Mendel University in Brno
Faculty of Business and Economics

Determining the reasons to buy and online marketing of nuts

Bachelor thesis

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Abstract

Horáková, M. Determining the reasons to buy and online marketing of nuts. Bachelor thesis. Brno: Mendel University, Faculty of Business and economics, 2015.

This bachelor thesis focuses on the market of nuts especially their online sales. The main objectives are to determine the reasons for buying nuts, to analyse the willingness of the population to buy food online and suggest an effective online marketing communication mix. As a practical example the researcher's former e-shop www.zdrave-mlsani.net was chosen. The theoretical basis is focused on marketing and its usage within the online environment. Practical recommendations result from a quantitative internet survey and qualitative in-depth interviews. Furthermore website analysis using Google Analytics was made.

Keywords

Nuts, marketing, marketing mix, online marketing, online marketing communication, e-shop.

Abstrakt

Horáková, M. Průzkum trhu s ořechy a návrh online marketingu pro e-shopy s ořechy. Bakalářská práce. Brno: Mendelova univerzita, fakulta provozně-ekonomická, 2015.

Tato bakalářská práce se zaměřuje na trh s ořechy, konkrétně na jejich internetový prodej. Hlavní cíle jsou zjistit důvody, které vedou ke koupi ořechů, analyzovat ochotu populace nakupovat potraviny na internetu a navrhnout efektivní online marketingový komunikační mix. Jako příklad byl použit bývalý e-shop autorky www.zdrave-mlsani.net. Teoretický základ této práce se zaměřuje na marketing a jeho použití v internetovém prostředí. Doporučení jsou výsledkem kvantitativního internetového šetření a kvalitativních rozhovorů. Mimoto byla provedena i analýza webových stránek za použití aplikace Google Analytics.

Klíčová slova

Ořechy, marketing, marketingový mix, online marketing, online marketingová komunikace, e-shop

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1 Introduction

The current market situation gives the customers great opportunity to choose the desired quality and price. Good knowledge and use of marketing tools and channels is nowadays crucial for success of any business. But this alone is not enough. Today's world is strongly influenced by modern trends. These trends are changing over time, reaching different parts of the world in different time periods and businessmen are forced to follow them in order to survive.

The most striking trend is the internet. People worldwide became familiar with this trend in a very short time. The internet changed the way how we decide about shopping and offers many possibilities for both businessmen and consumers.

Thanks to internet and its influence, even minor information can have a huge impact worldwide. Among others, we can observe a growing trend of wellness in the last few years. This broad trend covers areas such as relaxation centres, knowledge of balanced health and mainly the field of healthy food. The food industry is a part of international trade and marketing. Thus, thanks to internet and globalization, this new trend is quickly spreading worldwide. That is why ordinary people's lives are so influenced by external factors and our daily food menu has changed a lot over the course of the past 20 years.

As mentioned above, the wellness lifestyle is a hot contemporary trend. Knowledge that good health encompasses a balance in the body, mind and spirit was known in oldest civilizations. A well-known but often forgotten sentence by Hippocrates from antiquity says that *"Let your food be your medicine, and your medicine be your food."* The wellness trend spread around the world in the nineties of the last century from the United States as a reaction to modern medicine practises. These were based on chemical drugs aimed on economic profits. The real growth of the wellness trend and its worldwide awareness can be dated back to 2005 and since then we can observe a growing popularity. (Stroecker, 2012)

I was always fascinated by marketing, what a powerful tool advertisement is and I always wanted to try its power on my own project, an e-shop, and understand how it really works. Together with the fact that I really enjoy living healthy as well as shopping online, I saw a great opportunity for potential business in connection to these trends and that is why I decided to start up my own business in 2013.

I created an e-shop aimed at selling nuts and dried fruits. The main promotion strategy was recommendations from customers. My original intent was only to discover what is needed to be entrepreneur and if the business online is really that profitable. I started the e-shop without any knowledge of the market. My project was growing, but due to the lack of time, I was forced to sell it. Even though I don't influence the project directly in this time, I am still very impressed by this business field and I want to analyse its potential. This is the reason why I chose determining reasons to buy and online communication mix of nuts as a topic of my bachelor thesis.

The e-shop needs to find and attract new customers and improve its communication with current customers to increase their loyalty. These are challenges the company is facing now. The outcome of this thesis in a form of an analysis of the market with nuts and the broader customer behaviour in the online shopping area could be valuable for building a future marketing strategy and program for the e-shop.

My thesis will be divided into a theoretical and a practical part. In the first part, I will describe the theoretical background related to the topic. All classical descriptions of marketing terms will be enriched with definitions from the online marketing perspective. In this part there will be a brief description of the term marketing, with a main focus on the online marketing communication mix. Furthermore, I will summarize the topic of consumer buying behaviour online. In this part the emphasis will be placed on buying behaviour towards fast moving consumer good, particularly on nuts. The theoretical part will be based on secondary data from corresponding literature and online sources both mentioned in the end of this thesis. In the practical part I will gather and synthesize primary data using appropriate research techniques described in the methodology to meet research objectives.

2 Objectives

The general goal of this thesis is to screen the current market situation – how customers feel about healthy food, e.g. nuts, to discover the future potential for buying this type of product mainly via e-shops.

The first objective is to point out all advantages (e.g. fast healthy nutritious food) of the product and connect it with the modern trend of e-shopping.

The second objective is to determine the specific customer buying behaviour in terms of nuts and if nuts are perceived as a healthy food.

The third objective is to use the outputs of the previous two objectives to make recommendations about how to improve the online marketing mix of the e-shop or how to set appropriate online communication mix for start-ups in this field of interest.

For the online marketing mix the focus will mainly be on the marketing communication online.

3 Theoretical part

3.1 Marketing

Recognized expert in marketing, Philip Kotler, together with Gary Armstrong in their book Principles of Marketing (2012) describes marketing as an effort of companies to understand and answer to customer's needs and wants and to build long lasting, loyal relationships with them. Emphasis is also placed on choosing and focusing on target markets. A well-known and often used definition from their book is: *"Marketing is the process by which companies create value for customers and build strong customer relationships in order to capture value from customer in return"*. (Kotler, Armstrong, 2012, p.30)

Marketing as a science is more specifically described by definition approved by American Marketing Association states that: *"Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large."* (American Marketing Association, 2013) It is clear that marketing is a process which involves not only the need of profit. It also includes the necessity of sellers to examine the needs of customers and the efforts to deliver them a right product or service in the right time for an acceptable price.

This process that connects produced goods with end customers went through significant changes in the last years. It cannot only be perceived as a tool for finding out what companies offer in order to sell it, but it must be looked at from a new perspective. This perspective is more about satisfying individual customer needs and wants, personalizing services and following modern trends. More specifically, there is a shift from mass marketing to building deeper, more direct and lasting relationships with well-selected customers. Because of the rapid growth in the technological field, changes in the marketing landscape are so quick that the ability to change is no longer a competitive advantage, but rather a necessity.

The rapid growth in the technological field has moved the world population online. That is why the majority of marketing innovations and marketing spending focuses on the internet environment. In this thesis we will focus mainly on marketing implemented into an online environment. First of all we need to specify marketing adapted to the online environment. This type of marketing is called e-marketing and will be explained in the following part.

3.1.1 E-marketing

E-marketing or electronic marketing encompasses all forms of marketing activities that are connected with electronic devices. Electronic marketing includes internet marketing, mobile marketing or online television. From the whole topic of the e-marketing the thesis will focus on internet marketing.

The terms online marketing, web-marketing or internet marketing, according to a web contribution by Beal (2015), refer to advertising and marketing efforts that use the Web and email. These marketing activities cover classical marketing actions and techniques that are used sometimes in a different way because they are adapted to the environment of the World Wide Web. There are also new tools of marketing that can be used only in the internet environment. These tools will be explained in the part 3.3 covering the topic of online marketing communication mix.

Online marketing has in recent years become a key part of the marketing of all companies that want to succeed on both local and global markets. In some developed countries such as the UK or the USA, online media account for 40% to 50% of all media spending. According to Kotler and Armstrong (2012), the Internet marketing is the fastest-growing one worldwide nowadays.

According to Král (2014), their share in the Czech Republic is growing at double digit rates annually. Preliminary estimates indicate a growth of 20% in 2013. The potential for further growth in online marketing is still significant in the Czech Republic.

There are obvious reasons for the popularity of the internet among buyers and sellers. The most significant advantages according to Ingram (2015) are:

- **Cost efficiency** - online advertising is much cheaper compared to traditional mass market media and adds are available day and night for millions of viewers

- **Target marketing** - marketers can precisely determine to which audience a particular add is designed, thus the effectivity is much higher

- **Interactivity and feedback** - the internet offers a two-way communication channel, where marketers can use surveys, comments and statistics for improvement and personalization of campaigns

- **Captive audience** - internet adds cannot be ignored that easily as those in TV or radio, for example, because they remain visible on the website while people are browsing it or it cannot be skipped before watching a video

The internet created a brand new marketplace where sellers meet buyers. There are several terms that have to be defined to properly understand the internet environment.

The first two terms often used interchangeably but they are not the same are e-business and e-commerce. According to Bartels (2000) the "e" in both cases describes the application of electronic network technology. **E-business** is a broader term that includes e-commerce but covers also internal processes of the company such as inventory management, risk management, human resources and others. Trading products or services using computer networks such as the internet is called **e-commerce.**

One form of e-commerce, which allows consumers to directly buy goods or services from a seller over the internet using a web browser, is called **e-shopping.**

This type of business is realized through electronic shops called **e-shops**. Companies can use e-shops as another form of communication with customers and at the same time have classic brick-and-mortar shops. The focus of the thesis will be on smaller companies that start and exist only in the form of **click-only companies**. Click-only companies, so called dot-coms, operate only online and have no brick-and-mortar market presence (Kotler, Armstrong, 2012).

Another important term that needs to be defined is the term **online advertising**. According to Krutiš (2007) online advertising in a narrower sense is the same term as internet advertising. In a broader sense it includes all advertising activities through any electronic channel (media). It includes mobile advertising, relative to the location advertising – GPS and internet advertising.

Also in the area of advertising, the focus of the thesis will be mostly on online advertising. The various forms of online advertising and their usage will be more specifically described in part 3.3 dealing with the topic of the marketing communication mix.

Internet marketing is powerful tool to build brands and strengthen relationships with customers. However, internet is now a tough environment, full of competition and a place where customers are in control because of unlimited access to information about products and competitor's offers. (Schiffman, Kanuk, 2007) Even though the online environment has some special rules, the basic marketing principles remain the same. A successful marketing strategy requires to be translated in an effective marketing mix.

How the internet changed the classical marketing strategies and a structure of 4P's will be describe in the following part.

3.2   Marketing mix

The marketing mix is a business tool used by marketers when determining a product's or brand's offer. When E. J. McCarthy introduced the concept of the **Four Ps**, also called the marketing mix (product, price, place and promotion) in 1960, marketers were given the opportunity to explore every aspect of these elements to meet customer needs and desires. Using the four Ps' theory the marketing mix can be described as selling the right product at right price in the right place using the most suitable promotion. To be accurate the term "marketing mix" is a general term used to describe the different kinds of choices organizations have to make in the whole process of bringing a product or service to market.

The 4Ps is one way of defining the marketing mix. Over time, more theories appeared such as the concept of the **four Cs** that was a more customer-driven replacement of the Four Ps. Two theories based on four Cs are: Lauterborn's four Cs (consumer, cost, communication, convenience), and Shimizu's four Cs (commodity, cost, communication, channel). The concept of the four Ps was also modified as people, processes, programs and performance.

The description of the four elements of marketing mix below will start with a general description followed by an explanation of the element in terms of the

online environment. Each element will be further extended by a part describing nuts in the corresponding meaning.

In this bachelor thesis the focus will be mostly on the promotion and communication of given type of product that are nuts, situated in the online environment.

