The confrontation of traditional marketing with the Internet marketing in the company NWT Computer s. r. o.

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Zásady pro vypracování:

Úvod
Teoretická část
Na základě literární pramenů srovnejte tradiční a internetový marketing.
Analytická část
Analyzujte využití tradičního a internetového marketingu ve firmě NWT Computer s. r. o.
Na základě provedené analýzy zhodnoťte výhody a nevýhody použití obou typů marketingu ve vybrané firmě.
Závěr

Rozsah práce:

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ABSTRAKT

Tato bakalářská práce je členěná do dvou hlavních částí teoretické a praktické. První teoretická část je vytvořená na základě odborné literatury, kde se snažím zachytit přehled tradičního marketingu a srovnat ho s internetovým marketingem. V práci budou porovnány výhody a nevýhody obou typů marketingu. Ve druhé části tyto teoretické znaloti aplikuji na firmu NWT Computer s. r. o, a její divizi Patro.cz, kde budu analyzovat celkové využití tradičních marketingových a internetových nástrojů. Výsledkem práce je vyhodnocení analýzy a poskytnutí doporučení k zefektivnění marketingového mixu.

Klíčová slova: nástroje tradičního marketingu, nástroje internetového marketingu, komunikační mix, reklama, osobní prodej, podpora prodeje

ABSTRACT

The bachelor´s thesis is divided into two main parts theoretical and practical. The first one has been compiled on base of literature and it will compare the traditional marketing with the Internet marketing. It will describe advantages and disadvantages of these two types of marketing. The second part is practical. It will analyze the traditional and the Internet marketing in the company NWT Computer s. r. o. and its division Patro.cz. At the end of my work, based on the analysis outcomes, I will propose new ways of using and putting in practice their marketing mix.

Keywords: traditional marketing tools, the Internet marketing tools, marketing communications mix, advertising, personal selling, sales promotion

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CONTENTS

INTRODUCTION

At present there is a change of traditional marketing into a new form - the Internet marketing. Companies still use mainly the traditional media for dealing with marketing issues, but they started to find the new possibilities of modern electronic world. As the Internet has become a phenomenom of this century, it is necessary for companies exist in a virtual form. What about traditional marketing media? The bells toll or they still have a key role for marketers?

In the following thesis I would like to answer this question and give reader an idea about traditional marketing tools like printed media, broadcast, out-door media and other ones to compare them with the Internet possibilities - in-text advertising, banners, PPC and other forms. The first part concentrates mainly on advantages and disadvantages of each marketing medium as at first it is important to consider their pros and cons. The theoretical part results in statistical data that were collected from several independent marketing surveys during last four years.

The aim of this practical part is to compare surveys with real situation. Due to this reason, have been chosen a company, with a strong tradition in providing a wide variety of services including own e-shop. I have tried to monitor a communications mix of the company as a whole and a communications mix of their e-shop. The thesis will result in the list of recommendations that should optimize and make more efficient this marketing mix.

I. THEORY

1 MARKETING AND MARKETING COMMUNICATIONS

1.1 Definition of marketing

Marketing, more than any other business function, deals with customers. Building customer relationships based on customer value and satisfaction is the scope of modern marketing.

Many people think that marketing is only selling and advertising. It is not surprising, every day are people saturated by television commercials, newspaper advertising, direct mail offer, and Internet pitches. But selling and advertising is only the tip of the marketing iceberg. Today marketing must satisfying customer needs. Armstrong and Kotler defined marketing "as a social and managerial process by which individuals and groups obtain what they need and want through creating and exchanging value with others. In s business setting, marketing involves building and managing profitable exchange relationships with customer." (Armstrong and Kotler 2005, 6)

1.1.1 Marketing process

The marketing process begins, continues and ends up with consumer. As a first step, marketers need to understand customer needs and wants and the market place within which they operate. The five cores of marketplace concepts are: need, wants, and demands; marketing offers (products, service, and experience); value and satisfaction; exchanges, transaction, and relationships; and markets.

The following text will be concentrated on marketing communications, which has an important role in marketing process.

1.2 Marketing communications

There is no universal definition of marketing communications and there are many interpretations of the subject. There is a smaller comparison of marketing communications.

According to Fill Chriss is marketing communications a management process through an organization engages with its various audiences. By audience author means environment, organizational seek to develop and present messages for its identified stakeholder groups, before evaluating and acting upon the responses. (Fill 2005, 17)

Marketing communications is a part of marketing mix (the product, price, place of distribution, and promotion). Especially the forth part of marketing mix - *Promotion* is an important instrument of marketing communications.

Kurtz and Boone claim that *Promotion* is a communication link between buyer and seller. The function is informing, persuading and influencing a consumer´s purchase decision. *Marketing communications* are messages which are sending through mass media such as TV, radio, magazines, and the Internet dealing with buyer-seller relationships. All messages that consumer receive from any source represent the firm. The relationship of promotion and marketing communications Kurtz and Boone defined as Integrated marketing communications, and includes all promotional activities in order to get maximum total impact of sending messages. (Kurtz and Boone 2006, 482)

1.3 Integration of marketing communications

Integrated marketing communications (IMC) according to Armstrong and Kotler means concept under which a company carefully integrates and coordinates its many communications channels to deliver a clear, consistent, and compelling message about the organization and its product. (Armstrong and Kotler 2005, 402)

It is a number of ways, stressing various aspects, benefit and organizational consequences of IMC. (De Pelsmacker et al. 2007, 8) A kind of cooperation, we consider advertising, public relations, sales promotion, purchasing, employee communications, and so forth as a one unit. The major benefit of IMC is that a consistent set of messages is conveyed to all target audiences by means of all available forms of contact and message channels.

"Communication became more effective and efficient as a result of the synergetic effect between tools and messages. Integrated marketing communications has and added value when compared with traditional marketing communications." (De Pelsmacker et al. 2007, 8)

1.4 Tools of marketing communications mix

The marketing communications mix is a set of tools that can be used in various combination and different degree of intensity in order to communicate with a target audience. This marketing mix is also called promotion mix and consists of the specific blend of advertising, sales promotion, public relations, personal selling, and direct marketing tools that the company uses to purpose its advertising and marketing objectives. There are five major promotion tools.

1.4.1 Advertising

Advertising is a non-personal form of mass communications. The message is send to someone through media with purpose to influence the receiver in certain way. (Moriarty, Mitchell and Wells 2008, 53)

According to Moriarty, Mitchell and Wells a modern definition of advertising should include five basic factors:

- Advertising is usually paid for by the advertiser.
- The sponsor is identified.
- Advertising generally a broad audience of potential consumer, either as a mass audience or smaller target groups.
- Most of advertising tries to inform consumers and make them aware of the product or company. Sometimes it also persuades or influence consumers to do something.
- Advertising is not directed to a specific person. The message is sent through many different kinds of mass media, which are largely non-personal. This cold be change by the Internet and more interactive types of media. (Moriarty, Mitchell, and Wells 2008, 55)

1.4.2 Sales promotion

Sales promotion comprises various marketing techniques, which are often used tactically to provide added value to an offering, with the aim of accelerating sales and gathering marketing information. (Fill 2005, 21) It includes free goods as a present or services coupons, vouchers, discounts and any other value-add over above your standard product or services. (Sales-And-Marketing-For-You) The aim of it is attract consumer attention and force them to buy it.

1.4.3 Public relations

Public relation (PR) is considered as another mass-promotion tool. "It is a building good relation with the company´s various public by obtaining favorable publicity, building up a good corporate image, and handling or heading off unfavorable rumors, stories and events." (Armstrong and Kotler 2005, 399)

 As was mentioned above, the public relations is a communication instrument, which is used to promote the goodwill of the company as a whole. Public relations includes range of activities such as a press and medial releases, lobbying, charitable and public events,

financial reports, facility tours, sponsorships, interviews and any other method for the promotion of a positive image to people. (Sales-And-Marketing-For-You)

1.4.4 Personal selling

This form of marketing communications involved a face-to-face dialogue between two persons or by one person and group. For personal selling is characterizing the importance of strong relationships between seller and buyer. (Fill 2005, 762) Personal selling is a different form other forms of communication in that the transmitted information representing mainly, and it is a double communication. This means that there are two persons involved in the communication process. The big advantage is that the feedback and evaluation of transmitted information are coming immediately and we can tailor much more personal message than any other methods of communications. (Fill 2205, 762)

1.4.5 Direct marketing

Direct marketing provides company to reach carefully targeted customer more efficiently and to build stronger, more personal, one-to-one relationships with them. Definition of direct marketing according to Armstrong and Kotler: "It is a non-public form of communication; the message is normally directed to a specific person. Direct marketing is immediate and customized - message can be prepared very quickly and can be tailored to appeal to specific consumers. Finally, direct marketing is interactive - it allows a dialogue between the marketing team and the consumer, and message be altered depending on the consumer´s response." (Armstrong and Kotler 2005, 459)

2   TRADITONAL MARKETING MEDIA

This chapter explains some of the main characteristics associated with each of the primary off-line and traditional media. Organizations use the services of a variety of media in order that they can deliver their planned message to target audiences. It is possible to divided traditional media in several main classes. Each of these classes has a particular type of media. For company is a necessary to select suitable type of medium and media vehicles, which should carry advertiser´s message. Only good selection provides opportunities for advertiser to send messages to well-defined homogenous groups, which improves effectiveness and reduces wastage in communication spends. (Fill 2005, 555)

All of these main types of media that are available to advertisers have their own strengths and weaknesses. Beside of this every medium type and vehicle have features that are important to each situation by individual advertisers. Their selection and placement should be based upon a contingency approach. (Fill 2005, 573)

In spite of the shift from traditional to interactive marketing, has still traditional media very important role in marketing communications. According today many marketing research in the future the traditional media will be used more as a support for on-line campaigns.

