenerational continuity, the successor demographic also shows a lack of specialized economic training; few possess relevant high school diplomas, and higher education degrees in economics are exceptionally rare. Among the small percentage of respondents with university degrees, most specialized in Law or Administrative Sciences, often completed through part-time or distance learning programs. The remuneration structure within these units is another critical issue frequently cited by personnel. Data from the initial study recorded 349 employees under contract, of whom 229 (65.61%) are paid the national minimum wage, while 120 (34.38%) receive medium or higher salaries. This distribution confirms that wages in this sector are predominantly low and lack motivational efficacy. Although some employers admitted to providing informal, "off-the-record" bonuses to high-performing staff, the higher salary brackets are almost exclusively reserved for administrators or family members.

Furthermore, the study found that many owners do not hold primary employment within their own firms, often maintaining roles in other companies or the public sector while managing their businesses in parallel. This fragmentation of managerial focus, combined with what respondents described as a "critical labor shortage", has created an acute personnel crisis. Unlike large-scale retail chains that have begun recruiting labor from Asia to mitigate shortages, micro-enterprises have not yet adopted international recruitment strategies, leaving them increasingly vulnerable to the lack of specialized and motivated local staff.

4.6. Integration of electronic surveillance and artificial intelligence

Analysis of the survey responses reveals a critical operational vulnerability for small "neighborhood" stores: product shrinkage, particularly theft. This issue is exacerbated during the summer season in coastal regions due to high tourist inflows. While electronic surveillance is a recommended mitigation strategy, micro-enterprises often lack the human resources required for real-time monitoring. Conventional recording systems typically offer only post-factum evidence, which is ineffective for loss recovery if the perpetrators leave the jurisdiction before the theft is discovered.

Consequently, there is a strategic necessity to implement artificial intelligence for proactive monitoring and behavioral analysis. AI-driven systems can autonomously detect suspicious activities, hide-and-conceal gestures, and unauthorized departures, providing real-time alerts. Furthermore, integrating private store feeds with public surveillance networks (monitored by Local or National Police) could significantly enhance offender identification and recovery rates.

4.6.1. Operational mechanisms of electronic surveillance and AI

Digital video surveillance offers a continuous, 24/7 security solution that surpasses traditional human guarding in terms of the cost-benefit-quality ratio. For large-scale retailers and warehouses, these systems represent a cost-effective method for real-time monitoring. The evolution from manual monitoring (human operators observing screens) to AI-driven surveillance allows for the automated detection of theft-related behavioral patterns (Strauss Security Solutions, 2023). While large corporations have successfully reduced losses through these investments, small retailers remain vulnerable due to:

- Capital constraints hindering the acquisition of advanced hardware and software.
- Architectural limitations of small commercial spaces.
- Lack of specialized technical personnel for system maintenance.

Standard surveillance architecture for micro-enterprises typically includes high-definition (HD) cameras (visible or concealed), Digital Video Recorders (DVRs), and integrated alarm systems. Current HD standards allow for megapixel-resolution imagery transmitted via coaxial or wireless connections, ensuring evidentiary quality (Atu Tech, 2024).

4.6.2. Software applications and mobile integration for surveillance

Modern surveillance software facilitates remote access via PCs, laptops, and mobile devices, requiring minimal technical expertise for configuration. These applications are compatible with major operating systems (Windows and macOS) and offer several specialized functionalities:

A. AtHome Camera: A cross-platform application (Android, iOS, Windows, macOS) that converts standard webcams into surveillance nodes. It supports remote scheduling and cloud-based archiving of video feeds (iChano, 2024).

B. TeboCam: A specialized Windows-based utility that utilizes motion detection algorithms. Upon detecting movement, the system automatically transmits email alerts with photographic evidence and precise timestamps (Teboweb, 2024).

C. iSpy: An advanced, open-source security platform that integrates webcams, IP cameras, and microphones. It offers sophisticated remote-control features, including SMS/email alerts and secure private-mode viewing via web platforms (iSpyconnect, 2024).

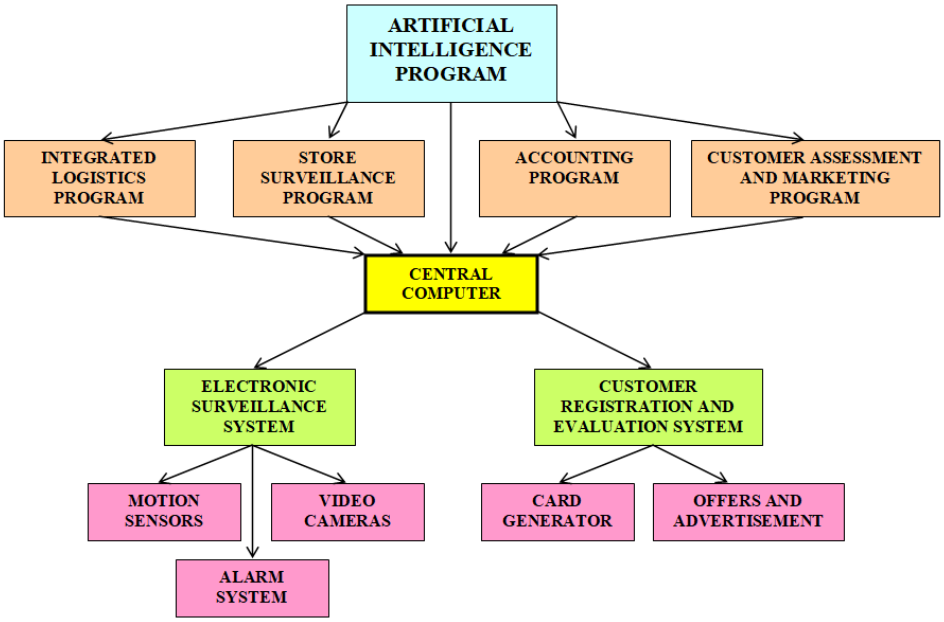
D. Security Eye: A professional-grade monitoring suite for Windows. It utilizes advanced timers and motion detection sensors to capture and compress JPEG-format imagery, providing a robust solution for diverse Windows environments (Security Eye, 2024).

4.6.3. The influence of artificial intelligence on small store commerce

The most important aspect is the one regarding the change in the traditional way of working, of small stores, neighborhood warehouses and micro-enterprises. For administrators and managers, it is the most important decision that they must adopt in the coming period, if they want their activity to continue, to obtain profit and to resist the competition of large stores.

By following and analyzing the way of working of large chain stores and online ones, small stores, micro-enterprises, even if they have a small number of customers, compared to those who are supplied from large stores, can still make investments in modern technology, in programs that allow them to access a new way of working in this business. Figure 1 presents a model of organization of a simplified information and electronic system, which can be used by a small store or a neighborhood warehouse.

Figure 1. Information system model for microenterprises



Source: author's study.

Among the most important, which can be used by small shops and warehouses, are the following:

1. Receiving online orders and distributing some products to the customers' homes, without requiring the equivalent of transportation, if they live in the same locality, within a certain distance. It is a way of working already used by catering companies, restaurants, fast food or pizza. In this sense, collaboration can be established with associations for the protection of elderly people who cannot move

or with their relatives or caregivers, to whom food from the store can be delivered home, according to a pre-established schedule.

2. Purchase of programs that use artificial intelligence for:

- Monitoring the store.
- Organizing and directing marketing and customized advertising.
- Taking and processing online orders.
- Sending messages to customers to notify them of the receipt of orders and to send them the delivery time to their home.
- Managing orders to suppliers, depending on the contractual conditions regarding the launch of orders, the type of products and delivery times.