3.2.1   Product

The product is a key element of the marketing offer, including both tangible goods as well as intangible ones (services). The product is analysed for its ability to perform better than competitor's.

On the internet products lose some important features such as tangibility, taste or smell. Online sellers thus have to provide even more information about the product, for example pictures, detailed description and show all possible varieties of the product. Currently the internet offers a full range of products and services. These products can be divided into three categories.

- **Tangible products** include clothing, furniture or books are in the first category.

- A second category consisting of **intangible products or services** include tickets or holidays.

- Products belonging to the third category are **digitalized products** represented by software or electronic books.

The biggest advantage of online shopping is the time saved by customers who have everything just a click away. Because of the intangibility of goods selling online, brand loyalty and confidence is important. (Tălpău, 2014)

The aim of this thesis is to understand consumer buying behaviour in terms of nuts. The main facts and advantages of this product will be described in this paragraph. According to Jindřich Pokora, methodist of the State Agricultural and Food Inspection (2009), nuts form a special group of fruit because they are actually seeds that are not usually consumed in other groups of fruit. They are rich in energy and nutrients, and they can be stored for quite a long time without significant loss of quality. Nuts are also rich in minerals such as calcium, potassium or phosphorus. They contain unsaturated fatty acids, B vitamins, proteins and many more substances good for health. Nuts can be seen as complex food in terms of amount of nutritional substances they contain. Pokora (2009) also states that nuts can significantly mitigate the consequences of unilaterally oriented meals.

Lisa Yates in a fact sheet of Nuts and health (2014) states that eating about 30g of nuts per day may reduce the risk connected with heart disease because of healthy fats in contained in nuts. Because of many other healthy substances that nuts have, it can be summarized that nuts may play a positive role in:

- Reducing the risk of gall stones and age-related macular degeneration

- Maintaining bone health

- Slowing brain aging

- Reducing cancer risk

Taking into account tentative feedbacks from customers of the e-shop mentioned in the introduction and based on own experiences of the author and the owner of the e-shop, another advantages could be:

- Durability, when stored well
- Healthy fast food to go
- Replacement of unhealthy ingredients
- New cooking inspiration

All these statements however will be further tested in the practical part of this thesis.

From a business point of view nuts are considered as a fast-moving consumer good (FMCG). Those are products, that are sold quickly, and they are usually low cost. Food in general is a part of this type of products. Even though the food in general is problematic item to sell via internet because of its short durability, nuts are durable and thus they can be seen as suitable for online selling

3.2.2   Price

Friesner (2014a) states that the price includes decisions one would make to price a product competitively. The most important goal of marketers in terms of price is to increase the perceived value of the benefits of the company's products and services to the buyer or consumer.

A common price policy in an online environment is to offer very low, competitive prices. This is for instance because of the lower costs of storage, advertising, staff or no need to rent showroom space if the company does not want to. The company operating online should usually offer a lower price than classic brick and mortar shops offer.

The optimal price setting for nuts will not be discussed in this thesis. However, the current price levels of this product will be included as a potential determinant influencing consumer buying behaviour.

3.2.3   Place

The place includes the decision about the most sufficient intermediary, distribution form or in other words distribution channel. Due to restrains in the business model of the e-shop this thesis will focus only on the online environment and its channel possibilities.

"For many organizations, the Internet is just another distribution channel. For others it is a business model that allows servicing customers on a much larger area in a more efficient manner." (Tălpău, 2014) Companies operating online have to master their physical distribution to have satisfied customers.

3.2.4   Promotion

Promotion is an important component of the marketing mix. It is communication aspect of the marketing mix. Without it, even the greatest product has no chance for success on the current market. "*Promotion is the star component of the marketing mix and refers to the means of communication used to inform the target market and convince potential customers and other stakeholders, to choose a company and/or its products.*" (Tălpău, 2014). Promotion decisions generally are strategies that the company will use to get more customers by raising awareness through different mediums or increase brand loyalty.

According to Martin (2014) promotion includes all activities and tools available to the marketer for marketing communication about the company's products and its benefits and features. These tools are summarized in the marketing communication mix. This mix also called promotional mix includes five basic elements. These elements are: advertisements, personal selling, sales promotion, direct marketing and public relations. Sometimes other tools can appear in this list depending on the author of corresponding literature.

Tălpău (2014) states that there are a number of **online promotion methods**: the website itself, paid advertising, search engine optimisation (SEO), promoting an organization through social networks, through partners and affiliates or through newsletters. All of these methods will be described more in following parts of this thesis starting with chapter 3.3.1 and continuing until part 3.3.6 included.

Even though the marketing success relies on the combination of all the parts of the marketing mix, this thesis will focus mostly on promotion.

3.3   Marketing communication mix

"*Marketing communications are intended to both inform and persuade a target audience, with a view to influencing the behaviour of that group.*" (Crawford, 1997, chapter 10) Communicating company's brand positioning and delivering it to the target audience is the foundation of marketing strategy. Designing the right marketing mix involves the four Ps i.e. product, price, place and promotion as was described above in 3.2. In the field of marketing communications, the efforts are towards the promotion part of the marketing mix.

According to Martin (2014) the marketing communications serve various key **objectives of promotional activities**. These objectives differ according to company's expectations from their promotional activities. These objectives are:

- **Building awareness** – the aim of this objective is to inform customers about the new as well as about already established company or the product in order to create the identity within the market.

- **Creating interest** – this objective identifies a need that the product fulfils and assures that customers recognize this need as something unfulfilled for them.

- **Providing information** – providing relevant information, which is not connected only with a new product coming into the market, but also with communication changes in business practices or company policy.

- **Stimulate demand** – a company may want to increase sales or get them back up to a target level after period with lower sales. Free demonstrations or special deals may be used to reach these objectives.

- **Differentiate product** – when there is a tough competition in the market, the company uses promotional activities to differentiate its product in the market. The focus here is mostly to features that may not be offered by competitors or may not be offered so well.

- **Reinforce the brand** – companies often use promotion to simply strengthen the brand and its place in the market. A strong brand helps turn first time purchases into life time purchaser thus build loyal customer base.

Thus the goal of marketing communication is to create a strong message that connects the company with its customers, highlight the product's quality and differentiate it from other brands on the true basis. A company's reputation is built over years, but it takes only a few seconds to lose it. Mostly because of unethical promotions, or the inability to deliver customers promoted goods or services in announced quality.

According to Huge and Fill (2007) the way how customers are persuaded to enter the buying process by promotion techniques has changed. The emphasis has shifted from a *promoting to* that means a one-way communication to a *communicating with* focus. The communicating with focus is about two-way communication between company and customer. The online communication mix was created as the answer to this shift. The growing usage of World Wide Web as a place where sellers and buyers meets, communicate, and do businesses allowed more targeted and personalized marketing communication. There are online marketing tools that help to promote the organization online. Not all of them are suitable for everyone, thus marketers should decide which of them to use and how integrate and synchronize them for the best results. Marketers often use various types, measure their profitability and choose the best ones.

Before describing and discussing the various types of marketing communication in relation to the online marketing communication mix it is necessary to describe one more important term, **integrated marketing communication**. With the rise of various communication channels, marketers are obliged to synchronize all of them in order not to confuse customers. These actions are marked as the integrated marketing communication.

Integrated marketing communication is defined by American Association of Advertising Agencies as: "*A concept of marketing communications planning that recognises the added value of a comprehensive plan that evaluates the strategic roles of a variety of communications disciplines and combines them to provide clarity, consistency and maximum communications impact through the seamless integration of discrete messages.*"

This can be observed in tendencies of internet shops to create brick and mortar showrooms to get closer to customers and an opposite effort of brick and mortar companies to present themselves online.

Marketing communication consists of planned and unplanned messages between firms and customers as well as among customers. Companies use planned messages to inform their customers or persuade them to buy products. Unplanned messages occur among customers as a word-of-mouth. In an online environment the customers control the information flow, thus the only way how companies can influence it, is by providing customers a good experience with a product or service. (Strauss, Frost, 2012)

The marketing communication objectives consist of the following factors influencing the marketing communication mix:

- **Target audience** - The identification of the target audience is obtained from the marketing strategy and marketing plan. If the target group is defined with precision this greatly assists in deciding upon both the content of the promotional message and the medium chosen to carry it.

- **Communication objectives** - There should be a clear understanding of what behavioural changes the communications programme is intended to bring about. The final message will differ if the goal would be to increase loyalty of customers or for example establish new uses of existing products.

- **Delivering the message** – The message should follow the pattern of the AIDA model, which states that a message should get attention, hold interest, arouse desire and obtain action. Also the channel for delivering should be in tune with the objectives and target audience.

- **Collecting feedback** – collecting feedback and research effects of the message sent is a necessary part of this process. It leads to changes in the promotional program or in the product offer itself.

According to Kotler and Armstrong (2012), there are five major promotion tools.

3.3.1   Advertising

"Advertising is a non-personal form of promotion that is delivered through selected media outlets that, under most circumstances, require the marketer to pay for message placement" (*What is advertising?,* 2014). Advertising is used to reach out geographically distributed consumers in a large scale. It could be through TV ads, paper and print ads, billboards, radio announcements, internet and other forms. It is a quick and legitimate tool, but it is expensive and mostly seen as one-way communication with customer.

All paid space on a website or in an e-mail is considered to be **internet advertising**. Internet advertising began with banner ads in 1994. Since then many types and formats of internet advertising evolved. Most important nowadays are:

- **Display ads** – are an interactive way of promoting products and services online and one of the most popular advertising tools. They are image ads that can be seen on websites (Thomas, 2011). It increases company's brand awareness when viewed and when carefully targeted it reaches high click-through rates especially on social sites where targeting can be rigorous. Display ads are not only images. They can be divided into **text ads** (lines of text similar to search ads), **banner ads** (images displayed next to the content of the webpage), **rich media** (interactive ads with animations, integrated games or ad space), and **video ads** (shown before, during or after a video clip). (*Display fundamentals: What is display advertising?*)

- **Email advertising –** the least expensive type of online advertising. Advertisers purchase space in the email sponsored by others. The ad appears in the form of a few sentences of text embedded in another firm's content, mostly in an email newsletter.

- **Sponsorships** – also known as advertorials integrates editorial content and advertising. Sponsors should be clearly identified otherwise it brings worries about ethics of this kind of sponsorship. (Strauss, Frost, 2012)

- **Mobile advertising –** developments in the mobile device market and the growing percentage of internet users via mobile devices are helping this area of advertising gain its promised land. The spending to mobile ads is growing worldwide. Mobile advertising can be in form of display ads, messaging, location based ads, paid search, video, voice, applications.

3.3.2   Personal selling

Personal selling is very effective in building customer relations and helping the consumer move from the awareness and knowledge stage to conviction and action. This element is used usually by companies selling higher-end products and services that require more assertive efforts to persuade customers to buy. It includes sales presentations or trade shows.