2.1   Printed media

Printed media are very effective at delivering a message to the target audience. People usually tent to have read and buy same type of newspapers(s) every day and their choice of magazine reflect their business or their leisure interest, which is are normally quite stable. According to this fact advertiser, through marketing research, are able to build a readers database. Due to this database the advertiser can bus space in those media vehicle that will be read by the sort of people, who have interested of their product or service.

They are widely used by companies because they are cheaper than other traditional forms of media. The next positive feature is availability. The readers can buy and reach it everywhere. We should expect that in the future it will be replaced by electronic form - small personal computer or cell phones. It is obvious on amount of investments to the print media which are in decline every year.

2.1.1   Newspapers

The major advantage of newspaper is the number of people that can be reached in very short period of time. Everyone can choose which advertising want to read. By advertising

in newspaper is possible to coverage a huge area. The extensibility depends on advertiser, to use local, regional or national papers. Newspapers are flexible medium. The last-minute changes are possible in case that company need a change. This is good if advertiser made and advertising which is referring to recent events. De Pelsmacker called it "top topicals" and this kind of advertising usually arrested reader´s attention. (De Pelsmacker et al. 2007, 242)

Disadvantages of newspapers are: the low quality of reproduction and the mix of high number of advertisements and the small amount of reading time. That means that the impact of advertisements can often be lost.

2.1.2 Magazines

Magazines have the advantage of reaching a large audience much more successfully than other media vehicles. De Pelsmacker claims that "special interest magazines or magazines directed at specific target group, such as females or youngsters, create the possibility of a selective approach for different target groups." (De Pelsmacker et al. 2007, 243)

The visual quality of magazines is very high, a result of using top-class materials and technologies. Magazines are considered as a good medium for image building. Special interest magazines, such as sport magazines can induce of a high involvement level and inserted advertisement a certain value. The next positive feature is a fact that magazines are often passed along to other to reach once the original user has finished reading it. This longevity depends on circumstances mainly on number of people who actually reach the vehicle and place where they read it (friend or partner at home, in waiting rooms etc.). (De Pelsmacker et al. 2007, 243)

The major weakness is that magazine is rather slow medium. This is slowing down the impact of advertisements. Usually people buy monthly magazine but they read it only one week. The next disadvantage flexibility, magazine is not flexible medium and is not possible to make changes at last-minute. Magazines re not appropriate for small or local companies.

2.2   Broadcast media

Broadcast media are media which allow advertisers to add visual or sound dimension to their messages. These kinds include mainly radio, television and other video forms, movie advertising, and now cell phones. (Moriarty, Mitchell and Wells 2008, 302)

Advertisers use these classes of media because it is a good way how to reach mass audience with their messages at relatively low cost per target reached. (Fill 2005, 360) Both media have a potential to tell stories and to appeal to people´s emotions when transmitting message by using music for emotional effect and to intensify memory of the message through the repetition of tones. There are matters which the printed media can not be achieved effectively. The costs of these time slots depend on number of repetition, time on day and popularity. The radio transmission costs are relatively low in comparison with the television. Generally we can say that radio has a lack of prestige and television has better penetration. (Spiller and Baier 2004, 158-161)

2.2.1   Radio

The major benefit of radio advertising is that potentially a lot of people can be reach. In the Czech Republic exists national station like Český rozhlas 1-3, Frekvence 1, Evropa 2 and huge number of local radio stations like Rádio Zlín, Kiss Publikum.

The radio is considered to be selective medium, which can target a specific consumer groups. Also is a mobile medium, because radio can travel with audience, so the messages can be transferred to them. The production costs are low and radio has great flexibility and is a very dynamic medium. This can be used by management in case when is change environment.

Disadvantage of radio is an absence of visual stimuli. This is the reason of lacks impact and ability to hold enthuse a consumers. The lifetime of message is limited. The message is short and people use the radio as a background noise. It means quite low of paying attention to the message and message must be repeated for long time to reach effectiveness. (De Peslmacker et al. 2007)

2.2.2   Television

Television has a leading communication power. Through this medium is possible to send an audiovisual message to consumers. In general, this has a quite high impact to them, especially emotional. Advertising is ideal for making of brand image or brand awareness. "The prestige and status associated with television advertising is higher than of other media." (Fill 2005, 562) Lot of people can be reached in short time period by television.

Major drawback is the high costs. The length of any single see is short due to messages must be repeated on television. The advertising on television is good only for national or multinational brands or companies. The Czech Republic has a shortage of local TV channels and their program is very limited. That is a reason why TV commercials are not

appropriate for smaller and local companies. They do not have enough money to pay them. Another negative feature of television is diversification of audiences. In comparison with the radio the flexibility is difficult to implement. It is impossible to make last-minute changes it is expensive and take more time.

2.3 Outdoor media

Nowadays is existed a large number of different media which are out of home. These types of advertising are consisted mainly from: billboards, street furniture, but also transit media such as advertisement in/on buses. Fill mentioned that outdoor media are normally used to support messages that are transmitted through the primary media: broadcast and printed. Outdoor media can be seen as to be secondary but they are important for supporting complementary media and for effectiveness of communications mix. (Fill 2005, 563)

Influence of outdoor media can be quite high. The message could be seen over and over aging and the lifetime of message is long. However people usually do not feel highly involved. It is unrealizable targeting or selective reach because only a limit amount of information can be transmitted, and lots of people will see the message. Usually there is missing context that can add value to the message.

2.4 Ambient media

Ambient media are improved way of representing a non-traditional alternative to outdoor media. It takes place outside of home. (Deepintense.com) There is a small specification of ambient media in our life.

*Table 1: **Ambient media categories** (Fill 2005, 571)*

Ambient category	Explanation
Standard posters	Washrooms, shopping trolleys, phone boxes
Distribution	Tickets, receipts, carrier bags
Digital	Video screens, projections, LED screens
Sponsorships	Playgrounds, golf holes, petro pump nozzle
Mobile posters	Lorries, barges, sandwich boards
Aerials	Balloons, blimps, towed banners

These ambient advertising would be used alone or in combination of other traditional advertising. The ambient media have advantage of flexibility. They could be focused on specific target of consumers. (Articlebase)

2.5   Direct mail

Direct advertising is based on sales letters, leaflets, folders, postcards, booklets, catalogues, and house organs (periodical published by organization to cover internal issues). This form of advertising can segment a large number of potential customers into narrow market. Strengths are: speed, flexibility, detailed information, and it is personal. Base on data that are got from previous purchase, or marketing research, can be built personal database and characteristics of customers and after that it is should be hand-tailored a direct mail for them.

According to Kurtz and Boone the disadvantages are following: high costs of direct mail per reader, which depend on the quality of mailing lists. So much advertising material is delivered every day into people´s mailboxes. They usually regard to them as a junk mail, and do not pay attention to mail advertising. (Kurtz and Boone 2006, 534)

2.6   In-store media

Today is produced a huge number product of different brands that made choice decision more difficult during the shopping. Advertisers have become aware of it and they started to provide appropriate in-store communication. Actually are existing two main forms of these media: point of purchase displays and packaging. In-store media have a benefit of timing and perfect placement, and the message can be well controlled. (Fill 2005, 569)

2.6.1   Point of purchase

The most used POP techniques are window displays, floor and wall racks, posters and information cars, counter and check-out displays, and packing used to wrap and protect product until usage.

Point of purchase media is good at attracting attention and providing information. Their main features are: strong ability to persuade, and display can highlight some product attributes at shopping time. This can supported consumers´ decision to buy it. The absolute and relative costs of POP advertisements are low, and it is possible to easy reflected changing conditions.

On the other hand there are some disadvantages of POP adverts. The signs and displays could be damaged by customers, which could have an impact upon the status of a product.

Customer could negatively be influenced by these damaged and confusing displays. (Fill 2005, 569)

2.7 Telemarketing

The telephone has a dual position in direct marketing. Te first one is similar to print or broadcast media, it led to direct response of advertising. The next is like mail or the Internet, it carry the response itself. "Telemarketing has been defined as a medium that uses sophisticated telecommunications and information system combined witch personal selling and servicing skills to help companies keep in close contract with present and potential customers, increase sales, and enhance business productivity." (Spiller and Baier 2004, 174)

The goal of telemarketing is to reach customers in a personalized interaction. It means to get know customer needs and improve cost effectiveness for the organizations. The major advantage is providing two-way communication that leads to immediate feedback it is a flexible and cost-effective medium. The average cost per cell is relatively lower for telephone selling than for traditional personal selling.

The drawback is a lack of visual effect. Some people consider telemarketing as obtrusive medium. The effectiveness depends on retaining highly trained telephone operators. (Spiller and Baier 2004, 174-178)

3 THE INTERNET MARKETING

In last 60 years thanks to progress in information technology was established new informational and communication medium - the Internet. Definition of the Internet according to Kurtz and Boone: "Internet, a global collection of computer networks linked together for a purpose of exchanging data and information." (Kurtz and Boone 2006, 125) After development of the Internet into households, companies started this medium used as a marketing tool. Nowadays is the Internet considered as a part of marketing communications mix and have some specific features which other traditional marketing media do no not have.