3. Transferring electronic surveillance systems under the supervision of artificial intelligence.

4. Purchase of mini-robots, android robots (humanoids), to help customers with information and for security.

5. Using artificial intelligence for activities that bring added value to small stores.

This raises a new question. Will artificial intelligence eventually control all activities in the store? Based on documents studied in recent years, it has emerged that the future is considered to be directly linked to the use of AI, in all commercial activities, in small stores as well as in large ones. The advantages of using such an integrated system can be the following, as presented in Annex 7 and the disadvantages in Annex 8.

Micro enterprise administrators must understand that if they invest quickly in implementing AI in their current activities, they will be able to withstand the competition of large stores. The disappearance of these companies poses the greatest risk, as a large number of people will be left without a job, will not be hired elsewhere and will leave the country. From the statistics compiled by the European Commission through Eurostat, it results that Romania is in last place in terms of the number of companies that use artificial intelligence in their current activity, (Eurostat, 2025). This means lagging behind at the level of the entire national economy, and to reach the level of current competition, of large chain stores, large investments will be necessary and if these are not understood and carried out as quickly as possible, the negative situation will not change easily, it may even worsen. At the same time, large companies are investing heavily in the development of artificial intelligence, in order to offer complete and complex solutions to enterprises in all fields, (Kapuscinscki, 2024).

5. Development strategies and to resist competition from large stores and online ones. Case study for the commercial area of Mangalia

For this type of business, it is quite difficult to establish development tactics and strategies and especially to resist the impact of competition from large stores and “online” ones. In addition to competition, the increase in rent, electricity, local taxes and fees, all cumulatively have negative effects on these businesses. But, for this type of business, a series of aspects and strategies for development and resistance to competition are considered, aiming as follows: using the good commercial fund of the area; choosing products for sale and the way stores are organized; direct supply, from factories and manufacturers; using offers, price discounts, for purchases of larger quantities; using loyalty cards; receiving “online” orders and distributing some products to customers' homes; using AI and social media pages.

5.1. The strategic importance of commercial goodwill and location analysis

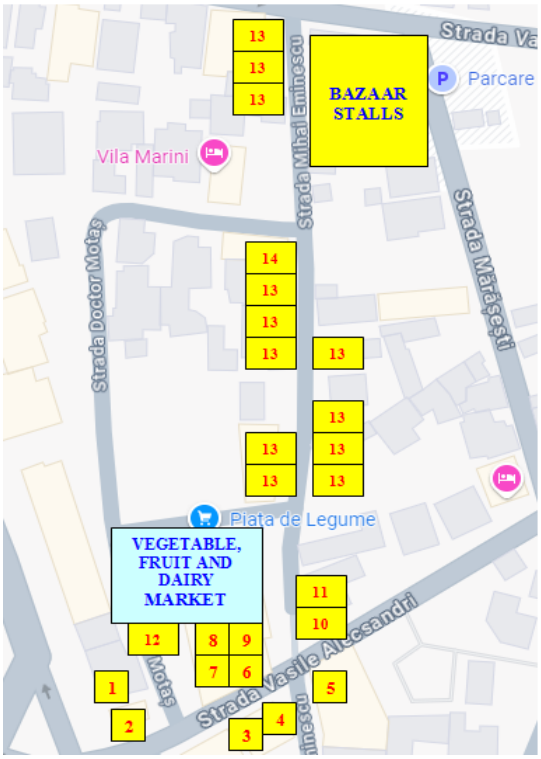
In this business sector, “commercial goodwill” (the established reputation and strategic location of a business) is the most critical asset. It ensures a baseline customer flow necessary for profitability, which in turn facilitates business maintenance and expansion. Unlike large retail chains, which are typically situated on the urban periphery to accommodate large surfaces, small-scale stores-particularly those occupying historical commercial spaces from the pre-1990 era-must capitalize on their central urban positioning.

The analysis of these entities, categorized by their commercial assets and location-based advantages, is detailed in Annex 9. It should be noted that shops in rural communes were excluded from this specific case study. In such localities, businesses are predominantly located in physical or

administrative centers (adjacent to local councils or city halls), often occupying legacy commercial sites. Due to their proximity to high-pedestrian and vehicular traffic zones, these units inherently possess a high degree of commercial goodwill, which serves as their primary competitive advantage.

Figure 2 shows the actual situation of the location of shops, a market and a bazaar from Mangalia. This area can be considered as having good commercial potential, due to the fact that it is located in the central area of the city, there are several shops with different products, near the market and bazaar. The nearest large, competing store is located 1 km away, and the largest, 2 km away, on the outskirts of the city.

Figure 2. Situation of the layout of shops, market and bazaar



Source: author's study, google.map.

Legend:

1 = general store.	5 = fast food.	9 = plastics, household use.	13 = clothes and shoes.
2 = florist.	6 = general store.	10 = meat.	14 = services (key making)
3 = cosmetics.	7 = pastry.	11 = toys, bicycles and bags.	
4 = donut shop.	8 = vegetables and fruits.	12 = fish shop.	

5.1.1. Sales analysis and competitive positioning

Based on an analysis of balance sheets and turnover data, the following store categories exhibited the highest sales performance:

1. General grocery stores (“Alimentara” Type): Leading the sample, these units offer a diversified portfolio (foodstuffs, beverages, household items). Their success is attributed to long-term “commercial goodwill” and continuity since the pre-1990 era. Strategic advantages include central urban locations, proximity to public parking, and a stable, familiar staff that fosters customer loyalty. The presence of nearby parking facilitates access for non-resident consumers who utilize personal vehicles for bulk shopping.

2. Household and plastic goods: Ranking second, these stores maintain competitiveness through aggressive pricing. This is achieved via direct procurement contracts with manufacturers, effectively bypassing regional and local wholesalers to reduce costs.

3. Specialized meat shops: These units rank third, sourcing products directly from local and regional producers to ensure freshness and competitive pricing.

All the shops are located in the central area of the city, but the clothing and footwear shops (13), being 12 in number, plus another 10-11 stalls, offer for sale similar products, with small differences from one shop to another, which means fierce competition between them.

The fact that the large shops and warehouses of multinational companies are located on the outskirts of the city, at distances of over 1 km from the central area, gives the shops and stalls in the central area a relative advantage, ensuring their customers among retirees and people who do not have a personal car, who live in the central area or very close.

5.1.2. Product selection and operational organization

To withstand the dual pressure of multinational retailers and e-commerce, micro-enterprises must transition from empirical management to strategic organization.

Product selection should be prioritized based on:

- Fast-moving consumer goods (FMCG) for daily needs.
- Media-advertised brands with high customer pull.
- Economic tiers: "Value" products for low-income demographics and "Premium/Luxury" goods for high-income segments.

Modernization requires investments in store aesthetics, merchandising, and hygiene standards. Furthermore, staff behavioral training and professionalism are critical for maintaining a "neighborhood" competitive edge. These improvements, however, necessitate significant capital reserves.

5.1.3. Supply chain strategies: disintermediation and arbitrage

Pricing remains the most significant challenge. While micro-enterprises aim for price parity with large chains, they are hindered by low purchasing volumes and liquidity constraints. Consequently, two primary procurement models emerge:

A. Direct manufacturer procurement: By eliminating intermediaries (national and local wholesalers), managers can achieve lower shelf prices. However, exclusivity agreements between large producers and major wholesalers often block small actors from accessing these direct channels.

B. Local producer integration: Micro-enterprises have a distinct advantage in offering local or artisanal products that are often under-represented in large chain stores due to shelf-space competition between global brands.