According to Strauss and Frost (2012) personal selling is not used much online because when salesperson is involved it is better to use the telephone or use face to face communication. However it is more and more common to find a little chat feature on various websites. This chat can be used by a customer who can ask questions in a real-time.
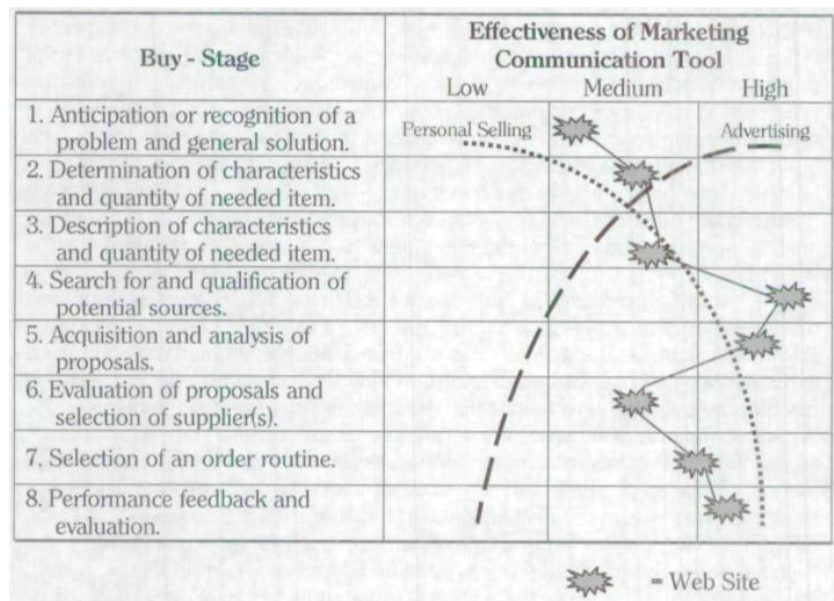
Figure 1: Comparison of an effectiveness of marketing communication tools.
Source: BERTHON et al., 1998, p. 694

3.3.3 Sales promotion

In contrast to advertising, sales promotion is more tactical than strategic. Sales promotions are short-term incentives to purchase or sell a product or service through discount coupons, contests, daily deals, samples, gifts and other offers. All these actions should add value over the company's standard offer of products or services. This can be understood as the creation of a short term competitive advantage in order to increase sales of a particular product or service.

Sales promotion as a part of e-marketing communication is used mainly in a form of sampling, discounts and contests or games. Online sales promotion works, especially to entice customers to change their behaviour in the short term, build databases for the company but not to build long term relationships. Sales promotion tactics on the internet are focused on consumers and their needs.

- **Sampling** – in the online world the most frequent type of sampling is a demo version of particular software.
- **Contests, games** – theses forms are used to increase the traffic on the website. Contests create excitement about brands and entice customers to visit the retailer and come back later for a new contest. Advergames combines fun and advertisements.

3.3.4 Public relations (PR)

It no longer only matters how good a product or service the company offers is. The success of final sales depends a lot on the overall company's image. Publicity and public relations is not the same thing.

"Publicity can be a highly effective communication tool, since 'news' is often perceived by the target group to have greater authenticity and credibility than 'advertising'." (Crawford, 1997, chapter 10) The role of public relations in a company is: "*Building good relations with the company's various publics by obtaining favourable publicity, building up a good corporate image, and handling or heading off unfavourable rumours, stories, and events.*" (Kotler, Armstrong, 2012) The various publics are not only customers but it also refers to how a company handle relationships and the flow of information with employees, shareholders, partners, competitors and the government. Especially in the food market a good reputation is essential. Strauss and Frost (2012) divide public relations in their book E-marketing further into **marketing public relations** and define it as: "*Marketing public relations (MPR) includes brand-related activities and nonpaid, third party media coverage to positively influence target markets.*" (Strauss, Frost, 2012). PR activities include press releases, sponsorships, special events and also web pages.

Marketing public relations activities using internet technology include the website content itself, online events, and many ways other to build buzz online.

- **Website** – every website is an MPR tool because it serves as an electronic brochure with current products and updated information about the owner. It is less expensive and more flexible than printed paper brochures sent by overnight mail. The website is the door into company, and must provide inviting, relevant and organized content for the target audience better than competitors.

- **Online events** – are organized to get user interest and draw traffic to a site. It could be online seminars, chats with interesting people or online streams of some show.

Last part of marketing communication mix that is direct marketing will be in more detail explained below. To summarize above mentioned facts about first four marketing communication mix tools the main advantages and disadvantages can be seen in following table number one:

Table 1: Marketing communication mix tools

Form of Promotion	Advantages	Disadvantages
Personal selling	Permits flexible presentation and gains immediate response.	Costs more than all other forms per contact. Difficult to attract good sales personnel.
Sales promotion	Gains attention and has instant effect.	Easy for others to imitate
Advertising	Appropriate for reaching mass audiences. Allows direct appeal and control over the message.	Considerable waste. Hard to demonstrate product. Hard to close sale. Difficult to measure results.
Public relations	Has a high degree of believability when done well.	Not as easily controlled as other forms. Difficult to demonstrate or measure results.

Source: Crawford, 1997, chapter 10

3.3.5   Direct marketing

This is a highly personalized communication tool that is addressed to specific, targeted people through email, telephone, mobile messages or online media. This tool allows interaction and cultivating lasting relationship with the customer. Companies can reach customers directly without the use of intermediary channels such as those required for advertising. This type of marketing is typically used by companies with smaller advertising budgets. TV advertisements are unattainable for mist start-ups and often do not have the brand recognition of larger firms. (*Direct marketing*)

- **E-mail** – Called as the internet's „killer app", according to Strauss and Frost (2012) because of the amount of people using this application. Recent statistics states that there were 4.1 billion email accounts in 2014 (Radicati, 2014). E-mailing can be highly personalized, targeted and can build relationships with customers. It is also the least expensive type of online advertising and is the most used form of the direct marketing. It is known mainly in the form of newsletters. *"But there's a dark side to the growing use of e-mail marketing. The explosion of* **spam** *– unsolicited, unwanted commercial e-mail messages that clog up e-mailboxes – has produced consumer irritation and frustration."* (Kotler, Armstrong, 2012, p.517). Such irritation led to the origin of **permission-based e-mails**. These e-mails are sent only to subscribed customers who can further choose what type of information they want to receive.

- **Viral marketing -** also known as the online word-of-mouth, is defined as follows: *"marketing phenomenon that facilitates and encourages people to pass along a marketing message."* (*Viral marketing)*.

It cannot be predicted which advertisement will go viral because cultural tastes changes quickly, but if it goes viral, the success of the campaign will grow rapidly.

3.3.6   Online marketing

Originally a part of direct marketing, but due to growing importance of the World Wide Web as a main ground for marketing communication, new authors of corresponding literature describe online marketing as a separate element of marketing communications. The internet and powerful mobile technologies have rapidly increased company efforts to market their products and build consumer relationships via social media, websites, mobile apps, e-commerce, online promotions and other forms of online communication.

Many tools of online marketing were described above as a part of major five promotion tools from an online perspective. Few more tools which are difficult to assign to classical marketing communication tools because of its pure online character are as follows:

- **Search engine marketing (SEM)** – the SEM is defined as a situation *"when a consumer or business person searches the web through either a text box or by clicking through a directory hierarchy, they are in ´hunt mode´"* (Lee). Such mode is unique because it indicates that the person is looking for information, usually of a direct or indirect commercial nature. Marketers understand that this ´hunt mode´ means that the searcher may very well be somewhere in the buying cycle, researching a product or service to try and satisfy an immediate need or future need. The search engine then provides results of some of the best sources of targeted traffic, whether that traffic originates from *organic* unpaid search listings or paid advertising listings. It is the largest spending category among online advertisements. Companies have to adapt their web pages to work well with search engines. (Lee)

- **Affiliate marketing** – *"Affiliate marketing is revenue sharing that occurs between online advertisers (also called merchants) and online salespeople (also called publishers). Compensation is based on performance measures, typically in the form of sales, clicks, registrations, or a hybrid model."* (Thomas, 2011, p.161) Such type of marketing is often called as the "black sheep" of online advertising because advertisers pays only for the publisher's performance and thus publishers often try to enhance their revenue by "grey" marketing practises.

- **Social networks** - Social networks are a part of social media that are based mainly on communication and interaction between people. "*What makes social media different is that content is not generated as a corporate monologue, such as in a newspaper or most company Web sites, but as a conversation, with all participants having the ability to upload content and discuss, edit or rate each other´s content*" (Strauss, Frost, 2012, p.307). Social networks are powerful   tools   for   anyone   who   knows   how   to   use   them.

It is like a word-of-mouth on steroids with very ridiculous cost compared to possible effect. *"A fully developed social media program can, for example, protect a brand in times of crisis, alert an organization´s decision makers to new trends in consumer interests and sentiment, influence hundreds of thousands of consumer to prefer one brand or product over another, and help tens of millions of consumers to discover a company, organization, or product at a fraction of the costs of other form of "traditional" media."* (Blanchard, 2013, p.8) Facebook pages, for example, are a clear and effective tactical tool for online retailers. The condition for success is to have a good and interactive web page connected with social networks. That is because the main goal of using the social networks is to increase the traffic towards the company's website.

Various forms of presenting a company online were presented, but before pointing out all the advantages of promoting company online, it first has to be found out how the internet in the Czech Republic is used. It has to be determine how small e-shops and other SMEs are using the Internet and how nuts or generally food is sold online.

3.4   Internet and its users in the Czech Republic

The technology boom in recent years has created a digital age. The internet has grown more quickly than any other medium in history and is now an inherent part of people's lives. It is used for buying, searching for information, connecting people, doing business and much more. *"Internet provides individual users with convenient and continuous access to information, entertainment, networking and communication"* (Strauss, Frost, 2012, p.7). The new trend had a major impact on companies' marketing strategies and overall consumer's buying behaviour in quite a short time.

Internet came into the Czech Republic and into marketing practise in 1993. Since then, first web pages and internet browsers have been created and used.

The first stage of the internet for public use is called Web 1.0. This was the World Wide Web composed of web pages which were not provided with interactive content. The internet, where you can interact with other people, is called Web 2.0. Web 2.0 is symbolized by social networks. "*Whereas Web 1.0 connected people to computer networks, Web 2.0 technologies also connect people with each other".* (Strauss, Frost, 2012, p.13) We are now in an era of Web 3.0, where both previous definitions are met and uplifted by more context and personalization. Web 3.0 results from combining content, commerce, community and context, with personalization and vertical search.

The connection of people via the internet and access to almost unlimited information forced marketers to give up the steering wheel to customers, who want to have control over the ways products are offered to them.

The usage of the internet by households and businesses in the Czech Republic has grown rapidly since 1993. Proof of this can be found on the website of Czech statistical office - CZSO. CZSO maps the number of internet users every year.

According to the newest results, there are about 72% of households using the internet in 2014. That is about 3 million households, which is a million more than five years ago. The internet users are mostly people in between 16 years and 65 years. The most active internet buyers are women on maternity leave.
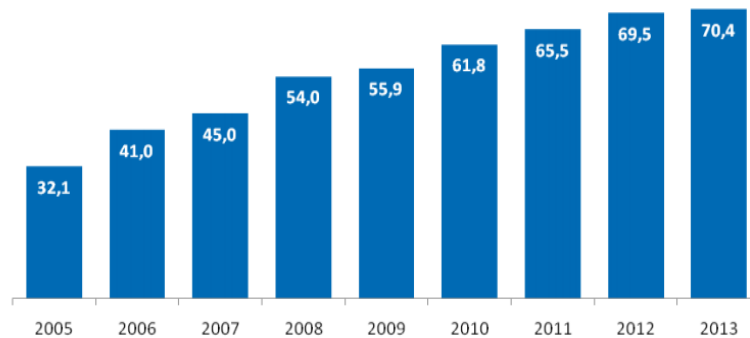

Figure 2: Number of internet users in the Czech Republic in percentage.
Source: Czech statistical office

The importance of the internet for businesses in the long run is still growing. This is demonstrated, for example, by the development of sales in online stores. Online shops as one of the few groups of retail businesses showed a growing trend, even in periods when households started to save money due to the deteriorated economic situation, which resulted in the stagnation of the total retail sales. In the retail sector of the internet and mail-order sales (CZ-NACE 47.91) in 2013 there were nearly 3,000 active enterprises. The sector employed nearly 5,000 employees. (CZSO, 2013)
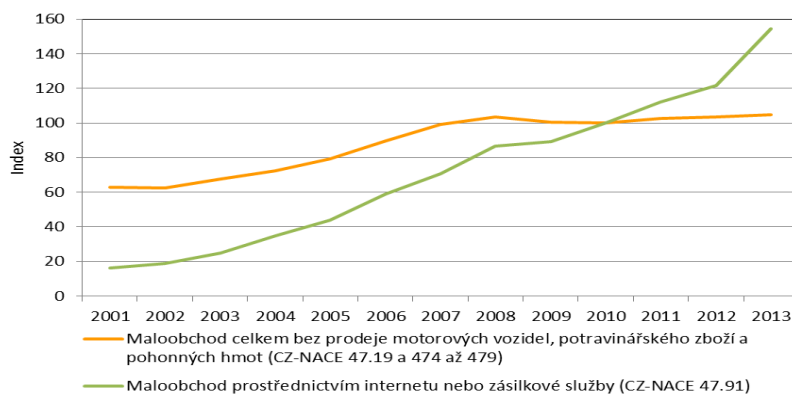

Figure 3: Development of sales at constant prices since 2001 in the Czech Republic. Retail sector-orange, retail using internet-green.
Source: Czech statistical office

We can see what a powerful and growing phenomenon the internet is. Even though the percentage of food sold via the internet compared to other products such as

electronics is small, it is slowly growing and we can expect further and more rapid growth in following years.