The Internet can provide a wide variety of activities, which including electronic mail, global information access and searching systems, discussion forums, multiplayer games and file transferring. All of these are tools that are helping in marketing communications but also in impacting on business strategy, marketing channel structures, and inter-organizational relationships.

Kurtz and Boone divided web function into four categories:

- **Communication:** email, instant messaging, chat rooms, and bulletin boards, online communications.
- **Entertainment:** games, radio and TV programming including music, streaming video of live news reports, sports, and musical performances, electronic books.
- **E-Commerce:** online auctions, business to business (B2B) - electronic storefronts and cybermails, web kioks, online ticketing, match making.
- **Information:** search engines, online publications, newsgroups, Internet forums, electronic bulletin boars, web communities. (Kurtz and Boone 2006, 132)

The Internet is mostly represented by the World Wide Web (WWW). "The World Wide Web can be considered as a network within which there are a number of nodes, called Web sites." (Fill 2005, 262) The Web sites are usually created by organizations and individuals who want to engage in the Internet activities in anticipation of some benefit from this participation.

3.1 Difference between E-Commerce and E-Marketing

A number of terms have been used to describe marketing activities that take place on the Internet or other electronic tools as smart phones. In the following text there are some most frequently used terms. The first one is electronic commerce, or E-Commerce (also referred to as E-business). By Kurtz and Boone it was defined as "a targeting customers by collection and analyzing business information, conducting customer transaction and maintaining online relationships with customers by means of computer networks." (Kurtzs and Boone 2006, 125) E-Commerce makes a background for launching a new business, extending the reach of existing companies, and also retaining customer relationships.

The particular interest to marketers that is a part of E-Commerce is called electronic marketing (E-Marketing). As was mentioned in previous chapter generally marketing is about creating exchanges that simultaneously satisfy the firm and customers. Mohammed suggested following definition of the Internet marketing: "Internet marketing is a strategic process of building and maintaining customer relationships through on-line activities to facilitate the exchange of ideas, products, and services that satisfy the goals of both parities." (Mohammed et al. 2004, 4) The process comprise: creating, distributing, promoting, and pricing goods and services over the Internet through digital tools. (Kurtz and Boone 2006, 120) In another words the E-Commerce is achieved by E-Marketing.

3.2 Online advertising

In fact advertising and all promotional activities on the Internet must to be planned and manage in the same way as traditional media. Organization´s suitable goals are part of this process and Fill provides a useful set of objectives in this context:

- **Delivering content:** click through to a company´s website provides more detailed information (e. g. health advice).
- **Enabling transaction:** a direct response that leads to a sale.
- **Shaping attitudes:** development of brand awareness (e. g. start-up situations).
- **Soliciting response:** aiding in interaction with new visitors.
- **Improving retention:** reminding visitors and seekers of the organization (developing reputation and loyalty). (Fill 2005, 592)

The online advertising is possible to classified into two main forms. The first one means that all off-line media are used to drive traffic to the website. The second form of advertising is used in only online environment. If the website is to be successful is necessary to use both forms together in cooperation.

Advertisements need to be placed on other websites, where the target audience is commonly or most likely visit. Before placement and bought advertisement on other website is required careful analysis of market. The research should give information about potential audience and about their clicking to the banners or to the advertiser´s own corporate site. (Fill 2005, 592)

3.2.1   Banner ads

Banners are considered to be a dominant form of paid-for communication on the websites. According to Fill more than 55 per cent of all web ads are banner ads, and they are responsible for 96 per cent of all the Internet advert awareness. (Fill 2005, 592) The aim of the banner ads is to attract attention and stimulate people´s interest. Viewers after seeing adverts online, can simply click on banner and it takes them to the company´s site where the company selling products or services. (Ezilon Infobase)

Figure 1: ***Banner´s advert of Milka on Seznam.cz*** (www.seznam.cz)

It is distingushed between two types of banners. The first one is classical banner which usually occured on the top of the webpage or behing the page. The second type is usually extre-long, skinny ads runnig down the righ or lef side of the page. The banner with changing picture is called dynamic banner. More details of banners ads show figures. It is clerly that banners ads can appaer in lot of varieties and combinations.

Figure 2: Skyscrapers (www.skyscraperads.com)

The problem with are dealing banners ads is low click-through rates. The next disadvantage is the price of position advertising. The price usually depends on websites, especially on their popularity and amount of visitors. More popular is better and it means more expensive.

3.2.2 Pop-ups

Beside of using banners for advertising, another method of advertising is the using of automatic pop-ups or pop-under adverts. In this time is hard to avoid pop-ups during browsing on the Internet. Sometimes pop-ups are often used by smaller websites that are

looking for an effective way to advertise their business. It is fast way how can viewer get to firm´s websites.

The pop-ups have more disadvantages than advantages. The first and very common drawback is that website owner facing to the risk of irritating and annoying the visitors. They will stop visit their websites. Another is the fact that today is most of browsers offer in the option an automatic blocking pop-ups. This means that this form of advertising could be ineffective. (Templatefolio.com)
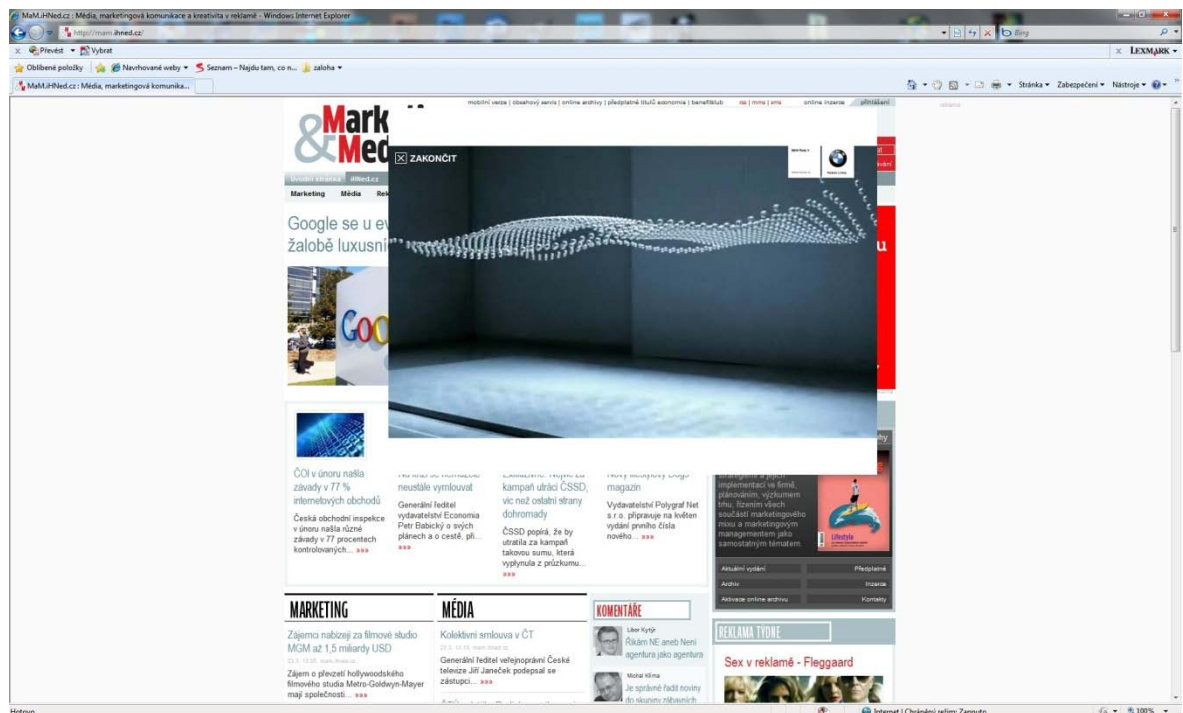

*Figure 3: **Pop-ups of BMW on Marketing and Media websites*** (www.mam.ihned.cz)

3.2.3   Superstitials and interstitials

According to Fill is also known as traditional online advertising, these appear during the time when pages are being downloaded. (Fill 2005, 595) Superstitials are advertisement that is appearing as a short movie. They are projected to appear as a relief to the boring time. But lot of people these types of adverts considered to an intrusive and unwanted than supportive.