C. Procurement arbitrage: Many small managers bypass traditional wholesalers entirely, purchasing stock directly from large retail chains during promotions and adding a logistical markup. While this ensures product availability, it often results in higher end-consumer prices, limiting long-term sustainability.

5.1.4. Promotional tactics and loyalty mechanisms

Currently, most small retailers lack sophisticated demand-stimulation systems. Inventory is often managed empirically (just-in-time without formal systems), limiting the ability to offer volume-based discounts. Furthermore, some retailers adopt short-term strategies, such as price hikes during religious or national holidays, which may yield immediate profit but risk long-term customer attrition to cheaper alternatives. Regarding loyalty mechanisms, physical or digital "loyalty cards" are essential tools for customer retention. While the global trend shifts toward integrated mobile applications (Google Play, 2025) to reduce issuance costs, the analyzed units still rely heavily on traditional interactions.

5.1.5. Digital transition and home delivery

The analyzed micro-enterprises currently lack the infrastructure for e-commerce. Deficiencies in specialized personnel, web presence, and logistics (delivery vehicles) prevent them from competing in the digital marketplace. Moving from "classic" trade to a digital model requires targeted investments in communication technology and staff retraining to transform these units into viable competitors within the online commercial landscape.

5.1.6. E-commerce integration: online ordering and home delivery logistics

Current operational structures within the analyzed micro-enterprises reveal a significant inability to manage online orders or facilitate home delivery. These stores generally lack a web presence, specialized personnel for digital platform management, and the logistical infrastructure required for last-mile delivery-a service commonly provided by catering and large retail entities in major urban centers. To bridge this competitive gap, substantial investments are required in modern communication technologies (including hardware such as computers and tablets, and bespoke software applications) and rapid transport modalities (vehicles, mopeds, or bicycles). Most importantly, a strategic focus on staff retraining and professional development is imperative. Successfully implementing these changes signifies a transition from "classic" retail to a digitized model, enabling small-scale enterprises to position themselves as viable competitors within the evolving e-commerce landscape.

5.1.7. Using AI and socialization pages

Annex 7 presents the advantages of using artificial intelligence in the trade of small stores and neighborhood warehouses. In order to use an AI program, first of all, those programs that best meet the needs of the company must be studied, analyzed and chosen. Annex 8 presents some disadvantages, which must also be known and understood by small store managers. Table 2 presents several artificial intelligence programs that can be used. However, the use of AI must also be considered in close connection with the use of social media pages. Their choice must be made based on an assessment depending on the type of store (food, clothing, cosmetics, etc.) and especially the type of potential customers, target customers, seasons, summer seasons, etc.

Table 2. List of artificial intelligence programs

Domain	Application name	Attributes	How to use (costs)
1. AI assistants	ChatGPT	-Performing personal and professional tasks. -Analysis and synthesis of situations, files, spreadsheets, screenshots. -Analysis of economic developments and situations, fashion trends, tastes, customer reviews, etc.	-Free (limited access). -Subscription $20/month (full access to advanced features)
	Grok	-Deep search. -Analysis, processing and refining of responses. -Generates product images. -Does not censor search results.	-Free (limited access). -Subscription (basic, Premium, Premium+)
	Claude	-Used for programming. -Simple, easy, problem-solving language.	-Free (limited access). -Pro subscription $20/month, with access to more features. -Max subscription $100/month (for high limits and early access).
	Gemini from Google (Google Gemini, 2025)	-Provides a very large number of information and texts. -Answers questions based on documents. -Provides an audio presentation with an artificial voice. -Provides information storage space.	-Free (limited access to basic tools). -Pro subscription $19.99/month (full access to advanced features). -Ultra subscription $124.99/month (access to creative features and storage)
2. Information search engines	Google AI Mode (Google Gemini, 2025)	-It is used to obtain information and data. -It provides an image-only version of answers. -It provides a large number of answers (web pages). -It is available as part of the Google program.	-Free.
	search ChatGPT	-Performs automated, large-scale internet searches, compiling information from many sources. -Does not require additional instructions.	-Free. -Monthly subscription (the price is determined depending on the individual

Domain	Application name	Attributes	How to use (costs)
		-Produces complete, detailed, and accurate reports in the form of summaries. -Reuses previous questions and uses them in context to facilitate searching and delving into a topic.	or legal entity that subscribes and concludes a service provision contract).
	Perplexity	-Provides quick and accurate answers. -Cites sources of information. -Can be used for in-depth research.	-Free. -Pro subscription, paid monthly.
3. Marketing	AdCreative (Advertising)	-Simplifies the process of creating advertising materials. -Reduces creation time and produces professional materials. -Can generate customized designs adapted to the platforms or social networks on which they will be presented. -Has an easy-to-use interface. -Simplifies the generation of multiple versions of advertisements or announcements.	-$39/month subscription.
	AirOps	- It is a content operations engine that can be used to create materials. - It has a drag-and-drop interface. -It works with predefined modules that handle common tasks for keyword research or content manipulation.	-Subscription.
4. Sales	Attio	-Drives Customer Relationship Management. -Easy to use for small sales teams. -It is a personalized and intuitive program. -Offers functions to increase the capacity of recorded data.	-Subscription.
5. Graphic design	Canva Magic Studio	-It is an easy-to-use design tool that generates graphics and text. -Includes features that simplify and improve the process of creating graphics. Allows the insertion of images to create personalized templates to be integrated into the presentation on social networks. -It has specialized applications in different areas, from editing texts, removing unwanted elements, to creating animated images.	-It is free for the Magic Studio version, and Magic Write can be used for free 50 times. -Canva Pro subscription $15/month, Canva Teams $30/month.
	Looka	-It is used to create logo and brand designs. -It is easy to use, can generate a series of logos after entering some brief information, and the user can choose and make changes depending on what he wants to achieve.	-Purchase of the Premium Logo Package for $60, which becomes the buyer's. -Subscription to the Brand Kit for $96/year. At $129/year, a website is also included.
6. Image generation	GPT-4o	-It can be used to transform text-to-image or image-to-image, in a wide variety of artistic styles.	-Free at ChatGPT. -Subscription to Plus and Pro versions.
	Nano Banana (Gemini 2.5 Flash) (Google Gemini, 2025)	-Easy to use, high speed of work. -Used for making videos, transforming selfies into 3D figures. -Can make changes, retouches, add texts.	-Free.
	Midjourney	-Can be used to create "source" images to generate very beautiful and realistic video images. -Higher versions offer video support and "stealth" mode.	-Subscription at 10 USD/month for the basic version and more expensive for the higher versions.
7. Generation of films and video images	Synthesia	-Realistic video clips and human avatars, in a very large number of variations. -Presentation and training modules can be easily created.	-Free for making videos up to 36 minutes/year. Subscription of $29/month for extended features.