When considering the number of internet users previously mentioned in section 3.2, there is no doubt about importance and power of this media. Furthermore, continuous growth can be expected in importance and scale of the internet due to the ongoing technical revolution. Desktop computers and notebook are no longer the only access points to the internet. One can have the internet, figuratively speaking, in his pocket everywhere using smartphones, tablets or wearables as well as at home using smart TVs.

3.4.1   Online sale of food in the Czech republic

Internet shopping is experiencing unprecedented prosperity in the Czech Republic. According to Novák (2014) the exception in this trend was the food area. This area, offering the chance to become a huge and a profitable industry, starting to attract the attention in recent times. The strongest position in online purchases of food in the Czech Republic has the big food chain Tesco.

Brož (2014) stated that the slow growth of this type of the internet shopping is caused by logistical problems connected with transportation of the fresh food. Building this powerful logistic chain is costly. And the conservative Czech population tends to adapt new trends slowly. That is why many businessmen are still waiting and examining the market before entering it.

The exact numbers about the expenses for food on the internet are missing. The Czech Statistical Office is not observing retail sales in such detail. The only study, based on data from 2010, indicates that food and food supplements accounted for about three percent of spending on the internet. Even this small proportion was together about one billion Czech crowns. The current situation of the market with online sales of food can indicated according the leader in this area in the Czech Republic, Tesco. The internet sales of food now accounts for two percent of overall Tesco revenues. For the last financial year it results in almost a billion Czech crowns. Taking into account that Tesco is now a leader in this marketing field it may be expected that the entire market has moved well above this limit.

The Czech Republic can expect tremendous growth in buying food online in the Czech Republic. In the following two years many new online e-shops with food are expected to appear and also big food chains will open their online stores. By 2020 the market should increase in volume up to 20 billion Czech crowns or even more (Brož, 2014).

According to the recent study the fast moving consumer goods (FMCC) sector, where we can place also food and nuts, reached sales via internet in amount of 28bilion crowns in 2014. Food (excluding alcoholic and non-alcoholic beverages) is bought by 10% of the internet population. Typical customers are younger people and people with higher education and higher incomes. The average food purchases on the internet are 10 times a year, the average value of one purchase is about 500 CZK. Most often in a "shopping cart" are durable and canned foods, coffee, tea,

sweets and special food (e.g. products of healthy diet, international cuisine, etc.). (Incoma GfK, 2014)

Even though there is not much information about selling food online yet, the market is growing as can be seen by the example with retailer Tesco. Also the power of the internet as a selling channel is continuously growing. In spite of the fact of this strong selling channel, marketers have to keep in mind the customers in the first place. In the following part customer buying behaviour will be discussed with the emphasis on their behaviour in the online environment.

3.5   Customer buying behaviour

Customers as the most important element of marketplace, decide about products many times a day. Marketers try to analyse these patterns of people's behaviour and plan all marketing strategies and decisions accordingly. Customer buying behaviour covers a lot of ground and can be defined as: "*the study of consumers and the processes they use to choose, use (consume), and dispose of products and services. A more in depth definition will also include how that process impacts the world. Consumer behaviour incorporates ideas from several sciences including psychology, biology, chemistry and economics*" (Friesner, 2014b). One can also express it using the definition from book Consumer behaviour by Michael R. Solomon who says that: "*It is the study of the processes involved when individuals or groups select, purchase, use, or dispose of products, services, ideas, or experiences to satisfy needs and desires.*" (Solomon, 2013, p.7)

When talking about nuts, one talks about food. According to the division of buying decision behaviour, as can be seen on the picture below, it can be expected that food and particularly nuts can be placed in between *habitual buying behaviour* and *variety-seeking buying behaviour*. This depends on type of customer and his/her preferences. These two types of buying decision behaviour are significant with low customer involvement in buying these kinds of products because they are not that expensive and they are bought frequently. We distinguish between these two behaviours according the significance of perceiving the brand differences.

According to Kotler and Armstrong (2012) the recommended marketing strategy for habitual buying behaviour is the usage of price and sales promotions or adding product features to differentiate the product. The marketing strategy for variety-seeking buying behaviour differs for the market leader and minor brands. The leader tends to encourage the habitual buying behaviour by occupying shelf space and frequent advertising. Minor brands may offer lower prices, special deals or coupons to present reasons for trying something new.

It is important to say that the assumptions made in this part of the thesis will be further analysed and tested in the practical part.

	High Involvement	Low Involvement
Significant differences between brands	Complex Buying Behavior	Variety Seeking Behavior
Few differences between brands	Dissonance Reducing Buying Behavior	Habitual Buying Behavior

Table 2: Types of buying decision behaviour
Source: *Types of Buying Decision Behaviour*, 2010

The process of making decisions is very similar whether the consumer is offline or online. But major differences are the shopping environment and marketing communication. According to the traditional consumer decision model, the consumer purchase decision typically starts with need awareness, then information search, alternative evaluations, deciding to purchase and finally, post-purchasing behaviour. The buyer decision process according to Kotler and Armstrong (2012) can be described as follows:

- **Need recognition** – the start of the buying process when a buyer recognizes a need. This need can be either internal - for example hunger or thirst, or external caused by advertisement in TV, internet advertisement or discussion with a friend. In an online environment these needs could be found in statistics from web search engines and need creation is quite easy when displaying a company's advertisement on well targeted websites.

- **Information search** – An interested consumer may search for more information about the desired type of product. The most information can be obtained from the commercial sources controlled by marketers (TV, Internet etc.), but the most reliable ones are personal sources (family, friends and their recommendation). The internet is now mostly used for information search. The most popular and influential sources are user-generated types of internet communication such as blogs, discussion forums and social networks.

- **Evaluation of alternatives** – The evaluation among purchase possibilities is difficult to determine because it depends on the customer's current mood, deepness of the product knowledge and many more factors. In an online environment where there is a tough competition every detail counts. The website appearance, price, warranty and amount of information are just few items that customers think about.

- **Purchase decision –** The purchase decision is almost the final stage of the buyer's decision process. Even in this stage the purchase can be endangered

by two factors: the first factor is a different purchase attitude of a buyer´s peer can change the purchase decision. The second factor is represented by unexpected loss of income or other situation.

- **Post purchase behaviour** – The customer evaluated the product after purchase and this causes satisfaction or dissatisfaction. It depends on the gap between expectations and real performance of the product or service. A company should always advertise only what is able to deliver.

3.5.1   Customer buying behaviour online

As offerings and information moved online and thus changed the overall buying patterns, the buying behaviour of customers changed as well. Marketers now have to understand and serve a brand new type of customers. According to Judy Strauss and Raymond Frost (2012) new online customers are multitaskers, attending many electronic devices simultaneously. Classical web pages lost their attractiveness and social networks with news are now the object of interest. Customers now more than ever communicate with each other about products and services through online communities such as blogs, web sites, social sites and other types of online communication tools, where customers create the content. This is another reason proving that the new online customers have the power to influence marketing strategies of companies and those companies really have to care about delivered quality in order to assure overall good reputation. Strauss and Frost (2012) also provided the information that according to many studies, customers trust more in people like them than to official company's prospects. It is no longer about offering products but in this multimedia age customers want to be reached by relevant advertisements and to have a possibility to modify, customize their products in an entertaining way. Online customers want to have an accessible webpage with self-service, but same time they want to be pampered by the company's customer service. People do 5 basic things online – connect, create, enjoy, learn and trade.

The advantages and reasons that led consumer to buy online are:

- **Time poverty** - Time poverty is a problem of today's customers. Therefore more and more of them are saving their time, energy and fuel by shopping online. Internet shoppers are more goal and price oriented. This is one of the main reasons why online shopping is more and more popular.

- **Price comparison** – Online offerings from thousands of other sellers selling a similar product are just click away. The buyer no longer has to go around many brick stores and spend time comparing prices.

- **Larger inventory** – Buyers are not limited to retail stock but they can choose from a variety of products and offerings worldwide.

On the other hand, online shopping has some disadvantages and threats that consumer have to face.

- **Intangibility of products** – The buyer cannot touch, see, smell or taste the product when shopping online. This disadvantage is diminishing with rise of showrooms of only click companies.

- **Shipping costs** – Even products offered online are often cheaper than those in classic retail shops, the shipping cost can reduce this price advantage. Many e-shops offer "free shipping" when spending a minimum amount of money.

- **Personal data** - Some people are concerned about the potential security risks of storing and sharing their personal data and credit card numbers with online retailers. While this risk is also an issue for local retail stores, many people feel that purchasing online is an added security risk that they are just not willing to take.

As can be seen, the trend of online shopping is slowly growing as well as the number of e-shops offering food products. The advantage of e-shop providing durable products such as nuts is that these types of food products are an already commonly bought item on the internet. The goal of the practical part will be to find the exact reasons why people buy or do not buy these dried products generally and online and to what extent they are aware of the possibility of buying it online. Then suggest the best online communication mix to promote an e-shop with dried fruits – to answer the consumer's need, provide sufficient information and offer quality goods and services to final customer's purchase decision.

4 Methodology

The aim of this thesis is to find out the main reasons why the Czech customers are willing or unwilling to buy nuts and set online communication mix to support online sales of nuts. The research will aim to determine the specific customer buying behaviour in terms of nuts and make recommendations about how to improve the online marketing mix of the e-shop accordingly.

Results of this thesis will not be valuable only for particular e-shop mentioned in the introduction part of this thesis, but it could be also helpful for already established e-shops as well as for new companies entering the online market with this kind of food. Existing e-shops can use the results to check if their online communication mix corresponds with actual buying behaviour of customers. New start-ups can use the results for better understanding of the market and create their online communication mix according existing research.

In order to fulfil the aims of this thesis, secondary and primary data were used. In theoretical part, **secondary data** were obtained from the written and online sources. Secondary data are data previously gathered for some other purpose but has some relevance and utility for this research. (Silver, 2013) In this thesis, there are also statistical data used. The data were obtained from the Czech statistical office. During the initial stage, it was about finding the necessary information about the product, which are nuts and marketing, which includes online communication mix. The next phase consisted of processing a searched text. It was necessary to systematically process this text and record bibliographic information. This information is listed at the end of this thesis in part 5 under Literature. Information there is in the form given by the bibliographic standard (ČSN ISO 690 and ČSN ISO 690-2).

Primary data are data collected for the first time by researcher for specific research project. This thesis will collect primary data from in-depth interviews and from online questionnaire survey. Primary data analysis also takes place in the very first section of the practical part of this thesis. **Google analytics** will be used for a better understanding of online behaviour of customers visiting the e-shop www.zdrave-mlsani.net.

Because this thesis aims to understand deeper reasons why people buy or do not buy nuts, **qualitative research method** was set as the most appropriate way to understand these circumstances. Qualitative research is especially effective in obtaining culturally specific information about values, opinions, behaviours, and social contexts of particular populations. (*Qualitative research methods: A data collector's field guide*, 2012) There are many qualitative research techniques, however in this thesis, in-depth interviews were chosen as the most suitable method and will be further described below. Data obtained from qualitative research was backed by a questionnaire survey. A questionnaire survey is considered as a **quantitative research method**. Quantitative techniques provide a more general overview about the research problem. A detailed description of quantitative research techniques can be found in part 4.2. The quantitative part of marketing research

has been conducted in electronic form only. It is because this part of research was interested only in online customers. This research was conducted in March and April 2015.