3.2.4   Micro sites

Micro sites mean to create a separate site that is aimed to new product or promotion specific and often run as a joint promotion with other advertising. It could help to emphasize and make different offer of product to potential customers. "Micro sites

are much less expensive to set up than the traditional site and are particularly adept at building awareness as click through to micro sites is higher than through just banners." (Fill 2005, 594)

3.2.5 Pay per click

This is most cost-effective form of online advertising. "Pay per click (PPC) is an Internet advertising model used on websites, in which advertisers pay their host only when their advert is clicked. With search engines, advertisers typically bid on keyword phrases to their target market. Content sites commonly charge a fixed price per click rather than use a bidding system." (Be Context)

*Figure 4: **Google Adwords** (www.google.com)*

According to study Sdružení pro internetovou reklamu (SIPR) form 2009 are most widely used display and banner adverts but popularity of PPC has grown and in the next few years will be on the top of using the Internet marketing tools. (AdMarket)

It is logical because the principle is simple and effective. The advertiser pay a rate specify for every visitor who click through from the search engine site (or their affiliates) to advertiser´s site. Each unique keyword phrase (e.g. cell phone) has its own bid price. The next positive feature is possibility to reach only customers looking for your services, and get the most form the budget. All campaigns can be tracked to the smallest detail

allowing advertiser to continually make the most from their money. There is an opportunity to set the budgets allowing to manage an advertising spend effectively and to requirements. (Be Context)

Sklik (seznam.cz) and Adwords (google.com) are widely used for PPC adverts in the Czech Republic. More than 90 per cent of Czech users search predominantly on these websites. (AdMarket)

3.2.6 In-text advertising

In-text advertising is online product placement base on the contextual relevancy between an advertiser´s brand and online content. With in-text advertising, the advertiser´s brand is linked to a relevant keyword appearing in the online article, blog post or other piece of content which is matched to the advertiser´s advert. (Kontera) Once a user places their mouse over the keyword the advertisement will appear and can be clicked for visit the advertiser´s landing page. (Wiliam)

This model of advertising is based on cost per click (CPC), which means that each time a website visitor clicks on an in-text adverts, the website owner gets paid by the advertiser.
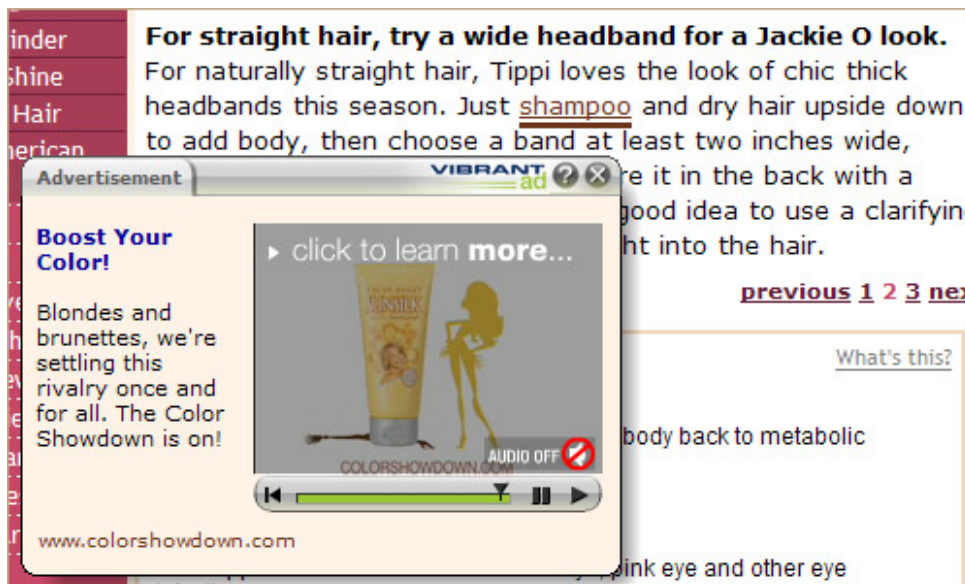

*Figure 5: **In-text advertising** (www.koolaidantidote.wordpress.com)*

3.2.7 Email

Emails mainly represented online direct marketing. They are sent to the people´s mailboxes and have a big advantage - it is extremely cheaper than traditional direct mail. Emails are sending in different frequency and they are important for building awareness.

For company is necessary to use appropriate email lists. That is a fast, efficient and effective way to communicate with market. Email-base marketing makes possible organizations to send a plenty of messages concerning public relations-base announcements, newsletters and sales promotions, to distribute on-line catalogues and to start and manage permission-base contact list. (Fill 2005, 594)

3.3   Online sales promotion

Sales promotion activities are widely used on the Web. They are generally cheaper than hard copy version. "Sales promotion is normally used to bring forward future sales, to provide a reason to buy now."(Fill 2005, 595) It is important to say that the motivation on the Internet does not exist in the same way. Many people use the Internet to finding information or for comparing prices purpose. (Fill 2005, 596) In the nearer future it will have change. In present period has been a decline in usage of traditional on-pack promotion and it has been recorded substantial growth in the using of SMS, emails, and other online sales promotion, which have positively influenced people.

3.4   Online personal selling

The Internet is an impersonal medium and do not allow direct personal communication. Nevertheless the use of the Internet as a complementary tool, play a substantial role in the promotional mix. It has an indirect impact on sales performances.

The website is a core of the Internet marketing and E-Commerce activities. To have a successful website means to have easy access to the page, (and easy of initial location), the technical specification of the page (loading times) and the design and content in simply order. It can not be confusing. The visitors should have sought their goal quickly and efficiently as possible. This can contributed to their returning another time and supported image of the company. (Fill 2005, 599)

4 RECENT TRENDS IN USING THE MARKETING MEDIA

As mentioned before each type of marketing medium has its own pros and cons and it is not possible to do marketing using only one medium. It should be done by a combination of different types of media.

The growth of information systems and technology has been astonishing in recent years and has had an impact on many aspects of marketing communications. Television has lost substantial effect in getting information. Popularity of new media has grown up. Marketing which is applied by the Czech companies has similar trends which are applied it the world.

   According to study of Trends of usage marketing media from 2007 is still most used advertisement in printed media (21%), and television adverts (13%) have a same ratio of using as the Internet advertising. (Mather)
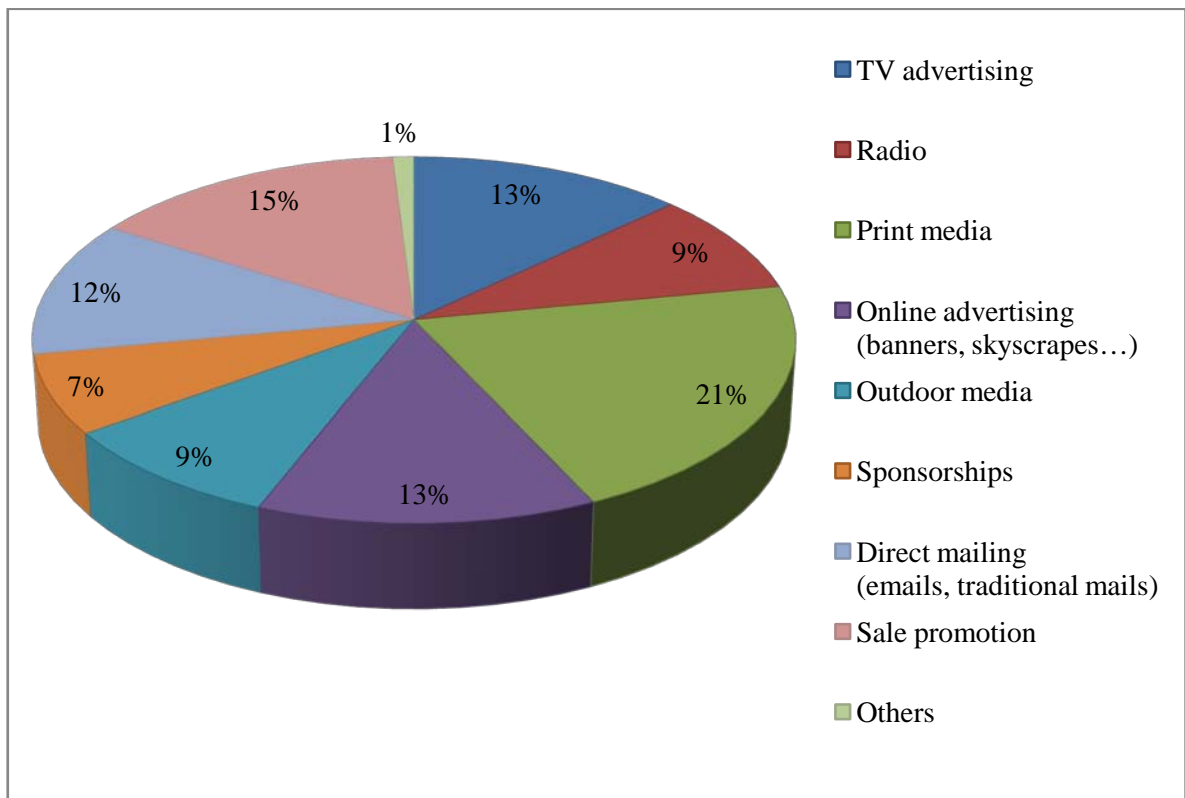

*Figure 6: **The application of media mix by Czech companies** (Marketingové noviny)*

The marketers are seeking new forms of efficient communications with clients. Most of them have started to change their structure of marketing communications mix. Advertising in a variety of techniques, is still a prime method of communications. Probably

the best way will be to orient ourselves to an alternative advertising on the Internet in outdoor combination.