Domain	Application name	Attributes	How to use (costs)
		-Can be used for internal company communication and the integration of new employees. Personalized video clips can be created for sales promotion, presentation and product and service demonstrations.	
	Google Veo (Google Veo, 2025)	-It is used to generate video clips, in any field. -The films made are very realistic, and can be animated for any kind of movement. -The Veo 3 version can also generate sound for the video clips made.	-Veo 1 version is free, and Veo 2 version is for a limited number of uses. -Veo 3 subscription for $19.99/month or Ultra version for $249.99/month.
	OpusClip	-It is used to create short, medium or long-length videos that can be adapted to be accepted on different platforms. -It is easy to use, offers the possibility of adding subtitles	-Free.
8. Voice generation	ElevenLabs	-It offers the possibility of converting texts into speech and sound cloning. -The language produced can be adjusted, depending on the voices and the number of speakers. -It offers the possibility of expressing "emotions", and the voices can change from whispers to laughter, in the same passage of text. -You can clone your own voice, which can be used in the presentation of advertising materials, in video clips. -It can translate the voice into several foreign languages.	-Free subscription for 10,000 credits. -$5/month subscription for more credits, voice cloning, and commercial use.
	Murf	-Generates an artificial voice based on the entered text. -Provides a simple interface, with drag-and-drop functionality, which helps in creating voice-overs. -Can be used for making explanatory videos or internal presentations in film.	-Free subscription for 10 minutes of voice generation and transcription with access to 120 voices. -Creator subscription for $29/month, with 2 hours of generation/month, 200 voices, and commercial use rights.
9. Music generation	Suno	-Generates background music for image posts, videos and advertisements on social networks. -Can quickly generate songs and run 10 different tasks simultaneously.	-Free subscription includes 50 credits/day, for 10 songs/day, for personal use. -Pro subscription for $10/month offers 2,500 credits, commercial rights, and fast generation.
	Udio	-It can be used to create original pieces, offers flexibility, allows interventions, modifications, adjustments, to obtain the desired melody.	-Free subscription with 100 credits/month, for 50 songs. -Standard subscription $10/month.

Source: author's study, Lukan (2025), Marr (2021), Olarenwaju (2023), Prokopiško (2019), Underwood (2017), Rumble (2025).

Some social media pages are used by certain age groups (teenagers, young people), others by mature or elderly people, which differentiates the way of approaching the respective networks, depending on tastes, fashion, news, discount periods, etc. Small store managers must search, study, analyze, and choose those social media pages that best match the profile of their stores. The method of promotion on the Meta company's Facebook social media page was monitored, studied and analyzed (Facebook Marketplace, 2025). It uses the “Facebook Marketplace” application, which is one of the most developed and offers more opportunities for business development. The usefulness of this application is given by the following aspects:

-It offers the possibility to choose strategies to increase the visibility of the company (store or warehouse) and the main products offered for sale.

-It helps to increase sales, the number of products sold. It can coordinate the promotion and sale of a very large number of products or it can focus only on certain products (such as seasonal ones, which are most sought after by customers or based on other criteria initially established).

-It can be used to expand the physical area of visibility of the store or warehouse, in several nearby localities or from greater distances (at the county, region or country level).

But it must be understood that it has a series of rules regarding the sale of products, what is allowed for promotion and sale and what is not allowed, that is, products that cannot be promoted and sold through this platform.

-It offers the possibility of presenting products using multiple images for one. Photos can be taken from different positions, with certain colors or even in motion (depending on the type of product).

-It provides the opportunity of personalizing customer relations. This includes answers to their questions regarding products, prices, delivery conditions, etc. This can be used to achieve customer loyalty.

-It allows for launching new distribution channels, launching new products, organizing the way products are presented (showcase or store page).

A particularly important aspect is that this application cannot deceive customers. Using this application, with very precise rules regarding the presentation and sale of products, the possibility of fraud or customer deception is greatly reduced. The application is based on real data from companies, whether they are established and actually operating or are just fake information and data. The program also tracks whether the store delivered the product on time, according to the established delivery requirements. The administrators of these businesses must take into account the following aspects and strategies, which are presented in the form of a "Guide for implementing strategies for resistance to competition and for development", according to Annex 10. Annex 11 presents the costs of implementing and using AI, from different companies, for different domains. Compared to the first sales of artificial intelligence programs, the price of implementing them in small companies has dropped significantly. To implement the strategies, techniques and methods presented in Annex 10, small company managers can use a verification plan (a checklist) to be able to adopt the right decisions and implement the necessary measures. A model plan for verifying the implementation of decisions and measures is presented in Annex 12.

6. Conclusions

The viability of micro-enterprises and small-scale retail units remains a critical economic issue. While business investments often align with consumer demand, the principle that "supply creates its own demand" is equally applicable to the development of local economies. Conversely, when regional or national economies face stagnation and job losses, these small entities are the first to experience adversity, leading to business closures and increased unemployment. Despite a legal and fiscal framework that permits the existence of micro-enterprises and independent contractors, there is a notable absence of robust protectionist or stimulative policies. This systemic neglect is particularly evident in the service sector, where a significant decline in independent craftsmanship has been observed over the last decade due to retirement or business failure.

An analysis of official documents from the Romanian Ministry of Economy, Entrepreneurship, and Tourism reveals that the General Directorate for Entrepreneurship and Financing for SMEs (DGAFIMM) has, as its main objective, the technical and financial management of "*de minimis*" schemes. These are implemented through national programmes designed to support the establishment of new enterprises and foster the development of SMEs, the business environment, and the cooperative sector (Ministry of Economy, 2026). Furthermore, the Directorate administers and monitors programmes aimed at increasing the competitiveness and efficiency of these entities within the context of a market economy. A review of current national financing programmes reveals several initiatives overseen by the Ministry (Annex 13). Despite these initiatives, specialists face difficulties in identifying government funding specifically tailored to the integration of AI and advanced informatics. The documentation for programmes such as the "Programme for the Development of Marketing Activities" frequently lacks actionable information for micro-enterprises, suggesting that current government

support is insufficient for modern digital transitions. To ensure resilience, the Ministry of Economy should consider the following strategic shifts:

-Digital training: Developing training programmes focused on AI, electronic office management, and digital marketing.

-Public-private partnerships: Collaborating with universities, IT firms, and NGOs to enhance human resources training.

-Legislative flexibility: Introducing policies that allow for price flexibility in bulk acquisitions, which would support micro-enterprises and assist in formalising transactions to curb tax evasion.

In conclusion, the current Romanian economy requires these small-scale entities to maintain proximity to customers and preserve local market knowledge. Reducing the fiscal burden on these units, coupled with increased digital accounting controls, would foster competitiveness against large-scale e-retailers. Furthermore, maintaining these units helps mitigate labour migration, as staff training and development foster loyalty and stability.

For administrators of small economic units, the following strategic measures are recommended:

1. Proactive management: Transitioning from passive operations to proactive modernisation by seeking technical solutions.

2. Strategic adaptation: Aligning management tactics with rapid technological shifts.

3. Digital promotion: Replacing traditional print media with dynamic digital displays.

4. E-commerce integration: Utilising digital platforms to manage orders and customer communication.

5. AI adoption: Implementing AI-driven tools for logistics, order management, and consumer behaviour analysis.

6. Human capital development: Adopting scientific recruitment and performance-based remuneration.

7. Profit Reinvestment: Prioritising capital expenditure in retail technology and AI software.

The rapid adaptation of these economic units to the contemporary economic reality is imperative for long-term sustainability and growth.

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Annex 1. Questionnaire model

1. Name of the company. Legal status.	_____ *JSC ☐ Ltd ☐ FA ☐ AI☐	**Observations** - Mark with an X.
2.Official address.	-Locality _____, street _____, no ____, STC _____.	
3.Object of activity (CAEN Code).	-Main: -Secondary:	
4. Management of the economic unit.	-Administrator ☐ Manager ☐	- Mark with an X..
5.Number of employees.	-	- With contract.
6. Education level of the employed personnel.	-Higher education ☐ -Post-secondary education ☐ -High school with Baccalaureate ☐ -High school without Baccalaureate ☐ -8-grade general school ☐ -4-grade general school ☐	- Enter the number in the square.
7. Net salary level (per number of people).	-Minimum wage in the economy = 2,079 lei/month. ☐ -Salary < 4,000 lei/month. ☐ -Salary between 4,000-5,999 lei/month. ☐ -Salary > 6,000 lei/month. ☐	
8. Problems with the company (Local, central administration, etc.).	- - - - - -	
9. Problems with hired personnel.	- - - -	
10. Balance sheet at the end of the year.	***Year*** ***Profit*** ***Loss*** 2020 ☐ ☐ 2021 ☐ ☐ 2022 ☐ ☐ 2023 ☐ ☐ 2024 ☐ ☐	- Mark with an X..