This thesis works with two types of questionnaires. First type has been created for in-depth interviews, second type for internet questionnaire survey. The questionnaires are further modified for two groups of respondents. Respondents belonging to the first group are consumers of nuts. People who do not buy nuts are in the second group.

4.1 Google Analytics

Secondary data for further analysis were obtained from the application Google analytics. Google analytics is a free tool for any web page analysis. It generates a unique code for every single web page. This code was added to the source code of the e-shop www.zdrave-mlsani.net in December 2014. Since then data were collected and used for the purpose of this thesis. The monitored data covered the amount of visitors and traffic sources.

Furthermore, the practical part of this thesis works with data obtained from another Google application dealing with keywords, **Google AdWords.** It provides information about keywords competition and monthly searches.

There are few key performance indicators that are quite often used for this analytic tool:

- **Session** is the period time a user is actively engaged with your website, app, etc. All usage data (Screen Views, Events, Ecommerce, etc.) is associated with a session.

- **Bounce rate** is the percentage of single-page visits (i.e. visits in which the person left your site from the entrance page without interacting with the page).

- **New sessions** represents the estimation of the percentage of first time visits.

- **New users** represent the number of first-time users during the selected date range.

- **Pages/session** (Average Page Depth) is the average number of pages viewed during a session. Repeated views of a single page are counted.

- **Average session duration** is the average length of the session.

This application also presents where visitors of the website come from. For the purpose of this thesis only four channels were considered that play some role in bringing visitors to the webpage:

- **Organic search** is a term for search engine results that are naturally generated because of factors such as relevance to the search term and not influenced by commercial relationships between an organization and a search provider.

- **Referral** is the address of the webpage where a person clicked a link that sent them to your page.

- **Direct** search describes immediate visit to the specific web page without any referral webpage or redirection from the social media.

- **Social** refers to visits of particular webpage redirected from social networks

4.2   In depth interviews

In in-depth interviews a single person were asked about their opinion or view on the topic of interest. In-depth interviews could serve for discovering thoughts and beliefs of an interviewed person about the given topic. This can help researcher understand deeper behavioural patterns of consumers. (Belk, Fisher, Kozinets, 2013) Advantage of in-depth interviews may be a relaxed atmosphere and a feeling of comfort when the interview is only one-on-one, face to face. The interviewed person can answer questions more honestly than he or she would in a group and the researcher does not have to stick strictly to the interview guideline but can spontaneously ask upcoming questions. (McGivern, 2009)

Because topic of this thesis and questions in in-depth interviews are related to health, this form of qualitative research seems to be the most appropriate. Personal health, eating habits and knowledge about healthy food may be really personal and sensitive topics and people may feel embarrassed when talking about them in a group. Hence, when considering qualitative research, the focus group will not be used for the practical part of this thesis as a possible option.

There were 20 in-depth interviews conducted in April 2015. The questions for this interview are presented in the appendix. The in-depth interview started with questions about the respondents' perception of nuts, whether they buy them or not and why. Following this there were questions about their online activities and their attitude towards online advertisements. General questions about the age, gender, current employment status, studying etc. were asked in the very end of this questionnaire. The goal of interviews conducted for this thesis was to understand why people buy or do not buy nuts, if they are aware of advantages of consuming nuts and what is their attitude toward online shopping of food.

Because the aim of this thesis is to understand why people buy or do not buy nuts, the respondents were not chosen randomly. The researcher wants to know the opinions from both consumers and non-consumers of nuts. That is why there will be two groups of respondents. There will be principal questions for both groups, however, some questions will be modified for each group. Respondents were equally divided into groups 10:10.

The in-depth interviews were recorded by the researcher on a voice recorder.

4.3   Internet survey

Quantitative data were also collected for this thesis. Quantitative studies are used for general creation of a sample of the population. These methods put emphasis on the numerical meanings of words and acts. The researchers are objective observers. Finally, quantitative research takes a relatively small sample and attempts to generalize the findings across the population compared to qualitative approach, which focuses on understanding those patterns and trends in a particular context. (Silver, 2013)

Author wants to collect data from a wider range of customers than from in-depth interviews. Collection of data for quantitative survey was realized online because this thesis focuses on the online environment and customers shopping online. The survey questionnaire was designed in a logical order, starting with questions about healthy food and nuts, followed by questions about the internet activity of respondents. Demographic questions (gender, age and status) will follow.

The researcher used Google questionnaires, an application which allows creating a questionnaire and spreading it via internet. This application allows exporting data in the form of tables, thus the researcher may analyse them further using Microsoft Excel.

The questionnaire were sent to potential respondents via email, Facebook instant messages and posts and it was also placed on the official Facebook page of the e-shop www.zdrave-mlsani.net.

The internet survey was conducted in March and April 2015.

4.4   Questionnaires

Questionnaires are typically distributed to large groups of people in order to obtain general opinion on the questioned topic. Advantages of using questionnaires may be that they can be created and distributed in a cheap way, gathering information is not as difficult as it is in verbal or telephone survey and the answers are standardized, thus easy to compile. Disadvantages may be limiting respondents with answer options and necessity of correct understanding of given questions. (Crossman)

For the purposes of this thesis two questionnaires were created. First one was for the in-depth interviews and the second one for internet survey. The in-depth interview was aimed more on the understanding of particular opinions.

In the questionnaire, there are two types of questions, open-ended and close-ended questions. Open-ended questions allow respondents to precisely describe a given question but they are more difficult to summarize at the end of the study. Open-ended questions were prevailing in in-depth interviews. Close-ended questions are suitable mainly for internet survey. Answers for these questions are predefined.

In case of open-ended questions, the researcher used in both questionnaires the technique of **unaided awareness**. This type of awareness can be defines as *"a measure of the number of people who express knowledge of a brand or product without prompting (brand recall)"* (*Unaided vs. Aided Brand Awareness Survey Questions: What Do They Tell You?: How to test for brand recall and brand recognition.*). On the other hand close-ended questions are typical when the researcher wants to test **aided awareness**. This technique was used in questions where the respondent might not be aware enough about the problem, but for example predefined answers may help in creating his/her opinion. Aided awareness is *"a measure of the number of people who express knowledge of a brand or product when prompted (brand recognition)"*. (*Unaided vs. Aided Brand Awareness Survey Questions: What Do They Tell You?: How to test for brand recall and brand recognition.*). Typical question for unaided awareness is for example "Which e-shops selling nuts are you familiar with? (Please write your answers in the box below)". Contrary, a typical question for aided awareness is "Which of the following e-shops selling nuts have you heard of? (Select all that apply)". The rule of creating questions in this thesis was always first the open-ended questions based on the unaided awareness and then more specific close-ended questions based on the aided awareness. (*Unaided vs. Aided Brand Awareness Survey Questions: What Do They Tell You?: How to test for brand recall and brand recognition.*) Furthermore **top-of-mind awareness** was taken into consideration for the in-depth interviews. This awareness measures how easily consumers recall a particular brand in a particular situation without any cues.

It is important to use not only the correct type of questions and possible answers but also to allocate the questions in correct order within the questionnaire. The **laddering technique** is a structured approach of allocating questions. The basic idea of laddering is to find out firstly what is important for the interviewee concerning the product, and then why this is important. The laddering technique allows the researcher to get precise and detailed information. (Jensen, 2014) In this thesis questions were created from the most general to more and more specific ones.

Both questionnaires divide respondents into two groups. The first group are consumers of nuts and the second group are consumers that do not buy nuts. The questionnaires consist of principal questions that every single respondent should answer and questions created only for those two specific groups. By this division the researcher can obtain reasons and opinions of actual customers as well as reason why people do not buy nuts.

Both questionnaires were tested to check if the created questions are helpful and successfully lead to the output that the researcher hopes to get. This testing is called a **pilot study**.
For quantitative values of answers, the analysis was conducted by the use of contingency tables in MS Excel. For open-ended questions, answers were evaluated individually.

5 Practical part

In this section all the gathered data are written, discussed and graphically displayed including responses from:

- **Google analytics** about the company webpage, its performance and visitors
- **Internet survey** about general findings about healthy eating and online shopping
- **Interviews** about healthy eating and online shopping in a more detailed way

The internet survey and in-depth interviews were conducted in the Czech language as the research was for the Czech market. All results and full text of questionnaires for the internet survey and the in-depth interview are described in English in this thesis. The full text of the questionnaires can be found in the appendix of this thesis.

5.1 Google Analytics

Google analytics is an application that allows observing the overall performance of the webpage. Google analytics collects data from the webpage mainly about behaviour of visitors. This application was implemented to the website www.zdrave-mlsani.net in December 2014. The data presented below shows the performance of the website from December 2014 until April 2015.

  The website is dedicated to the Czech customers and does not have any other language version than the Czech language. The first picture and following graph shows how visitors of this website are spread within the Czech Republic.
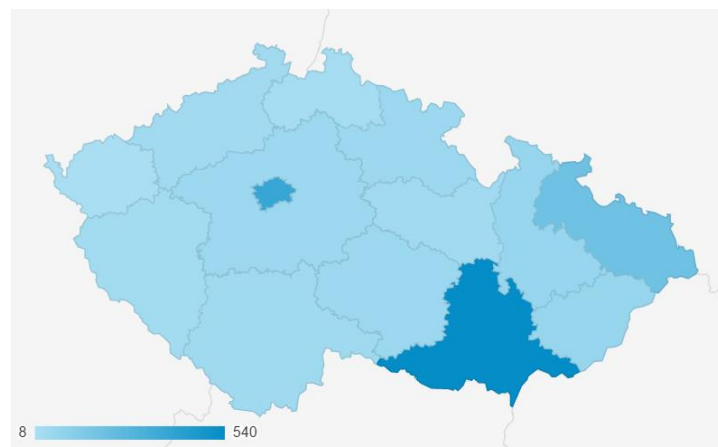

Figure 4: Amount of the website visitors within the Czech Republic
Source: Google analytics 2015

The majority of visitors come from the South Moravian region. That could be because of the fact that the e-shop office is located there. A large amount of visitors

coming from the Moravian-Silesian region can be influenced by many family relatives of the owner that live there and promote this business.

There were in total 1578 visits on the web page from the Czech Republic during the monitored period, which accounts for almost 70% of all visits. The top three regions were the South Moravian region, which represents more than 34% of visitors, Prague with 23% visitors and Moravian-Silesian Region with 12% contribution on visits.

There were in total 2290 visits of the webpage within the monitored period. The following table shows how the visits were divided into four main **channels** and furthermore it describes the visitors and their behaviour.

Table 3: A general overview of the channels

Channels	Acquisition			Behavior		
	Sessions	% New Sessions	New Users	Bounce Rate	Pages per session	Avg. Session Duration
TOTAL/ AVERAGE	2290	78.43%	1796	55.28%	4.94	0:02:11
Organic search	889	81.55%	725 (40.37%)	48.37%	5.70	0:02:23
Referral	592	88.01%	521 (29.01%)	96.28%	1.29	0:00:05
Direct	493	64.91%	320 (17.82%)	34.28%	7.48	0:03:57
Social	316	72.78%	230 (12.81%)	30.70%	5.66	0:02:48

Source: Google analytics 2015

As can be seen in the table above the majority of visitors and also new visitors came from organic search. On the other hand, other channels also play an important role when taking the number of sessions and the new session into account. Even though there are no big marketing and promotion efforts in terms of social sites and SEO, these channels bring many visitors to the website. Those visitors spend some time browsing the website as can be seen in columns *Pages per session* and *Avg. Session Duration* (Avg. stands for average). Doing more promotional activities through these channels may bring many valuable visitors to the website. Visitors from organic search and social sites spend quite similar time on the website and also see on average the same amount of pages on the website. There are also many new visitors from the referral pages, but there is a high level of bounce rate and short session duration. Further analysis of the referral pages can bring the answer of relevancy of these referral pages. Direct search according the table above brings visitors that spend the longest time browsing the website and that see on average the most pages.