Other forms of interactive communications have started to provide new forms of entertainment, shopping and banking facilities. And this is a big change for marketing communications to advertise through interactive media. It is necessary to emphasize off-line communications, which play also an important role, especially for drawing visitors´ to the website.
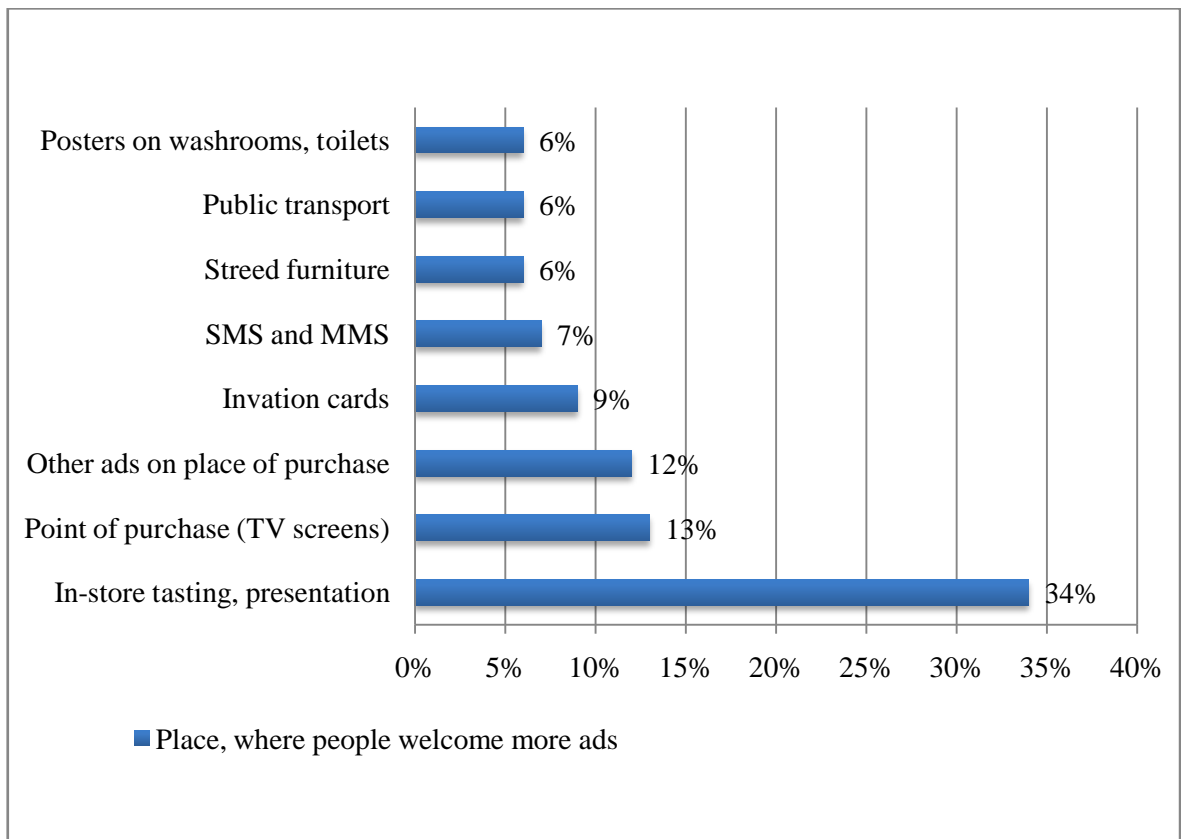

*Figure 7: **Other places for advertisements*** (Marketingové noviny)

In the chart (figure 7) there are results of the study of places where should be more advertising. According to study of Trends of using marketing media, lots of Czech marketers are conservative, but they are aware of needs to seek new media. It is clear form the structure of investments to advertising. Although the printed media are still on the top of marketing media, but the investments to them have dropped about 32 per cent and TV advertising fell down about 27%. The Internet is the only one that has increased by 11 per cent in comparison with year 2009. (AdMarket)

*Table 2: **Investments to adverts in the Czech Republic** (AdMarket)*

(in billions of CZK)	2007	2008	2009
TV	10,47	11,49	8,39
Press	8,68	8,55	5,81
Internet (total)	2,80	3,42	3,79
Out of home (total incl. in-store)	2,75	2,91	2,47
Radio (incl. local)	2,27	2,27	1,93
Cinema	0,08	0,07	0,04
Total	**27,33**	**28,71**	**22,43**

Source: OMD

Table 3: ***Annual growth of investments to the adverts in the Czech Republic*** (AdMarket)

	2007	2008	2009
TV	10,1%	6,9%	- 27,0%
Press	0,6 %	- 1,5%	- 32,0%
Internet (total)	24,4%	22,1%	10,8%
Out of home (total incl. in-store)	4,5%	5,8%	- 15,1%
Radio (incl. local)	2,6%	2,27%	- 15,0%
Cinema	- 8,3%	0,0%	- 50,0%
Total	**7,3%**	**5,0%**	**- 21,9%**

Source: OMD

Theoretical part of the thesis was focused on explaining the most frequent used marketing media as well as on important terms relating to marketing communications. Furthermore it provides the reader wit some statistical data in order to put them in picture. The following part will show how all these finding are applied in one company.

II. ANALYSIS

5   PROFILE OF THE COMPANY NWT COMPUTER S. R. O.

Company NWT s. r. o. is one of the biggest IT companies in the Czech Republic. The company was founded in 1992. Nowadays it has more than 140 employees and more than 118 000 clients. It is able to offer a complex solution in the field of software, hardware, network management, Internet access, and many other services - as e.g. server administration, outsourcing, servicing, technical support etc. The philosophy of the company is: to offer complex services with high added value on professional level for competitive prices. (NWT Computer, s. r. o.)

- Major part of their customers´ portfolio is build up mainly by the following groups:
- organizations of state administration and local authorities (school, hospitals, authorities);
- important regional middle-sized and big companies, dealers of computer and office technology;
- customers established from B2C segment.

5.1   Organization structure

Mainly is company base on wholesale distribution, which is accompanied by other activities divided into division.

- **Hardware division:** It is oriented on computer technology - brand-name PC, component sets, but also office equipment and telecommunication - it is the main assortment of its wholesale distribution. The company is one of the biggest business partners of Hewlett Packard, Microsoft OEM System, Intel Product Integrator, Cisco premier reseller and authorized dealer of other more than 20 brands.
- **Service division:** In offer maintenance of IT structure (computers, notebooks, printers). This division provides suggestion and implementation hardware and software from small server till to sophisticated solution of server´s farms, clusters, virtualization, storage system, archiving and backup. For their clients it provides hot-line and checking centre 7 days in week and 24 hour a day.
- **Project division:** Main responsibility of this division is ICT projects which exceeds frame of single division NWT Computer. In many cases are in these

projects other supplies of provider of some parts of solution. Typical project are system integration, complex outsourcing and public orders bigger range.

- **Internet division:** Company conduct wireless network for connection to Keynet network. It is one of the most extensive net at central and south Moravia.
- **Patro division:** It is a group of the Internet shops called Patro Group. They offer electronics, hardware, books, cosmetics, property, travelling service, furniture, sports equipment etc. (company´s internal information)

The company has a marketing department that consisted of a marketing manager, and two marketing assistants who are responsible for marketing of the whole company.

In spite of a diversity of activities, the company is presented as one unit. Advertising is mainly focused on brand building and brand awareness, more than on services or products. Nevertheless is not possible to use the same marketing all divisions. As they have a different needs; especially Patro division. The analytical part will be focused on marketing communications mix in a company as a whole and than on the Internet shop Patro.cz because it has its own different marketing that is represented mainly as the Internet marketing.

The NWT Computer´s marketing communications are being carried out mostly by traditional marketing including personal selling, sponsorships, and by printed media. The idea is to promote brand awareness and potential customers should get more details about the company through the newspaper or the Internet articles, radio spots. This is the reason why the company is presented as one unit.

*Figure 8: **Logo of the company NWT Computer s. r. o.***

5.2   SWOT analysis of NWT Computer s. r. o.

Before analyzing each part of company communications mix and for better understanding with recommendations will be used SWOT analysis. Thanks to SWOT analysis the company will be able to scan an internal and external environment, which has an important part in the marketing planning process. Internal firm´s factors are strengths and weaknesses. The external factors are classified as opportunities or threats. (QuickMBA)

The following diagram shows company´s strengths, which are its resources and capabilities that can be used a basis for developing a competitive advantage. It also shows the absence of certain strengths that may be viewed as a weakness. The external environmental analysis may disclose certain new opportunities for profit and growth. On the other hand the last section threats represent changes in external environmental that can threaten the company. (QuickMBA)

STRENGTHS	WEAKNESSES
Long tradition in providing services.	Poor marketing.
No orientation only on one business.	Lack of out-door media.
Friendly approach to customers.	Irregular marketing campaigns.
Focused on key accounts.	Absence of own sales promotion.
OPPORTUNITIES	THREATS
Extend orientation into end users/customers.	Competitors:
Improve awareness of company.	- chain stores
Long-term marketing campaigns.	- specialized agencies.
Using the Internet as a marketing tool.	Economic downturn.

5.3   Personal selling

In most cases company´s client are especially companies, public authorities, education and health authorities - it means a business segment, not individual customers. With respect of this the key factors are availability and reasonable IT operation economy, as a consequence for the clients. Due to this the company prefers personal selling by sellers who have their segment of customers. They provide them with services, sell products

and deal with are related matters. More than 70 per cent of marketing budget is invested to the B2B marketing and 30 per cent of budget involved investments to the advertising.

Aims of the company are: listen to customers´ and then suggest possible suitable solution, and mainly long-term relation with customers. According the company a key to maintaining a long-term relation with the customer is helpful comfort and atmosphere full information for customers. Therefore the customers are provided with always "on-line" detailed information on company´s products, warehouse stock, processing their orders, invoices supplies including delivery terms and payment on "business-to-business" web portal.

The data in the table represent the costs of advertising for the whole company. And do not include the costs of personal selling and Patro.cz

Table 4: **The advertising costs of NWT Computer in 2009**

Marketing medium	Costs (CZK)
Printed media	750 000,-
Radio	450 000,-
Trade fairs	225 000,-
Leaflets	75 000,-
Total	**1 500 000,-**

Source: Company´s internal information.