Source: author's study.

* Joint Stock Company. Limited Liability Company. Family Association. Authorized individual. Single Tax Code.

Annex 2. Economic units studied

No	Location	Types of small stores and their number	Legal form / Number	Markets, stores and warehouses	Legal form / Number
1.	Constanta	Grocery store =2. General store =2. Confectionery =1. Pastry shop =1. Bagels =1. Fast food =1. Fruit and vegetables =1. Wines =1. Florist =1. Total = 11 stores.	-Limited Liability Company (LLC)= 10. -Family Associations (FA)=1. **Total = 11 stores.**	-Grivitei Market (5 stalls), -Km 5 Market (7 stalls). -Gorbaciov Bazaar* (12 stalls). -Fruit and vegetable warehouse =1. -Wine warehouse =1.	-LLC = 2. -FA = 24. **Total = 26 stores and associations.**
2.	Mangalia	Grocery =2. General store =4. Fish shop =2. Cosmetics =1. Footwear =2. Confectionery =2. Pastry shop =1. Bagels =1. Fast food =1. Fruits and vegetables =1. Florist =2. Total = 19 stores.	-LLC= 19. **Total = 19 stores.**	-Central Market (8 stalls), South Market (4 stalls), -Central Bazaar (13 shops, 15 stalls). -Fruit and vegetable warehouse =1. -Miscellaneous materials warehouse =1.	-LLC = 15. -FA = 27. **Total = 42 stores and associations.**
3.	Eforie	Grocery store = 1. Clothes and shoes =1.	-LLC= 2. **Total = 2 stores.**	Eforie Nord Market (5 stalls).	-FA = 5. **Total = 5 associations.**
4.	Techirghiol	Grocery store = 1.	-LLC= 1. **Total = 1 store.**	-	-
5.	Negru Voda	Grocery store = 1.	-LLC= 1. **Total = 1 store.**	-	-
6.	Murfatlar	General store = 1.	-LLC= 1. **Total = 1 store.**	-	-
7.	Limanu	General store = 3.	-LLC= 3. **Total = 3 store.**	-	-
8.	2 Mai	General store = 1.	-LLC= 1. **Total = 1 store.**	-	-
9.	Albesti	General store = 1.	-LLC= 1. **Total = 1 store.**	-	-
10.	23 August	General store = 1. Clothes and shoes =1.	-LLC = 1. -FA = 1. **Total = 2 stores and associations.**	-	-
11.	Dulcesti	General store = 1.	-LLC= 1. **Total = 1 store.**	-	-
12.	Pecineaga	General store = 1.	-LLC= 1. **Total = 1 stores.**	-	-
13.	Costinesti	General store = 1.	-LLC= 1. **Total = 1 store.**	-	-
14.	Tuzla	General store = 2.	-LLC= 2. **Total = 2 store.**	-	-
15.	Agigea	General store = 1.	-LLC= 1. **Total = 1 store.**	-	-
16	Valul lui Traian	General store = 1.	-LLC= 1. **Total = 1 store.**	-	-
17.	Poarta Alba	Miscellaneous materials store (mixed)= 1.	-LLC= 1. **Total = 1 store.**	-	-

Source: author's study.

* *At the end of 2024, this bazaar was closed.*

Annex 3. Situation of the small stores

No	Type of shops and stalls	Products for sale	Type of sale
1.	Grocery store.	Food, bakery and pastry products, sweets and confectionery, alcoholic and non-alcoholic beverages, vegetables, fruits and tobacco.	-In detail.
2.	Grocery store and various products.	Food, sweets, drinks, vegetables, fruits, tobacco, cosmetics and detergents.	-In detail.
3.	Grocery store, household products.	Food, sweets, beverages, vegetables, fruits, tobacco, plastics, household appliances and toys.	-In detail.
4.	Grocery store, miscellaneous products, household products, clothes and shoes.	Food, sweets, drinks, vegetables, fruits, tobacco, plastics, household appliances, toys, clothes and shoes.	-In detail.
5.	Various household products.	Plastics, metal products, glass, household appliances and toys.	-In detail.
6.	Various household and garden products, construction materials, metal products.	Plastics, metal products, glass, household appliances, toys and construction materials. Metal products, construction profiles, various products for the home and garden.	-In detail. -In bulk.
7.	Clothes and shoes.	Garments, knitwear and various footwear.	-In detail.
8.	Fast food, fast food, pastry, confectionery.	Fast food, bagels, pies, cakes, etc.	-In detail.
9.	Florist.	Flowers, floral arrangements, wreaths.	-In detail.

Source: author's study.

Annex 4. Market segment

No	Customer type and characteristics	Distance from the store	Observations
1.	Neighbors on the same street and adjacent streets. They have the following characteristics: -Employed people. -Retirees. -Children, adolescents and young people.	0-500 m	-People who come to the shops on foot. -Shop daily or often, within the limits of quantities that fit into 1-2 nets.
2.	People who come from greater distances.	500-1500 m	-People who come to the stores on foot. -People who come by car, who live further away from the store.
3.	People who accidentally arrive at the store.	> 2000 m	-People who come on foot or by car, rarely or very rarely.
4.	Tourists who come to the seaside during the summer season.	-	-Tourists live in hotels, private guesthouses or rented apartments.

Source: author's study.

Annex 5. Situation of stalls

No	Type of stall in the market and bazaar	Products for sale	Type of sale
1.	Grocery store	Food (meat, cheese), alcoholic beverages, vegetables, fruits and flowers.	-In detail.
2.	Various products (in the Bazaar)	Clothes, shoes, toys, tools, accessories, cosmetics, small electrical appliances, etc.	-In detail.

Source: author's study.

Annex 6. The situation of small warehouses

No	Type of warehouse	Products for sale	Type of sale
1.	Food warehouse.	Food, sweets, alcoholic and non-alcoholic beverages, vegetables and fruits.	-Bulk and in detail.
2.	Miscellaneous product warehouse.	Clothes, shoes, toys, tobacco, cosmetics, hygiene products and detergents.	-Bulk and in detail.
3.	Specialized warehouse.	Construction materials, household goods, electrical and electronic appliances, protective equipment, home and garden furniture, etc.	-Bulk and in detail.
4.	Fuel warehouse.	Wood, coal and liquid fuels (gas, petrol and diesel).	-In detail.

Source: author's study.

Annex 7. Advantages of using artificial intelligence

No	Strategy for using AI	Content
1.	Creating a company strategy.	-The general concept must be that of the manager (administrator), who pursues his business objectives. -AI can bring him information about certain areas of activity, about products and services, which he can structure in order of importance, prices, distance to suppliers and other essential information or data. -AI can propose strategies, after all the data related to the company, store, products, prices, payment terms, delivery terms, warranty terms, etc. have been entered.
2.	Focusing attention on the overall strategy of the company.	-AI can be oriented towards achieving the company's objectives, analyzing and differentiating data obtained through the search program and using analysis and interpretation models.
3.	Defining and implementing a complete company strategy.	-AI can help organize business plans, create programs to obtain financing. -It can help track the implementation of plans and programs, providing daily, weekly, or as needed information on the status of each project or situation.
4.	Using online commerce.	In the case of making the decision to use online commerce, AI can be used as follows: -to help create the store's website, arrange and present the products (pictures of them); -to know the real situation of the company's product inventory, the number and quantities available at any time; -to provide complete information and data about each product; -centrally manage stocks, providing information on their status; -provide a simplified, easy-to-understand dashboard; -to register customers who have agreed to be registered in the company's database; -management of loyalty cards, points, bonuses and gifts received by customers; -simplifies the way of receiving orders from customers; -coordinates the activities of sending products to customers and informing them.