For better clarity, the following graph shows data from the previous table about the number of sessions each channel is responsible for in a graphical way.
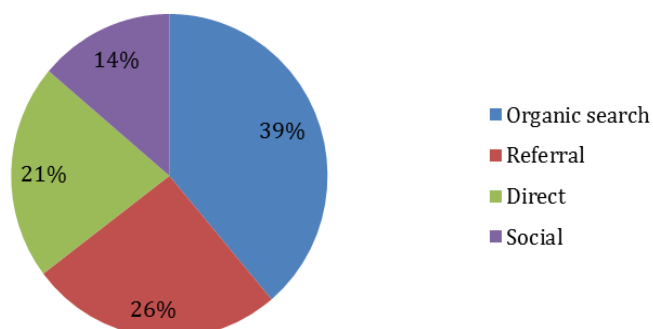
Channels

Figure 5: Channels of the website traffic
Source: Google analytics 2015

When we analyse **organic search** more, we can find the **keywords** that lead to visit this webpage. Among the top 10 phrases that were inserted into search engines and lead to visit the discussed webpage were:

Table 4: Top 10 keywords

	Keyword	Sessions (total)	Sessions (percentage)
1.	(not provided)	387	43.53%
2.	zdravé mlsání recepty	75	8.44%
3.	http://www.zdrave-mlsani.net	33	3.71%
4.	recepty na zdravé mlsání	32	3.60%
5.	zdravé mlsání oříšky	21	2.36%
6.	www.zdrave-mlsani.net	18	2.02%
7.	zdravé mlsání	11	1.24%
8.	zdrave-mlsani.net	11	1.24%
9.	zdravé mlsání dražovice	10	1.12%
10.	zdrave-mlsani.cz	9	1.01%

Source: Google analytics 2015

There were in total 889 sessions connected with organic search according to Google Analytics. Because of growing levels of customer's privacy within the internet, this tool cannot provide the complete list of keywords. This tool should be rather helpful for the website owners to know the approximate pattern how customers find their website. The second and the fourth place stand for keywords containing the word *recipes*. This can be interesting for future web contain planning of the webpage.

One page dedicated to various recipes using the nuts offered by the e-shop can bring even more traffic and potential customers to the webpage. The keywords containing the word *recipes* stand for in total 17% of all keywords used.

Even though the amount of visitors from the **referral** pages is quite high, the average bounce rate is more than 96%. After further analysis, these pages do not bring real customers because they are mostly pages offering the web analysis, free buttons for the webpages and similar things. Because of this the referral pages will not be presented here because of very low relevancy.

Direct search as was already mentioned above brings visitors that spend on average the longest time on the website and that browse the most pages within the webpage. The data from direct search shows which page of the webpage was searched the most. This type of data is not helpfull for the purposes of this thesis, thus the table will not be presented here.

The only one **social** source is the Facebook because this is the only social site that this e-shop has its promotional page. The bounce rate is only about 30.7 % and the percentage of new sessions is over 72%. Great targeting and investments into Facebook ads can further improve these results.

Another interesting data that can be obtained from Google analytics are **sources/mediums** from which visitors are coming. Top 10 sources of webpage traffic are:

Table 5: Sources and mediums of the website traffic

	Source/Medium	Sessions (total)	Sessions (percentage)
1.	(direct)/(none)	493	21.53%
2.	google/organic	442	19.30%
3.	seznam/organic	431	18.82%
4.	l.facebook.com/referral	194	8.47%
5.	semalt.semalt.com/referral	155	6.77%
6.	buttons-for-website.com/referral	103	4.50%
7.	simple-share-buttons.com/referral	88	3.84%
8.	facebook.com/referral	82	3.58%
9.	forum.topic57008389.darodar.com/referral	64	2.79%
10.	site40.simple-share-buttons.com/referral	40	1.75%

Source: Google analytics 2015

The most important information from this table is the number of visitors from Google and from the local search engine Seznam. The amount of visitors is nearly the same thus the focus on SEO should not be only on the Google search engine but also on the Seznam search engine. The number of the direct searches is not accurate because it is mixed with undefined searches. Facebook referral page appears on the fourth and eighth place and indicated that the social sites might also bring customers.

5.1.1 Recommendation

The general recommendations resulting from the whole Google Analytics analysis will be presented here.

First of all, according to the metrics, the e-shop should focus on the active management of social sites and start with SEO optimization. These two actions might be very helpful when searching for new interested visitors.

Taking into account the keywords from the organic search it would worth to create a new page within the e-shop or brand new blog connected with this webpage containing recipes and tips about the nuts. Sharing the blog posts via social sites might increase the effectiveness of this activity.

The only action regarding the referral pages might be that the administrator of those webpages should be asked to remove the links of the webpage www.zdrave-mlsani.net. That is because a high bounce rate negatively influences the overall webpage rating in search engines.

Direct search can be supported by offline marketing techniques such as flyers or samples given to the population or presenting the e-shop on some events, markets etc.

Presenting the website on other social sites might also be a good promotional strategy. It is very low cost, there are many users and there is also the potential of targeting and thus effective marketing activities.

5.2 Internet survey

The main aim of this survey was to discover general opinions of the population about healthy eating, their buying behaviour towards nuts and online shopping behaviour in general. Another goal was to discover general reasons why people buy or do not buy nuts.

The internet survey was conducted in March and April 2015. The survey started on March 17, 2015 and ended on April 4, 2015.

The questions that the internet survey contributed to the researcher's understanding of the overall perception of nuts and the internet shopping and advertisements. The questions for the internet survey were mostly close-ended and simplified using predetermined answers. All questions in the internet survey were obligatory except one open-ended question only for those respondents who responded that they do not buy/eat nuts.

In total 395 respondents filled out the internet survey. The internet survey was divided into three parts. The first part was about the healthy lifestyle and the nuts, the second part about the internet activities and the third part contained the demographic questions. This analysis starts with the obtained demographic information to present a general overview of the respondents. This is followed by the parts about the nuts and internet activities.

The majority of respondents were between the age of 27 and 35 years. The second biggest group of respondents were people between 18 and 22 years and 23 and 26 years, which in total created half of all responds.

More than 70% of respondents were females. That might indicate that women are more interested in topics such as healthy eating than men. Respondents were mainly employed people and students either working or not. The majority of the respondents have a monthly income up to 20.000 CZK.

Table 6: Results from demographic questions

		In total
Gender	Male	101
	Female	293
Age	<18	21
	18-22	98
	23-26	99
	27-35	113
	36-55	56
	>56	7
Status	unemployed	13
	employed	152
	student	106
	working student	57
	entrepreneur	66
Income	under 10.000CZK	147
	11.000CZK - 20.000CZK	133
	21.000CZK - 30.000CZK	69
	31.000CZK - 50.000CZK	27
	more than 50.000CZK	18

The last demographic question was about the **place of residence** within the Czech Republic. Respondents should choose one of given predetermined answers. This question is represented using graphical way for better readability.
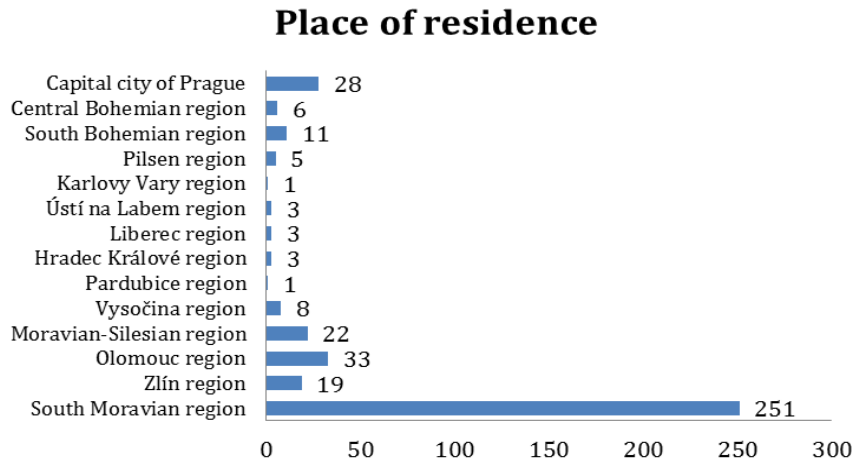
Place of residence

Figure 6: Place of residence of internet survey's respondents

This internet survey collected responses from every single region in the Czech Republic. The majority of responses were from the South Moravian region which is researcher's home region.

5.2.1   Nuts

This internet survey started with questions about the importance of nuts in the lives of the respondents. On the first page of the survey, the first two questions were shown. The third and following questions already related to the topic of the nuts and the researcher did not want to uncover this topic immediately. First of all, the researcher wanted to know how people feel about a healthy lifestyle and how healthy do they consider particular food.

Firstly, the researcher wanted to know **how important a healthy lifestyle is for the respondents**. Information about the importance of a healthy lifestyle was important because the aim of this thesis was to position nuts as a healthy product and thus to analyse the potential market and the consumer's actual preferences. This question consisted of 5 point scale ranging from *1 – not important at all*, to *5 – very important*.

Table 7: Importance of healthy lifestyle for respondents

Scale	1 - not at all important	2	3	4	5 - very important
Number of responses	11	17	82	158	126

According to the results presented in the table above, the overall interest about healthy lifestyle is quite large because majority of respondents are within the categories either *Important* or *Very important*.

For the purposes of the creation of an optimal marketing communication strategy, the data from this question were taken and related to the age of the respondents to determine the potential of each market segment according to the age.
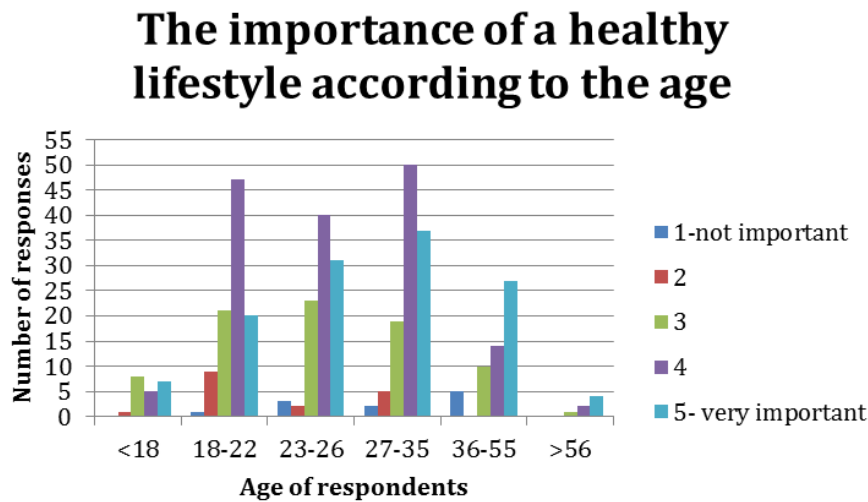

Figure 7: The importance of a healthy lifestyle according to the age of respondents

As can be seen, people between 23-35 years are interested the most in a healthy lifestyle and products connected with this trend. Another category that might be interesting for businesses connected with healthy lifestyle are people in between 36-55 years.

Matrix question number two served as tool for discovering how people feel about the nuts. It also used a 5 point scale starting from the option *Very healthy* continues to the right to options *Healthy, Neutral, Unhealthy* and *Very unhealthy*. Respondents filled this scale for in total 7 products. The aim of this question was to present nuts among other products to get unbiased answers about how respondents feel about healthiness of nuts. The following graph shows all answers.