From the pie chart (figure 9)it is obvious that a small amount of money is invested in other forms of advertising. They include leaflets, adverts in public transport. There is a lack of investment in alternative and outdoor media.
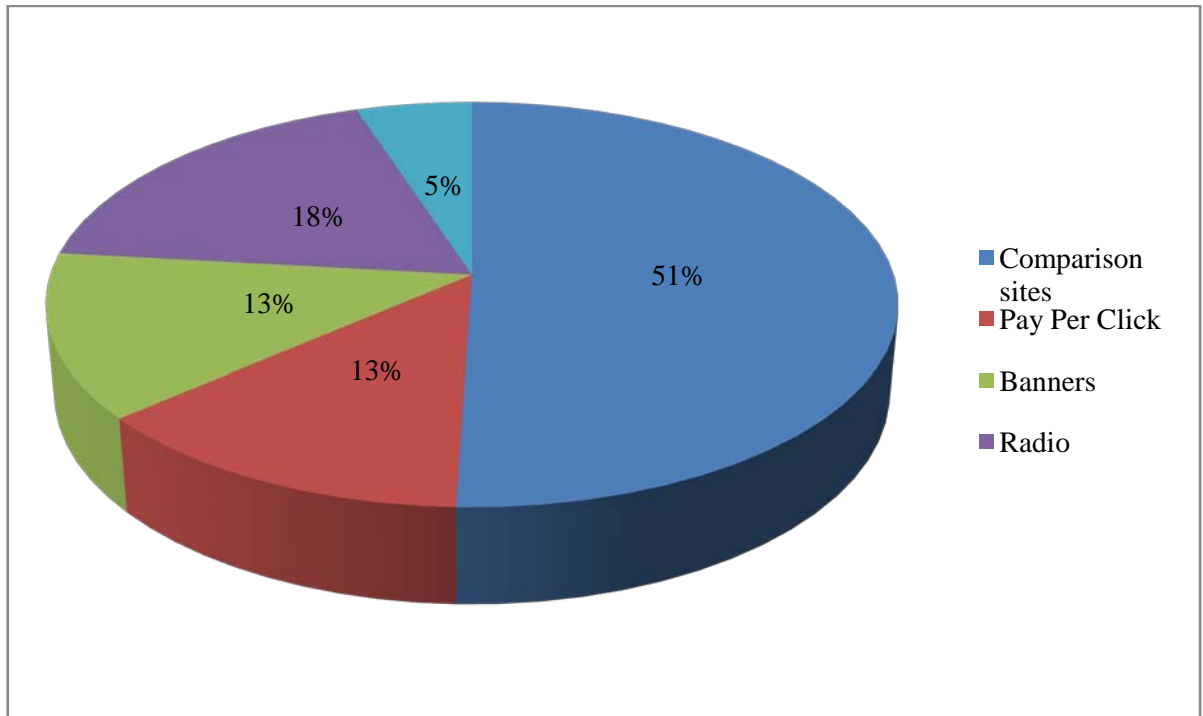
*Figure 9: **Proportion of advertising costs of NWT Computer in 2009** (self-created)*

5.4 Advertising

5.4.1 Printed media

Company is mainly advertising in printed media (70%). It has a simple advert including a logo and services it provides. The advert appears in newspapers: Hospodářské noviny, Mladá fronta dnes, Blesk and in regional newspaper VLT Press (Zlínský deník, Kroměřížský deník in regions where it has branch stores). The advert is placed between other adverts and does not have special position. This way of advertising is ineffective and does not catch readers´ attention. As a result of this the company has decided to issue a newspaper enclosure with IT articles in regional Deník.

Another alternative of advertising in printed media where the company is involved in are interviews and informative articles in Czech broadsheets. These interviews and articles are mostly focused on renewable energy resources, solar energy power stations and IT services.

Irregularly are printed leaflets, which are enclosed to newspapers. Usually twice a year - before the end of a school year, and before Christmas. The role of these leaflets is to boost sales.

5.4.2 Broadcast

Advertising in radio is mainly about building image because the message must be short and easy to remember. The company uses radio advertising for e-shop Patro.cz and also NWT Computer use a radio as a marketing tool. Commercials are broadcast in "Radio Image Program" which is one program of Kiss Publikum. This radio is one of the most popular radio stations in Zlín region and has a 15-year tradition in broadcasting and more than 74 000 listeners. It is important to say that broadcasting advertisements are targeted on end users and not for companies or a business segment. The average age of listeners is between 18 and 40. This "Radio Image Program" broadcast the company commercial 60 times in prime time and 22 times in other broadcasting time. Other radio stations like Rádio Zlín, Rádio Čas or Evropa 2 are also used by company but irregularly.

5.5   Public relations

5.5.1   Sponsorship

NWT Company has a long tradition in sponsoring most significant social events in the region. Every year the company is a media partner of events such as: Thomas Bata University ball, Miss Academia, Barum rally, Trnkobraní and many others. In Barum rally and Trnkobraní the company has its advertising marquee. Visitors have free access to the Internet and they can get familiar with the company´s activities.

The sponsorship is mainly based on donating or lending the information technology equipment. Another form is providing services like printing of handouts and booklets. In return of this the company logo appears also in booklets, posters, the Internet banners, billboards, which are displayed for free.

Figure 10: **Free logo on Vychytane.cz of NWT Computer s. r. o. and Patro.cz**

5.5.2   Trade fairs

Trade fairs offer great opportunity to gain new business partners or customers. This year the company is planning to invest to the presentation on trade fairs about CZK 250 000,-. At the trade fairs the company is mostly represented by Solar division - photovoltaic power plants. In Bratislava on Coneco trade fair, which is orientated on building industry, the company had its own stand. In June 2010 the company will have a stand at world´s larges exhibition for the solar industry in Munich, where visitors from over 145 countries are expected to visit the exhibition.

Presenting at trade fairs is really a good choice because is it an efficient way how to build in image, show the latest products or services, motivate your employees and mainly target on potential customers. The trade fairs are usually specialized in certain field and can better attract people who have a real interest in it. You do not waste time on attracting general public.

5.6   Sales promotion

Sales promotion is provided by company as a form of supporting sales promotion of their partners like Hewlett Packard, Microsoft, Canon, and IMB. The principle is simple. The business partner offer the company sales promotion e.g.: products, presents, goods, or services, which are free or with some discount. The company prepares promotion and adds partner´s logo to the advertising.

*Figure 11: **The latest sales promotion - Free ticket to the cinema** (Company internal voucher)*

5.7   Direct mail

5.7.1   Traditional mail

Three times a year the company issues leaflets that are distributed to the households and other companies. But not in the whole region, only in towns where are branch stores of the company. Distribution of leaflets has two main reasons. The first is to inform potential customers about new product, which are sold by company. The next reason is to point out the sales promotion

5.7.2   Online mail

Direct mail of company NWT is mainly based on emails. For long-standing customer the firm makes special offers which are more personal. The offers are sent to more than 2 000 customers once a month.

   The Internet shop Patro.cz uses also online mail. This newsletter is called "PATRO NEWS" (See in appendix I) and is sent every second week. The base of online mailing is a database of more than 75 000 active customers who have given a permission to be sent emails.

5.8   The Internet marketing

5.8.1   NWT Websites

The Internet marketing of NWT as a one unit is really poor. There is a big lack of using the Internet as a marketing tool. Only two ways were found on how the company

is presented on the Internet. Company mainly uses its website and another way is banners, but they are not too frequented. The official Website of the company is available at: www.nwt.cz. (See in appendix II)

The design of the webpage is not quite satisfying. At the first glance due to plenty of information and many sections it could be a bit of confusing for visitors who visit the page for the first time. The webpage should be simplified. Unfortunately the company is dealing with services which are really different, but on the other hand each division should have its own website or a micro site. The design of the official website is not much impressive there is a lack of catchy pictures that should give the visitors, who visits pages for the first time, better idea about the company. The information on the website is translated only into English. Although the customers of NWT Computer are mainly from the Czech Republic, starting a new business - using the solar radiation in photovoltaic power plants - and due to should lead to a recommendation to translate the website into German, in order to enabled access to potential customers, who are not from the Czech Republic.

5.8.2   Facebook

It is possible to find NWT profile also on Facebook. Unfortunately the company at present does not have many fans only 55. And frequency of appearance on-line advertising on Facebook is not too high. In the NWT profile visitors do not get more information about the company, in fact it is a copy of company´s websites. The idea of this profile is to be closer to customers. The customer can use Facebook for communication with the company in any matter. But now the profile looks like employees profile and we can hope that Facebook potential will grow in the next few years, and will become more important and adequate marketing tool.

Next section will concentrate on independent e-shop Patro.cz, which is a part of the company but many people do not know about it and do not see the links between Patro.cz and the company NWT Computer. The Patro.cz is mostly represented by the Internet marketing than a traditional one.

6 PATRO GROUP

A group of the Internet department stores PATRO GROUP was established in 1998. A dominant e-shop is www.patro.cz, to which other 13 shops were gradually added, and they more or less specialize in sales of different goods.

After 10 year of operating on the Czech e-market, the group has gained about 200 000 customers, out of them 90 000 did shopping at least once 2007. The offer of 170 000 active products drew attention of all customer groups from all regions. Annually the number and quality of added services for e-shop customer is enlarged. Recently, especially the possibility of finding the expected dispatch terms with products in the e-shop order, presence of pdf format invoice, introducing a trendy way of payment in a form of micro-payment system PaySec contributes to satisfaction. (NWT Computer, s. r. o.)