No	Strategy for using AI	Content
5.	Flexibility and optimization of product prices.	-AI can use a certain flexibility in selling products, in the sense that if a customer requests a product that has a certain price, AI can offer them, for example, two products of the same type, at a lower price. -Based on customer searches, product page visits, provide statistical information and even suggestions regarding the most searched, least accessed, best-selling and least sold products.
6.	Integrated logistics with AI.	AI can optimize store logistics processes and e-commerce logistics. The most important aspects relate to: -optimizing delivery routes; -warehouse management; -automating packaging processes, arranging in the warehouse or on the shelf; -increasing the efficiency of activities; -reducing costs. Another aspect is related to the use of AI to control robots in warehouses to: -automate processes, -optimize movements, -reduce the time needed to choose products and prepare orders (packages) for shipment.
7.	Customer behavior analysis.	This is a particularly important aspect if the store administrator decides to open presentation pages on social networks. In this regard, AI: -can manage the pages; -record the opinions and reactions of the page visitors; -identify a series of information and suggestions from visitors; -track those sites that review products or services (for example, Consumer Protection Offices, professional organizations, etc.); -analyze the opinions expressed by customers or simple visitors (potential customers) and propose to the company management corrective measures or changes to advertisements, promotion methods or other aspects resulting from these analyses; -Some specialized AI programs are even oriented towards analyzing the feelings expressed on websites and social networks. From these, it can analyze and interpret the number of positive, negative or neutral reviews, it can provide statistical data on these "feelings". -From these analyzes, it is possible to modify communication to customers, customize communication and especially, quickly adapt to changes that occur in their preferences. From here, new products can be introduced, cheaper or more expensive, of average or superior quality, in this way, it is possible to respond more easily and quickly to customer requirements and needs.
8.	*Agentive commerce.	This is considered the next evolution of AI in e-commerce. This type of computer system is expected to do more than assist the management of the company, as follows: -Acts based on the decisions it will make, learning from previous experiences and requiring minimal information inputs (minimum input). -Adjusts prices based on sales trends. -Orders and reorders inventory and groups products based on customer behavior, in real time, but also on business objectives established by the company's management. -Organizes, adapts and changes the way products are presented in advertising products (films, leaflets) and store windows. -Increases the efficiency of retail or bulk sales, in stores or warehouses. -Corrects errors and constantly improves the way products are presented and sold.
9.	Use of social networks.	These can influence the Marketing activity of stores and warehouses. Creating store and warehouse presentation pages on social media pages is a first step towards developing businesses through the internet and using AI for promotion. In this regard, the following aspects must be understood: -Social networks have become very widespread promotion and sales channels and are used by a very large number of users.

No	Strategy for using AI	Content
		-They can be used for "omni channel" retail. -Ensures direct contact with customers, regardless of where they are. -For a small store, the platform can send messages to people in the nearby or more distant area, depending on the pre-conditions established for promoting sales. -when the customer accesses the page on the social network or directly the website, AI initiates a dialogue with him and can answer the customer's questions regarding products, features, prices, payment and delivery conditions. -AI can personalize the relationship with the customer, periodically send him messages with new products on sale in the store, price discounts, special offers, etc.
10.	Protection against internet fraud, avoiding fake orders.	AI can provide increased protection against hackers, internet fraud and fake orders. -It can manage passwords that are very difficult to crack, it can also observe and report suspicious activities in real time and inform managers about fraud attempts so that they can take protective measures. -For fake orders, it is more difficult to prevent, because some customers request products with payment upon delivery to their home, because they do not trust the online store. In this way, an order may be fake, but the product returns to the store, but the damage due to the payment for the transport carried out remains.

Source: author's study, Aeonvis (2025), Kapuscinscki (2025), Facebook Analytics (2025), Facebook Marketplace (2025), SAS (2025), Deloitte Romania (2025).
* AI practically becomes an "agent" of the company.

Annex 8. Disadvantages of using artificial intelligence

No	Disadvantages of using AI	Details
1.	The high cost of specialized AI programs for a small store.	-Currently, companies or individuals use AI for different activities, from Marketing, to searching for products and services, but also searching for customers, to create a database with them and personalize offers. -The problem is that they have not purchased the AI program and if its owner wants to close this program or introduce his advertisements (for which he receives money), the current beneficiary has no legal instrument to protect himself. -The purchase of a program is recommended, compared to using "free" programs.
2.	The cost of electronic surveillance devices and the programs that control them.	-Depending on the quality and brand, there are price differences for electronic devices. Most of them have built-in programs. A higher price does not always equate to higher quality.
3.	Social media platforms charge costs for promotion.	-For each transaction made through them, they charge a percentage of the product price or a fixed amount, depending on the value of the products.
4.	The high cost of android robots.	-The cost of robots includes the factory price, transportation and customs duties. -This cost will decrease as robot purchases increase and more offers appear on the international market.
5.	Hiring a specialized person.	-If administrators or managers cannot handle this "electronic and IT" aspect of their business, it is necessary to hire a person who specializes in working on the internet and social media pages, who can permanently monitor the situation of AI use in the business.
6.	Contract with a specialized company.	-Internationally, specialized IT companies have emerged, taking over the Marketing tasks of some companies, using AI for all aspects related to online and in-store commerce.

Source: author's study.

Annex 9. Types of stores

No	Store location area. Features	Type of store and products for sale	Customers. Purchase period
1.	**Stores on the main street**. -High traffic of people, pedestrians. -Free parking spaces. -Large quantities of products sold daily. -Cheap products. -They have larger spaces, usually with compartments or shelves for different types of products. -Respect specific product requirements.	**Grocery store:** -Food, meat products, bakery and pastry, sweets and confectionery, alcoholic and non-alcoholic beverages, vegetables, fruits and tobacco. **-Food and various household products.** **-Mini-stores with "fast-food" or pastry products.**	-Neighbors, local employees or retirees: -daily, periodically, weekly, monthly. -Students from nearby schools and high schools: -daily, periodically. -Passers-by: -randomly.
2.	**Stores in marginal neighborhoods**. -Small assortment. -No luxury products. -Low prices. -The products are "crammed" on the shelves, rarely complying with the product presentation and sales requirements. -They use "notebook" sales, to neighbors that I know.	**Grocery store**: -Food, meat products, bakery and pastry, sweets and confectionery, alcoholic and non-alcoholic beverages, vegetables, fruits and tobacco.	-Neighbors, local employees or retirees: -daily, periodically, weekly, monthly. -Students from nearby schools and high schools: -daily, periodically.
3	**Stores in luxury neighborhoods.** -They are very few in number, compared to the number of houses and villas in the respective neighborhoods. -They have general products, with different prices, but also from the luxury category. -They are located in luxurious spaces, which aim to attract customers from the respective neighborhood.	**Grocery store**: -Food, meat products, bakery and pastry, sweets and confectionery, alcoholic and non-alcoholic beverages, vegetables, fruits and tobacco. -Food and various household products. -Cosmetics and detergents. They have products from the luxury, expensive cosmetics range.	-Neighbors*, local employees or retirees with high pensions: -daily, periodically, etc.

Source: author's study.