Percieved healtiness of food

Number of responds / **Types of food**
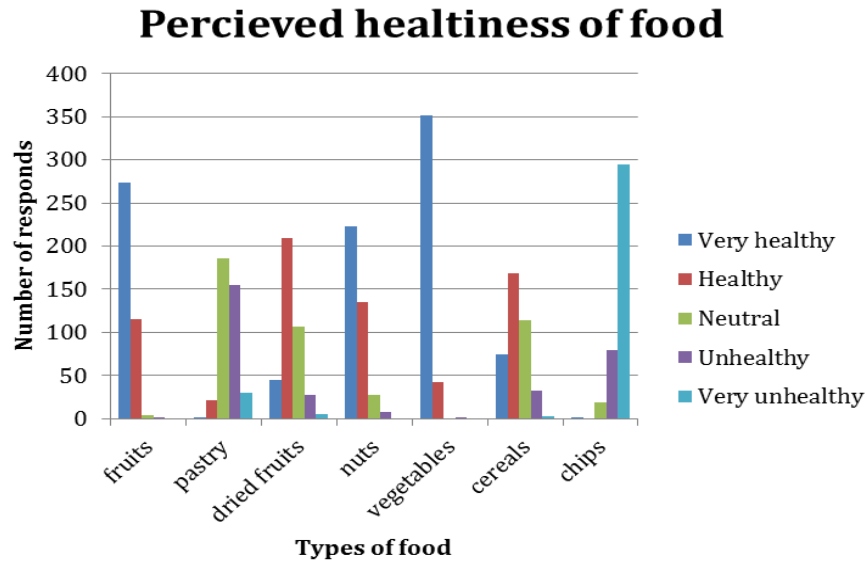
Figure 8: Healthiness of given types of food

This graph shows that nuts are considered mainly as *Very healthy* together with *fruits* and *vegetables*. This fact can answer our question about the position of nuts in minds of people. It can be stated that nuts are considered as a healthy food according this survey.

Nuts

7%
34%
57%

- Very healthy
- Healthy
- Neutral
- Unhealthy
- Very unhealthy
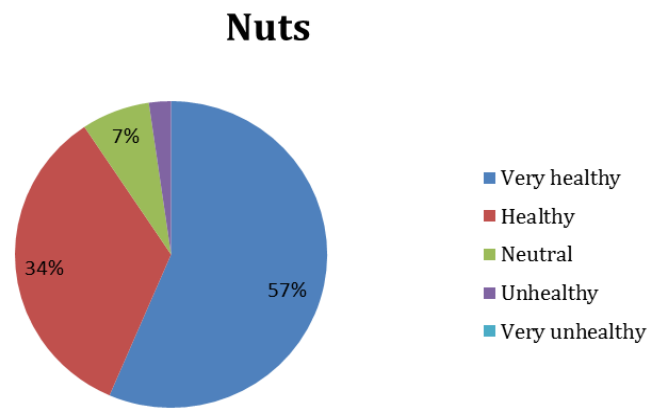
Figure 9: Helathiness of nuts

This graph shows more precisely how the responses about the nuts were divided into given categories. According this result, there will not be a necessity to create strong online communication mix for good positioning of nuts but rather to profit from this overall awareness and present the healthiness of nuts as a known advantage.

Question number three together with question number four appeared on the second page of the internet survey. These questions were directly formulated with the emphasis on the nuts as a main topic.

This question allowed respondents to choose all answers that apply. The overall awareness about the qualities of nuts was tested. Using this question the researcher wanted to discover what people know about nuts and use this data to adapt the online marketing mix to promote even more the qualities than those that are actually known. In this question there was purposely one wrong option.

Known qualities of nuts
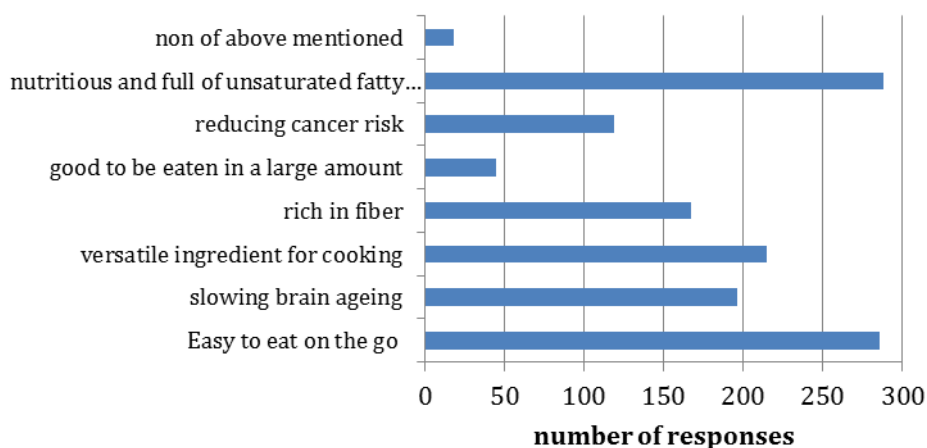
Figure 10: Qualities of nuts according to the respondents

The results from the internet survey show that people are aware of nuts as a *food to go* and that the nuts are *nutritious and full of unsaturated fatty acids*. Contrarily, the *reduced cancer risks* seem to be the most prominent feature the respondents are not aware of. The online communication mix should focus more about communication of healthy aspects of the nuts, in what amounts they should be consumed and thus create overall population awareness.

The fourth asked the respondents **if they buy nuts**. There were only two options *Yes* and *No*. Using this question the respondents were divided into two categories according to which different questions for each category followed.
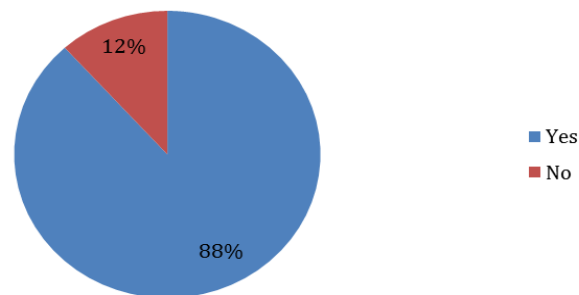
Do you buy nuts?

12%

88%

■ Yes
■ No

Figure 11: Number of people that buy/do not buy nuts

It turned out that almost 90% of respondents actually buy nuts.

The question number five appeared only for those respondents who responded that they do not buy nuts. This was the only open-ended question and the only one that was not obligatory. There were 46 respondents who answered that they do not buy nuts. This open-ended question was answered by 39 respondents.

These answers might be very valuable for the right set of online communication mix. The **reasons why they do not buy the nuts** are as follows:

- I do not like nuts, their taste
- I do not miss nuts/need nuts in my diet
- Allergies
- Price
- I do not feel well after eating nuts
- I have got my own source of nuts
- They are so small that they are not important for me
- I do not know where to buy nuts
- Laziness

The most frequented answer was the allergy. Interesting points for online communication mix might be lower prices highlighting and increase awareness that nuts are available just few clicks away from their home using e-shops. Another outcome from this part of the research might be that when people do not like nuts or they think they do not need them, show them nuts as a versatile ingredient for cooking.

Together with question seven, question number six was shown only for those respondents who answered that they do buy nuts. The researcher wanted to know more about their buying behaviour and asked **"where do they usually buy nuts?"** Thus questions number six and seven were answered by 348 respondents.

This question allowed selection of all options that applied. This question contained also option *Other* that allowed respondents to write other source of nuts if they have some. There were three predetermined answers: *internet, supermarkets, and specialized shops/stands*. The *Other* answers were:

- Own home/family sources
- On the local markets
- In the greengrocery store
- In a health food store
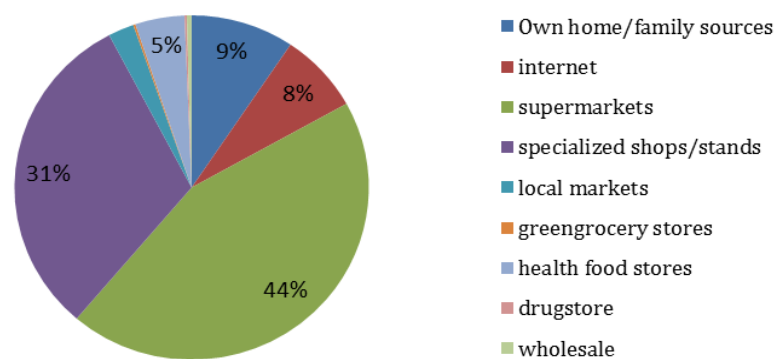- At the drugstore
- Wholesale

Sources of the nuts

Figure 12: Sources of the nuts

According to this result, normal way of selling/buying the nuts in a classical brick and mortar shops is prevailing. The supermarkets and specialized shops/stands are the most frequented answer. Internet as a channel for buying the nuts was chosen by 35 people out of 348 which stand only for about 8% of respondents. The third biggest category is represented by people using their own sources. It is still quite common in the Czech Republic. In fact those people are quite limited in terms of varieties of nuts they consume. The climatic conditions of the Czech Republic allow to grow only a few types of nuts and therefore the majority of nuts are imported.

The following question asked the respondents if they ever bought something through the e-shop www.zdrave-mlsani.net. This question contains only options

Yes or *No*. The aim of this question was to estimate the approximate awareness of this e-shop.

There were only 34 respondents out of 348 that have tried the e-shop www.zdrave-mlsani.net that stands only for 10% awareness. This low awareness was expected because there are almost no investments for the marketing purposes and this should be improved.

Question number eight was shown only for respondents that have tried this e-shop already. Thus 34 respondents were given the question if they would recommend this e-shop to their friend or family. This question consists of five-point scale starting from the left side with *1 - Not at all* continuing to the right until *5 – highly recommendable.*

Would you recommend this e-shop to your relatives?

Figure 13: How recommendable is given e-shop

There is a very small amount of respondents for this question but those, who have tried this e-shop, are above average satisfied with this experience and are willing to recommend this e-shop to their families and friends. An effective way how to attract new customers might be by activating and motivating the current ones that seem to be satisfied with the obtained products and services.

5.2.2   Internet activities

Second part of this internet survey focused on the internet activities. These questions were created for better understanding of people using the internet. The main focus was placed on their buying behaviour in the online environment and their attitude towards internet advertisements. All following questions were obligatory and were answered by all respondents.

The researcher wanted to know how many hours people are willing to spend on the internet daily. This question was a multiple choice with only one possible answer. All respondent answered this question. The results are presented in the following graph.
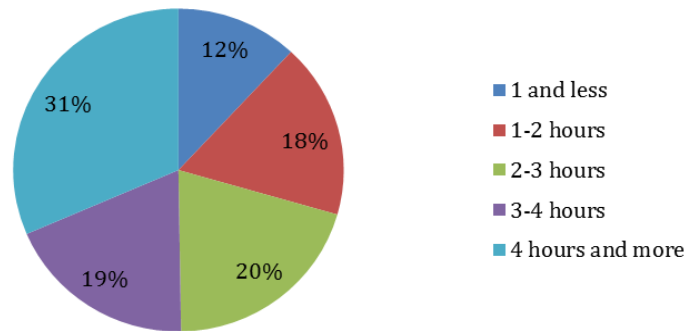
Hours spend daily using the internet

Figure 14: Hours spend daily by using the internet

Looking at this graph it is obvious that people spend many hours using internet daily. The biggest group of respondents spend 4 and more hours connected to the internet daily.

Question number ten was another matrix question that examined what the respondents do while browsing the internet. This question aimed mainly on examining the frequency of shopping activities.