Figure 12: ***Logo of e-shop Patro.cz***

List of 13 shops:

www.alfasport.cz	www.cdcentrum.cz	www.dobreleky.cz
www.dvdmax.cz	www.hyberobchod.cz	www.ikencaler.cz
www.knihy.cz	www.nakupnasplatky.cz	www.pahorek.cz
www.zahradnishop.cz		

6.1 SWOT analysis of e-shop Patro.cz

The following SWOT analysis shows strengths, weaknesses, opportunities and threats of e-shop Patro.cz. Based on SWOT analysis will be made recommendation which can help to eliminate negative impacts on company and reinforce strengths and opportunities factors.

STHRENGHTS	WEAKNESSES
User-friendly websites.	Advertising mainly in comparison sites.
Connection of 13 e-shops.	Low visitors rate of websites.
Patro club.	Lack of out-door media.
OPPORTUNITIES	THREATS
Printed media.	Growth of e-shop.
TV commercials.	Increase in delivery price.
Improve sales promotion.	Change of preference in shopping.
Expending into Slovak market.	

6.2   Advertising

The main communications medium of Patro.cz is the Internet. Besides communication with customers via their website, they use PPC on Google AdWords and Sklik, Czech comparison sties, banners and in-text advertising. In some cases Patro.cz adverts have accompanied advertising of NWT on the posters and on the radio as was mentioned in a previous chapter.

The following table shows proportion of investments to the Patro.cz marketing. The largest amount of money is invested into comparison sites. (See in appendix III) These sites provide the customers with review about prices of the products. It the Patro.cz has the cheapest price then it appears the top of the list of e-shops. On the second position of marketing costs are the radio adverts that on we described in detail in previous chapter. PPC and banners advertising have the similar costs. The smallest amount of money is invested into leaflets. These leaflets are added into parcels that are sent to customers.

*Table 5: **The advertising costs of e-shop Patro.cz in 2009***

Marketing medium	Costs (CZK)
Comparison sites	750 000,-
Radio	275 000,-
Pay Per Click	200 000,-
Banners	200 000,-
Leflets	75 000,-
Total	**1 500 000,-**

Source: Company internal information.
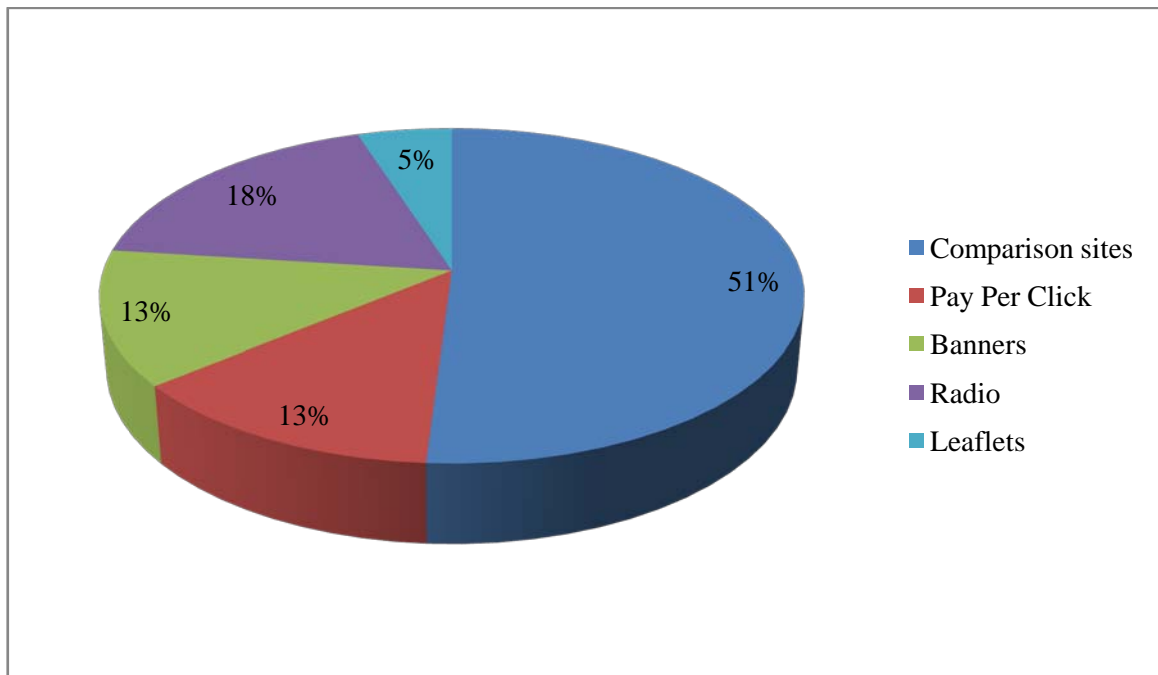
*Figure 13: **Proportion of advertising costs of e-shop Patro.cz in 2009** (self-created)*

6.2.1   Banners

The company prefers a dynamic banner that is changing pictures. Usually they buy banner package according the offer that is different every month. There is a lack of regular using the banners. The intensity and frequency mainly depends on current offer form providers like Novinky.cz and BillBoard.

*Figure 14: **Patro.cz banner on Novinky.cz*** (Novinky.cz)

The following table represents the principle of measuring the success of banners campaign. It is measured by click through rate (CTR), which is obtained by dividing the number of users who clicked on banner by the number of times the advertisement was delivered. The average rate of click-trough is 0,2 or 0,3 percent. (Adaptic)

*Table 6: **Banners campaign on Novinky.cz - Předvánoční elektro***

Day	Impressions delivered	Clicks recorded	CTR
8. 12. 2009	449 155	795	0,18%
9. 12. 2009	761 968	1 153	0,15%
10. 12. 2009	980 629	1 149	0,12%
11. 12. 2009	1 133 042	1 154	0,10%
12. 12. 2009	578 592	691	0,12%
13. 12. 2009	472 169	688	0,15%
Total	**4 375 555**	**5 630**	**0,13%**

Source: Company internal information.

The measuring period it too short for drawing a conclusion. The CTR ratio is average and not much successful since it was time before Christmas and the company expected

more interest in their products during this time. On the other hand we can say that the campaign should have started one or two weeks earlier because lots of people prefer buying presents trough e-shop with longer time allowance due to delivery time.

6.2.2 Web sites

Since March 2010 Patro.cz has been transforming its Web sites. The official Web site of e-shop is available at: www.patro.cz (See in appendix IV) The first impression from these pages is quite positive. Everything is clearly organized and they are user-friendly. On the first page it is possible to find value for money offers and the latest products. On the left side, there is a panel with sections such as electronics, books, music, films, and many others. By clicking you will open subcategories of main sections. Registration is really simple. There is missing translation into other languages such as English and Slovak.

6.2.3 Facebook

As well as NWT Computer also Patro.cz has established on Facebook. Nowadays has only 71 fans, but is highly probable that the number of fans will be increased. Patro.cz should offer a new customer or user a registration into application Facebook, and this raise the number of fans more quickly.

   Although Patro.cz does not give more information that can not be available on the Patro´s website, Facebook is a good tool for feedback. It means that Facebook users, who have experience with buying goods through the Patro.cz should write some commentaries on the profile. It is more worthy than commentaries on comparison pages, because Facebook is more personal. Next positive thing is that Patro.cz can do free advertising of products on the wall and people can discuss them. Again, it is as really personal. It is a kind of friendly advertisement, because potential consumers go to the website only if need or seek for specific goods. But through the Facebook, Patro.cz could show the users the latest offer during the time where they are not seeking. Another advantage is that is not irritating because each user can permit to show and offer.

6.3   Patro club - Sales promotion

Patro club is a loyalty program for customers who are buying goods in e-shop Patro.cz. The aim of this program is to express thanks to paying customers. The idea is based on virtual money. Each member of a club has own virtual pocket book called "Patronka". In "Patronka" the customers will get virtual money, the sum depends on order. Big order

means more virtual money. Each product has different number of points (virtual money), and points are visible in details of product. During six month could customer use his/her virtual money for discount on the next purchase. (Patro.cz)

Although Patro.cz is and goods are mostly delivered by post it is possible to order a delivery into branches in Prague, Hulín, and Zlín. The customer will pay service charge CZK 40,- when he/she pitch up its goods in the next time he/she will get discount CZK 20,-. It is a cheaper way of delivering goods but unfortunately is advantageous only for customers who live close to these three cities.

This part was aimed at marketing communications mix analysis of the NWT Computer and e-shop Patro.cz. It described the marketing tools that are used. Final part of this thesis, wil l deal with some recommendations, possible changes that should help to cope better with marketing and gain a larger number of potential customers.

7 RECOMMENDATIONS

7.1   NWT Computer s. r. o.

According to the marketing manager the company is facing a low awareness of the company in the region. If we look at the name of company - NWT Computer - people think that the company is orientated only in IT sector. But they do not know anything about other company divisions. This should be improved. It means, to carry out own marketing campaign, in order to motivate people to find more details about the company. The firm is a recipient of sales promotion, and does not have a particular marketing plan. The plan mainly includes the public events in region. It depends on partners, and new offers for partnerships. It is not the best option. The company needs to create its own marketing plan that will include a regular own sales promotion and marketing campaigns.

7.1.1   Printed media

Firm´s catalogue should be printed four times a year, and should be delivered to households. The catalogues should contain the latest products more details about company divisions. It is obvious that is impossible to compare the hardware division, which is dealing with It technology, with chain stores, which are producing leaflets every week. But to draw customer´s attention to the quality of services, technical advice, personal approach. Company´s leaflets should be placed on public places, schools and university. These places have a big potential to attract people. Issuing the leaflets should be every month not only before Christmas and before the end of school year.