* *They prefer large stores, malls, and luxury stores.*

Annex 10. Guide to implementing resilience strategies

Strategies	Motivation	Measures for implementation and development
1. Commercial fund of the area	-It is very important for microenterprises and small companies. -By comparison, large companies choose their locations, on large areas of land, inside or outside the towns, without taking this factor into account. Basically, they create new access roads, local auto transport lines, offer many parking spaces and promote themselves by all means, from cheap ones (leaflets, posters), to advertising spots during peak hours on television.	*a). Companies to be established*. -Searching for those areas in the town, center or periphery, that offer a visible position, easy to reach (on foot or by car, with parking spaces). -Choosing spaces that allow the opening of mixed, specialized or super-specialized stores. -Depending on the size and interior layout of the space, the store must be organized according to the way the goods are presented and the access routes, and must provide safety and fire protection. -Existence or arrangement of annex spaces, for offices, warehouse and staff. *b). Companies that are in activity*. -Re-arrangement of the interior space, optimization and adaptation to customer requirements. -Using new interior design concepts, which lead to a pleasant atmosphere, to creating sensations of "well-being", of optimism, for the period while customers

Strategies	Motivation	Measures for implementation and development
		are shopping, (the concept of interior aesthetics of the store). -Execution of maintenance, repair and painting works on the exterior of the store, at the entrance to it, (exterior aesthetics of the store). -At the entrance to the store and near it, cleanliness must be maintained permanently, there must be places arranged for the differentiated disposal of garbage. -Roads and alleys must be repaired. Even if this is an attribution of local authorities, store administrators can submit complaints and requests to remedy negative situations. Degraded roads and alleys drive away customers.
2. Choosing products	Small store managers must carefully choose the products they want to sell, take into account regular customers and the distances from which they come to the store.	The choice of products specific to the type of store, from mixed, food, sweets, drinks, to maintenance and cosmetic products, must take into account the following aspects: -There are no other stores with the same type of products nearby. In the center of the town, a distance of about 150-200 meters can be considered good for a store, and the competition is average, acceptable. -There are stores with the same type of products nearby, at a distance of about 100-150 m. This represents a high competition situation. -At a distance of less than 50 meters, there is at least one store with the same type of products. This is a strong competition situation. In this paper, the situation of the large number of stalls in the bazaar was presented, which is a particularly tough one. For this type of business, their resistance is based more on the customers' habit of passing through the bazaar, more than the product offers, which are about the same at each stall.
3. Direct contracts with producers	Administrators should seek to conclude direct supply contracts from the closest factories and agricultural producers.	-Searching for new sources of supply, new suppliers, must be a permanent activity. These sources can be found very easily with the help of AI, which in a few seconds can find all the information about manufacturers or distributors: types of products, address and contact details, distance, etc. -Moving from a ”contractual and distant” mode of collaboration to one that presupposes trust and respect for the other's activity, good and even cordial relations. How can respect be quantified? -by immediately informing about any situations that have occurred and that may influence the development of contracts; -transmitting feedback on the products, their quality and prices; -appreciation and thanks from customers.
4. Use of combined offers	The leaders of the analyzed companies must implement seasonal promotions, gradual price reductions, correlated with the volume of purchases, and loyalty systems based on dedicated cards. The cheapest are cards printed on cardboard (like regular	-The use of seasonal offers is attractive to customers, but this activity must be permanent, in order to get customers used to these offers. -Customers should not be misled! A number of stores use a tactic of artificially increasing prices before discount seasons or official holidays, then when the discount season approaches, they announce “big price reductions!”. In fact, they return to the prices before the artificial increase.

Strategies	Motivation	Measures for implementation and development
	business cards), but plastic ones with an embedded chip or mobile phone applications are recommended.	
5. Use of advertisements	Administrators should use the advertisements of major manufacturers and distributors, which appear on television or on social networks. They should adapt these advertisements to the sales method in the store and especially to the customers.	-Using product advertising to increase sales. This means: setting up special places, on the most visible shelves, with offers and discounts promoted by major manufacturers or distributors. -The same goes for products that have intense advertising in the media or on social networks.
6. Investments in artificial intelligence and information technology	Financial allocations are required for the acquisition of IT equipment and digital tools, coupled with the partial migration of activity to the online environment for taking orders and subsequent delivery of products directly to consumers' homes. Annex 11 presents the costs of implementing AI for several areas of activity of small companies.	Table 2 presents a series of artificial intelligence programs that can be used in small businesses. For this, administrators must learn to use them, determine what to do, search, track and correct them when the information is not what is needed. There is a risk of "hallucinations", that is, false information may be presented, generated by the way the programs are made, which requires, at least for a certain period of time, human supervision. The use of AI in these companies can be for: 1. Automation of operations. 2. Use of assistants and chatbots, on the website, non-stop, for: guiding customers, processing orders and signaling certain aspects related to the level of demand for certain products, whether they increase or decrease, etc. AI can help maintain a "business ethic". 3. For those customers who register in the company's database, AI can personalize the relationship with them, can notify them about the products that appear, features, quality and prices. Likewise, AI can notify the administrator when the customer asks questions, which he is not prepared or authorized to answer. 4. It can automatically translate product information, in any language requested by customers, just by scanning the labels or menus with the phone.
7. Hiring staff	The decision-maker of the economic unit must apply rigorous recruitment procedures, based on scientific criteria, while ensuring the attraction and retention of the most performing employees. The behavior of employees towards customers is still an element that attracts and retains customers. The fact that they are asked and guided to find the products remains a particularly important communication element.	-Recruiting staff scientifically requires the use of a specialized firm, which will generate a series of costs. -Small business administrators can search with the help of AI, a series of methods and techniques for recruitment, which can help more than not using them.
8. Innovations and know-how	Normally, every person, not only the administrators, must look for solutions, to make innovations in the normal functioning of the store.	1. It is recommended to arrange during spring religious holidays, summer season arrangements, autumn arrangements, arrangements for special discount days (Black Friday) and arrangements for winter holidays.

Strategies	Motivation	Measures for implementation and development
	Because everyone has something to gain, if the store has a profit. Investments focused on commercial design, increased attractiveness, and reconfiguration of the display space according to seasonal specifics play an essential role. All this has a certain impact on customers and makes them prefer to come to the store and see these attractive arrangements. Specialized warehouses, having larger areas, can have specially arranged entrance areas, which make the entry and search for products more attractive.	2. AI can help find the best solutions regarding quality-impact-cost. It can generate content for posts on Facebook or Instagram, if the company has pages open on these social media pages (for example, the "Imagen" model from Google).
9. Professionalism in activity	It is necessary to professionalize the activity of an administrator, to continuously learn and to adapt to the novelties that appear in commerce, which can no longer be just "classic", but "of the future". And in today's commerce, the future has already arrived!	-Administrators who are of a certain age must guide their family members to take over the business. But before that, they must study, prepare, learn new techniques and methods of management, marketing and the use of IT and AI. If younger family members are involved in the family business, this can be a guarantee for the continuity of the business in the long term. -Changing the attitude towards employees.

Source: author's study.

Annex 11. Costs of implementing

Categories	Implementation cost	Monthly cost
1. Video Surveillance.	2.000 - 5.000 Lei	250 – 400 Lei
2. Supplier Analysis, Competition.	0	90 – 135 Lei
3. Customer Communication (Marketing).	500 - 1.500 Lei	50 - 200 (depending on volume)
4. Inventory optimization, to reduce costs by approximately 15-20%.	10.000-25.000 Lei	-
5. Customer support (Chatbots), leads to a time saving of approx. 30%, through API (Application Programming Interface) integration).	10.000-15.000 Lei	-
6. Personalized marketing, to increase conversion by approx. 10-12%, of the software.	5.000-10.000 Lei	-
7. Workflow automation, to reduce errors by approx. 25%, through employee training.	7.500-20.000 Lei (per person)	-

Source: author's study, Google (2026), McKinsey (2025), Harvard Business Review (2025), Gartner Research (2026).