7.1.2   Out-door media

There is a lack of out-door media. The company does have only one billboard in Zlín. It should be recommended to stop with a radio spots which are only about creating image, but are inefficient for sales. The next disadvantage of radio is selection of listeners. The radio advertising is better for sales promotion than for long-term advertising. On the other hand out-door advertising could enforce people to get more information about the company and direct them to the company´s websites. The out-door advertising is unlimited. For example it would be good, if the company started using city light boxes, billboards, street furniture (such as bus shelters), and in means of transport such as buses and troleybuses.

7.1.3   Web site

Such company as NWT Computer should take more advantage of the Internet marketing. From the analysis is clear that they deal with the Internet marketing marginally. There is a lack of banners, pop-ups which can immediately enforce people´s interest. The company image of webpage is not too catchy, and the first impression of visitors should not be confusing. At present webpage there is missing better navigation. It would be recommended to make website with interactive guide that can show the way and sections. Also should be made micro sites for each division. This could simplify the access of visitors directly to getting the information they are looking for. Using the above mentioned pieces of advice should enhance websites prestige.

7.1.4   Marketing survey

For obtaining better information where are to empower advertising. The company should conduct survey based on a questionnaire. The company conducted a survey last year but the questions were about satisfaction with services. (See in appendix V) The questionnaire was the same for NWT Computer and for Patro.cz, but only 99 questionnaires got back. The questionnaire is still available in two forms: on-line on company´s webpage or as a piece of paper in shops.

Based on a new survey it would be possible to prepare a marketing communications mix. Customers should be awarded for filling in the questionnaire. For example customers could receive a discount on goods or they could win a prize in balloting.

7.2   Patro.cz

It is obvious that e-shop needs a different marketing. It should differ from the rest of the company. The idea of one e-shop when you can buy everything under one roof is really good. It is a modern kind of shopping. Unfortunately the marketing of Patro.cz does not take the advantage of this idea. Low number of visitors gives a clear evidence. (See in appendix VI) In comparison with year 2008 the visitors´ rate fell about 11,3 per cent in year 2009. The top period when people visit e-shop is November and December. The reason of falling number of visitor could be caused by economic recession.

Table 7: **Number of visits e-shop Patro.cz in 2008 and 2009** (Own calculation base on company internal information)

Month	2008	2009	Change on number	Change ratio
January	443 234	454 400	11 166	2,5%
February	351 492	366 272	14 780	4,2%
March	386 045	358 881	- 27 164	- 7,0%
April	376 290	271 114	- 105 176	- 28,0%
May	335 077	309 788	- 25 289	- 7,5%
June	289 605	299 844	10 239	3,5%
July	328 607	280 580	- 48 027	- 14,2%
August	331 634	289 763	- 41 871	- 12,6%
September	363 083	308 789	- 54 294	- 15,0%
October	505 958	386 094	- 119 864	- 23,7%
November	591 567	469 869	- 121 698	- 20,6%
December	528 459	488 780	- 39 679	- 7,5%
Total	**4 831 051**	**4 284 174**	**- 546 877**	**- 11,3%**

7.2.1 On-line marketing

The company should improve the communications mix by more hard-hitting campaign. They use predominantly comparison sites, but there is the problem, if you are not the cheapest people do not visit your webpage. The next frequently used way of the Internet marketing is in-text advert. This is useful only for specific goods not for the whole e-shop. It should be recommended to use in-text advert for offering property or holiday accommodation where sales can cover the costs. Main problem of these two forms of advertising is that they have impact on a small group of people. And this is the reason for low visitors´ rate. It should be recommended to intensify a banner adverts on Novinky.cz and Facebook or another most frequently websites.

7.2.2 Traditional marketing

There is a lack of alternative or traditional marketing. There should be integrated off-line and on-line campaign. The company should look for a way how to use off-line media to lead audience to a websites. The best medium for this is a TV commercial but it is too expensive. The alternative to this should be nationwide radio or newspaper. Patro.cz

should extend billboards, adverts on street furniture, public transport in Zlín and Prague, where they have branch stores and this way boost awareness. Another way hot to extend advertising is to put adverts in intercity transport (such as Student Agency, Housacar).

7.2.3 Other supporting forms of advertising

Advertising should be more comparable. To give people reasons, why is e-shop Patro.cz better than others e-shops - to present its advantages. It could be also helpful to broaden a loyalty programe by getting a bonus for bringing a new customer e.g. in case your friends do shopping with us you will get extra virtual money in "Patronka".

CONCLUSION

The aim of this bachelor thesis was to compare traditional marketing with the new Internet marketing tools in company NWT Computer s. r. o., and conduct an analyze their communications mix.

The first theoretical part of thesis was focused in making an effort to gather sufficient information and data concerning different marketing media. I started with a well-know old media such as printed and broadcast media. Then I described electronic marketing and possibilities it can bring to companies. As the Internet is a dynamic developing medium, it is not possible to include all the Internet tools, in my thesis. I have tried to adequately introduce an outline. The end of a theoretical part is focused on resent trends in marketing communications mix in Czech companies. To be able to compile all the information, I have used marketing publications and statistical data from surveys.

In practical part I have tried to apply the findings on the company NWT Computer and their e-shop Patro.cz. Firstly has been made a SWOT analysis and after that I analyzed their traditional and the Internet marketing. The company has specific marketing communications for the company as a whole but Patro.cz has a different marketing. I had to do two separate analyses. These analyses were based on company´s internal information and also their official Websites. The outcome from these analyses is that at present the company needs to realize the importance of the Internet. But it also should not stop with traditional marketing stimuli, which can enhance the Internet marketing. It is important for each company to be on-line. The outcome from the analyses is that traditional marketing is important for each the whole company but it is not satisfying dealing with the Internet marketing. On the other hand from the Patro.cz analysis it is clear that there is lack of traditional stimuli that could increase the visitors´ rate of e-shop.

In the end in the final part of thesis I would like to suggest my own recommendations for improving communications mix. For this purpose I have used information from previous SWOT analyses. Thanks to SWOT analyses I was able to indentify in detail strengths, weaknesses, opportunities and threats both in company and e-shop. After that I have suggested several possible improvements in advertising. I have also proposed measures hot to deal with the problems regarding low awareness of the company and low visiting rate of e-shop. These steps need to be supported by larger investments into marketing. The return on investments would be higher than initial costs put in marketing.

I suppose that my suggestions can inspire the company to take some steps leading to an improvement to their marketing communications mix and in future can possible bring more customers.

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LIST OF ABBREVIATIONS

B2B   Business to business

CPC   Cost Per Click

CTR   Click through rate

IMC   Integrated marketing communications

PPC   Pay Per Click

PR   Public relations

WWW World Wide Web

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APPENDIX P I: NEWSLETTER OF PATRO.CZ

APPENDIX P II: NWT COMPUTER - OFFICIAL WEB SITES

APPENDIX P III: HEUREKA.CZ AND LIST OF OTHER COMPARISON WEB SITES

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www.bezvaportal.cz

www.e-shopy.org

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APPENDIX P IV: PATRO.CZ - THE OFFICIAL WEB SITES

APPENDIX P V: ON-LINE QUESTIONNAIRE

Dotazník spokojenosti

Nakoupili jste u nás přes:

◯ obchodníky NWT Computer   ◯ internetový obchodní dům PATRO.cz

V následující tabulce označte pole, odpovídající dle Vašeho názoru úrovni hodnoceného kritéria. Hodnotící stupnice je následující:
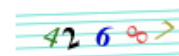1 – velmi spokojen, 2 – spokojen, 3 – spokojen s výhradami , 4 – velmi nespokojen
Máte-li konkrétní připomínky nebo komentáře, prosím připojte je k jednotlivým kritériím.

Kriteria hodnocení	Úroveň hodnocení				Připomínky
	1	2	3	4	
Kvalita a rychlost zpracování nabídky	◯	◯	◯	◯	
Prezentace společnosti (webové stránky, propagační materiály...)	◯	◯	◯	◯	
Rychlost obsluhy u osobního odběru	◯	◯	◯	◯	
Dodací termíny, informace o zakázce	◯	◯	◯	◯	
Spokojenost s cenou produktů	◯	◯	◯	◯	
Spokojenost s přístupem zaměstnanců	◯	◯	◯	◯	
Spokojenost s řešením specifických požadavků	◯	◯	◯	◯	

Zde prosím, zda jste s něčím nespokojeni a napište návrhy na zlepšení:

Zde prosím napište, s čím jste spokojeni a proč byste u nás nakoupili znovu:

Zde napište kód z obrázku: _____   426

[odeslat]

APPENDIX P VI: VISITORS´ RATE IN 2008 AND 2009

Návštěvy za rok 2008

<< 2007												>> 2009
Leden (443234)	Únor (351492)	Březen (386045)	Duben (376290)	Květen (335077)	Červen (289605)	Červenec (328607)	Srpen (331634)	Září (363083)	Říjen (505958)	Listopad (591567)	Prosinec (528459)	

Návštěvy za rok 2009

<< 2008												>> 2010
Leden (454400)	Únor (366272)	Březen (358881)	Duben (271114)	Květen (309788)	Červen (299844)	Červenec (280580)	Srpen (289763)	Září (308789)	Říjen (386094)	Listopad (469869)	Prosinec (488780)	