Annex 12. Plan for verifying

Time period	Objectives	Measures and decisions
1. Daily activities	-The ambience in the store.	1. Checking the cleanliness of the store. -There should be no dust, dirt, unpleasant odors. -There should be no products dropped, thrown, moved to other places, on other shelves, the access paths to the shelves should not be blocked. 2. The lighting should be correct, optimal, for each moment of the day, during the operating hours. 3. Checking video recordings. Using AI to analyze them, to observe certain situations or to observe if new customers have appeared in the store.
	-Access to the store.	1. Check if the entrance to the store is clean. 2. Check if there are cars, vans or trucks parked and blocking access to the store.
	-Product availability.	1. With the help of AI, the stock and the supply requirements are checked. Based on the values obtained from AI, supply orders will be launched. 2. The situation of hard-to-sell products will be analyzed. A decision will be made whether they will be brought in or removed from sale. Even if there are hundreds or thousands of products in a store, the sales analysis can be done from the hard-to-sell ones to those that have constant sales. 3. AI can forecast stocks. Based on previous analyses, past sales, tracking the annual calendar and seasons, AI can estimate and inform about the need to supply some products, in a larger or smaller quantity, by a certain percentage.
	-Interaction with employees.	Daily discussions should be held with employees about sales trends, customers, problems that have arisen, how to solve them, etc. The fact that the administrator holds daily discussions, informs himself and the employees, means their involvement in the evolution of the store's activities. And it makes them feel that they are useful, that they are needed in the store.
	-Interaction with customers.	This is mainly the attribute of the employees, those who help them find the products on the shelf or stand at the checkout, at the exit of the store. The difference from the large chain stores is given by this interaction and the help that the employees offer to the customers. The kindness, availability and direct help offered to them, constitutes a competitive advantage.
	-Checking prices.	Daily supply is usually based on a certain stability of prices received from suppliers, and according to the legislation, price changes are made under certain conditions. 1. It is not recommended to change prices daily or periodically, if suppliers do not change prices. 2. Maintaining prices aims to retain customers. If small price changes occur at suppliers, it is recommended that the store maintain the same price for a certain period of time, even if the profit will be reduced. At the same time, customers must be informed that after a certain period of time, prices will increase.
	-Verifying the security and safety elements of the products and the store.	1. With the help of AI, it is possible to keep track of products that are about to expire. Administrators must adopt a series of measures to avoid expired products remaining on the shelf. 2. Solutions can be: reducing prices a few days before expiration, using the “pay for one product, get two!” method, etc. 3. One day before expiration, the products are removed from the shelf. These can be donated to non-governmental organizations that care for the elderly, etc. They can also be donated to employees, so that a financial loss for the store can be a way to reward employees.

Time period	Objectives	Measures and decisions
		4. Verification of safety and security measures in the store must be monitored daily, to prevent accidents, damage and fires.
2. Weekly activities	-Competition analysis.	Even if it is not an easy situation to do, the analysis of the competition must be in the attention of the administrators. This does not mean "spying" on the other, but following the emergence of new competitors (stores, stalls, warehouses), nearby or even at a greater distance. As a rule, the administrators of the stores do not go to those of the nearby competitors, do not purchase products from them, but other methods can be used to obtain information about the products sold (for example, viewing the websites) or observing the machines that supply them, on which the names of the manufacturers or distributors are written. AI can follow the situations of the competing stores, on their websites, on social media pages, on various discussion forums of the manufacturers or of the consumer protection associations.
	-Optimizing the use of AI.	1. AI can be used free of charge, for a number of activities, as previously presented. 2. Limited use of AI can be purchased, only for certain activities, for the most important ones, or a full purchase, as presented in Annex 11. The administrator must analyze the offers and choose the one that best meets the needs of the company.
	-Team management.	1. The administrator must evaluate the staff's activity and convey his observations to them. But, considering the generalized situation of lack of qualified personnel in Romania, any kind of discussion with them must be principled, respectful, for guiding and helping them, so that they work much better. 2. Requesting feedback from employees. Based on the observations and information received from them, certain conflicting states, difficult situations can be avoided. In this way, employees will have the feeling that their opinion matters and that they represent "something" for the company.
3. Monthly activities	-Analysis of sales and receipts (income).	Even if there are hundreds or thousands of products in a store, sales analysis can be done, from those that are difficult to sell to those that have constant sales, with the help of AI. 1. AI will provide a clear, detailed picture of the products that are most in demand, which contribute the most to the income achieved (amounts, percentages, evolution, etc.). 2. AI can suggest certain changes regarding the products and their sales method.
	-Cost analysis.	AI can perform a complete analysis of how costs are generated, identify where losses are occurring and make proposals for reducing them. This means AI access to all information from the balance sheet, from all accounting records. But AI is protected against cyberattacks and can determine if an attack is occurring on the company's accounting program and inform the administrator about the attacks.
	-Analysis of the person's activity.	AI can permanently observe (with the help of the video system in the store and offices) how employees carry out their activities, whether they fulfill their daily and weekly tasks, whether they work or slack off, etc. Based on the AI recordings and assessments, the administrator can make various decisions regarding personnel.
	-Analysis of contracts and their fulfillment.	AI can perform analyses on how contracts with suppliers were conducted, situations that arose and how they were resolved. AI analysis is accurate, it is not biased, favoring or disfavoring.
4. Quarterly and semi-annual activities	-All activities analyzed and evaluated monthly can be repeated	AI can be programmed to present situations, statistical data and evaluations, quarterly or semi-annually. Based on the analysis and interpretation of sales trends, AI can make proposals for increasing sales, reducing costs, etc. Even if these will

Time period	Objectives	Measures and decisions
	quarterly or semi-annually.	not be used in decision-making, the role of this algorithm-based tool is very important for administrators, so that they can make the right decisions.
5. Annual activities	-Annual activity analysis.	In all the aspects presented above, AI can perform analyses and present annual situations, regarding everything that happened in a year in the company, to signal problems and make proposals for improving activities in the following year. Even if administrators will not use all the information or will not make decisions based only on AI proposals, this is a necessary way of working for the integration of AI into the scientific management of the company, which can no longer be based only on intuition and experience, but must be based on algorithms. AI suggestions for finding suppliers, automating operations, personalizing the relationship with customers, "taming" the relationship with employees, are aspects that meet the requirements of this century, in order to be able to face competition in the field of trade.

Source: author's study.

Annex 13. Government programs for SMEs

Programme Name	Target/Objective	Governance/Status
1. Start-up Nation Romania	Establishment of new SMEs	Ministry of Economy
2. Woman Entrepreneur	Entrepreneurial culture for women	Ministry of Economy
3. Marketing Development	Modernisation of products/services	Ministry of Economy
4. Crafts and Handicrafts	Supporting traditional sectors	Ministry of Economy
5. Microindustrialisation	Multi-annual industrial development	Ministry of Economy
6. TIMM Fair	SME trade fair organisation	Ministry of Economy
7. SME Acceleration	Development acceleration	Status: Update Pending
8. Microgrants/Working Capital	Emergency liquidity	Status: Last update 2023
9. AGRI-FOOD Working Capital	Sector-specific grants	Ministry of Economy
10. HoReCa	Hospitality industry support	Ministry of Economy
11. PREIMM	Loans via Swiss Contribution	Partnership: CEC Bank
12. Romania Hub	Training and counseling	Entrepreneurial capacity

Source: author's study, Ministry of Economy (2026).