Internet activities
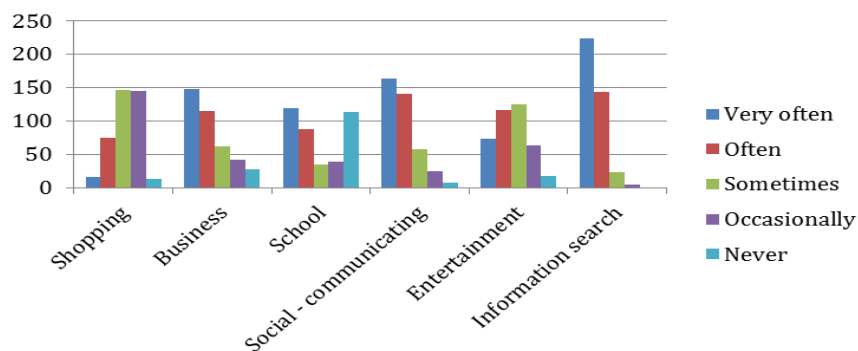
Figure 15: Internet activities

This result shows that people use the internet for shopping only sometimes and rather use the internet as a tool for information search or as a tool for communication or work duties.

The following graph graphically displays only the *shopping* option.

Shopping
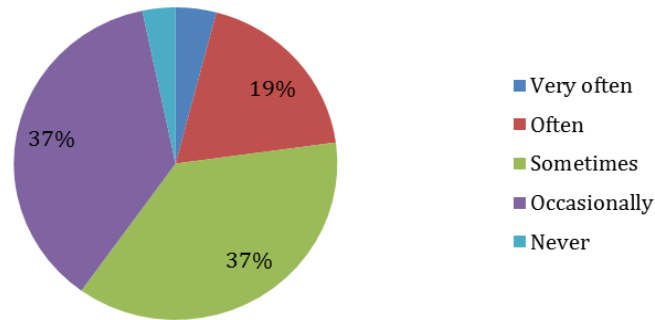
Figure 16: How often respondents shop online

According to this graph, the current population use the internet for shopping activities rather sometimes or occasionally.

The following multiple choice question allowed respondents to select all answers that applied or the *other* option. The researcher wanted to know how many people use the internet as a tool for buying fresh or packaged food.

Typical products ordered via internet
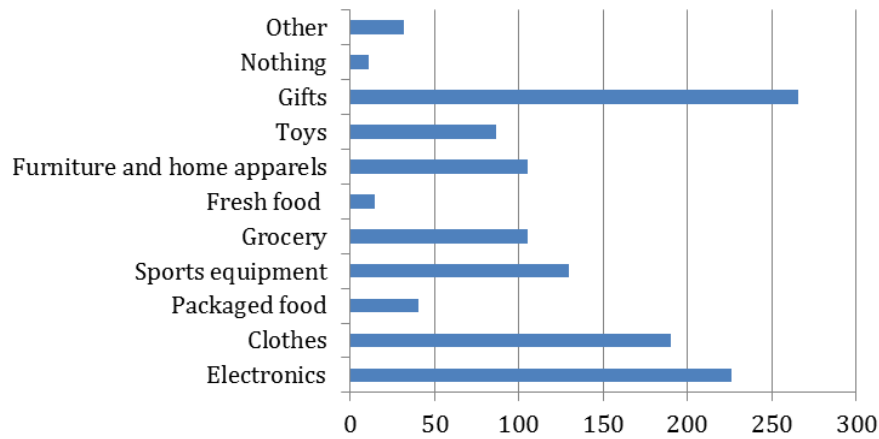
Figure 17: What respondents order online

It is known that the majority of all online sales consist of various electronic goods. This survey confirms this and adds that also gifts and clothes become very popular item for online shopping carts.

In total 15 out of 394 people order fresh food via the internet. There were 41 people out of 349 who order packaged food online which is closer to the nuts.
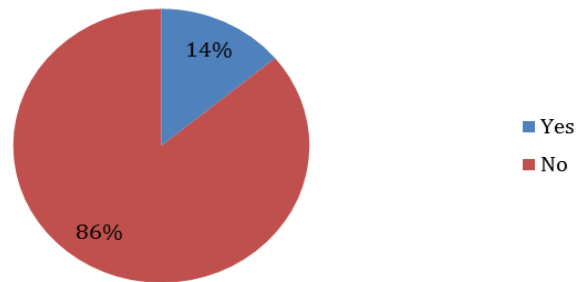
Have you ever bought nuts online?

Figure 18: Ordering nuts online

This graph shows that 86% of respondents have never bought nuts using the internet.

Using the last matrix question the researcher wanted to know how people feel about particular types of the online advertisements and thus recognize which tools might be interesting and effective for the online communication mix of above mentioned e-shop.
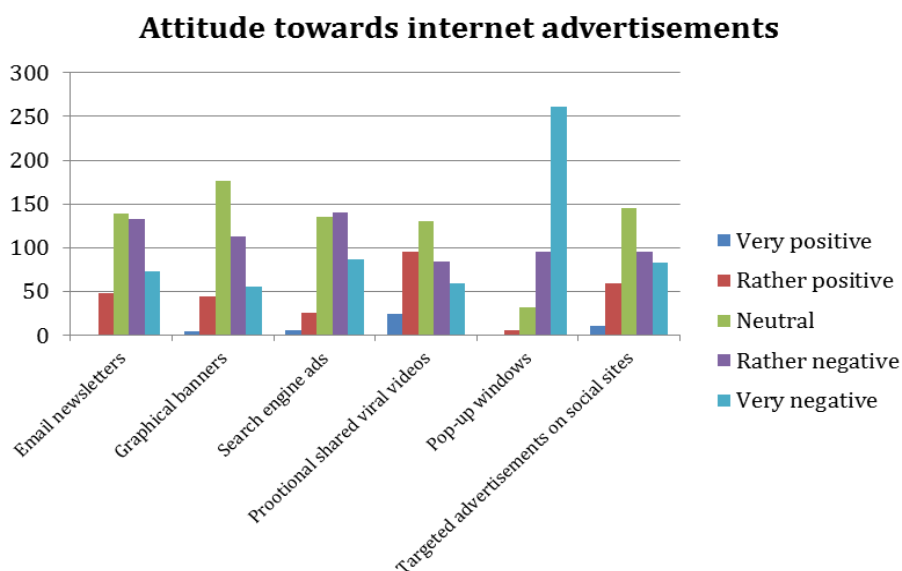
Figure 19: Respondent's attitude towards internet advertisements

Taking into account data from this graph, people are unsatisfied the most with the pop-up windows containing some advertising message.

On the other hand, the promotional viral videos are accepted quite well by respondents. Somewhere in the middle are graphical banners. Email newsletters, search engine ads and targeted ads on social sites depend a lot on the right targeting because for some respondents it is very negative and for others a very positive way of advertising.

5.2.3   Recommendations

It turned out that the majority of respondents are interested in a healthy lifestyle and they consider nuts as a healthy product. Thus the marketing communication mix should take the known benefits of nuts and sell it as the advantage for the population that currently try to maintain a healthy lifestyle thus eating healthy products.

The overall communication should according to this research focus on the healthy aspects of nuts.

Information such as the price advantages that e-shops have, versatility of nuts as an ingredient for cooking together with the wide range of healthy aspects of nuts might be communicated. This could reduce the customer's fears or prejudices towards nuts and thus encourage them to buy nuts more.

The communication mix should try to find a way to attract more people to the website. Focusing the communication mix on the specific segments that rose from this survey might be very effective. For instance, the promotion of the nuts varieties and their advantages for people, that mostly consumes nuts only from their own production. Furthermore there could be also an offline campaign distributing flyers at a shopping centre. Another plan could be for instance, starting a social media campaign with the goal to activate the current customers, giving them an incentive to attract their friends and family to the website.

Even though the fact that people do not use internet for shopping food that often, we can expect further growth as was explained in the theoretical part of this thesis. Encouraging the current customers to share how they use nuts in their homes or to write a public comment on the website about how satisfied they were might be helpful to build a well-trusted brand.

Communication and advertisements to reach the customers should be creative. Sending professional newsletters to the subscribed users and create YouTube videos might be a good way how to attract new customers without bothering them.

5.3   Interviews

While the internet survey aimed at uncovering the general opinions, the questions for the in-depth interviews were structured as open-ended and focused more on discovering particular reasons of the respondent's opinions or beliefs. The full text of the questionnaire created for the interviews can be found in the appendix.

The respondents were not chosen randomly. There were in total 20 interviews conducted in April 2015. Half of the respondents were people that actually buy and eat nuts. The second half of the respondents do not buy nuts often or at all.

This division was made because the researcher wanted to understand the behaviour of consumers as well as non-consumers.

5.3.1   Nuts

The main findings of this part of interview were primarily that people mostly do care about their **healthy lifestyle** or they would want to care which fit to the results from the internet survey. The main reasons for this are:

- They want to feel good
- They want to live long
- They want to be able to take care about their children or grandchildren.

Respondents that do not care much about their healthy lifestyle habits justify their attitude as follows:

- maintaining healthy lifestyle would be too expensive for them
- they were not brought up in a way that would make them care about the healthiness of their lifestyle

Vegetables, fruits, quality animal products, wholegrain bread were the most frequent answers for the question: **Which types of food do you consider healthy?** This question aimed at uncovering the top-of-mind awareness of respondents regarding nuts as healthy food. Nuts are considered as a healthy food by eight out of twenty respondents. In total, five of them were consumers of nuts and three were not consumers of nuts.

The researcher was further interested in **what comes to the respondents' minds first when they hear "nuts"**. The most frequented answer was "walnut". Sometimes "walnut tree" or "cracking walnuts". The most interesting answer according to the researcher was answered by almost one third of respondents. Those respondents perceive nuts as a kind of food good for their nerves. They mentioned that their parents repeated this information to them since their childhood.

As the researcher expected and the interviews via previous question confirmed, people in the Czech Republic know the walnuts the most. It is probably because of the fact that it is the most spread type of nuts in the Czech Republic.

Another question asked the respondents which types of nuts they know. This question aimed also at uncovering the top of mind awareness. The following *Figure 24* shows the results.

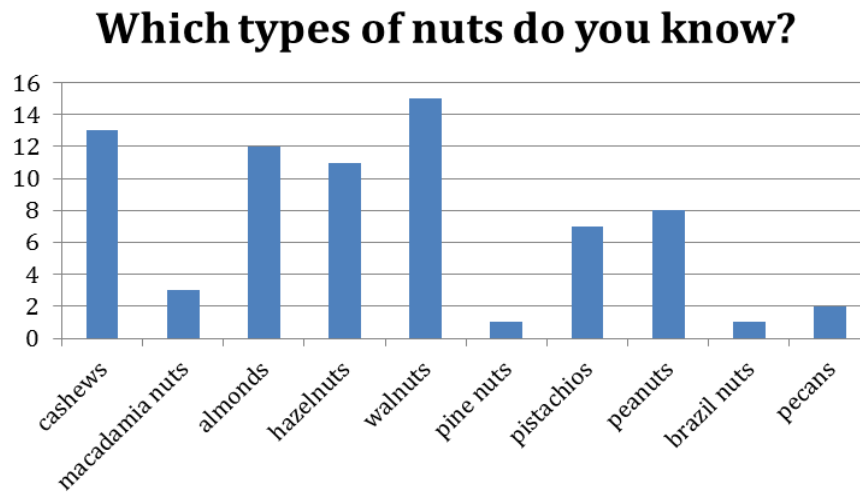## Which types of nuts do you know?

Figure 20: Known types of nuts

Walnuts, cashews, almonds and hazelnuts were the most frequent answers among respondents. Pistachios and peanuts might also be marked as quite well-known as they were mentioned by more than one fourth of respondents. More exotic types of nuts are not well known according to this research.

The interview followed with the question if the respondents perceive **nuts as healthy food**. In total 100% of respondents answered that they perceive nuts as a healthy food.

The researcher also wanted to know why the respondents perceive nuts as a healthy food. How aware are they about healthy aspects of nuts. The respondents should tell which **qualities of nuts** they know. The responses were as follows:

- healthy oils and acids
- minerals and vitamins
- good for nerves
- fast healthy snack

The overall awareness of the healthy aspects of nuts is not quite deep according to this research. These results correspond to the internet survey. The activities for educating the people in terms of healthy food and nuts might be beneficial for future sales because people will therefore know why to buy nuts.

Another question focused on possibility that nuts might be bought as a seasonal food. The graph below shows the results.

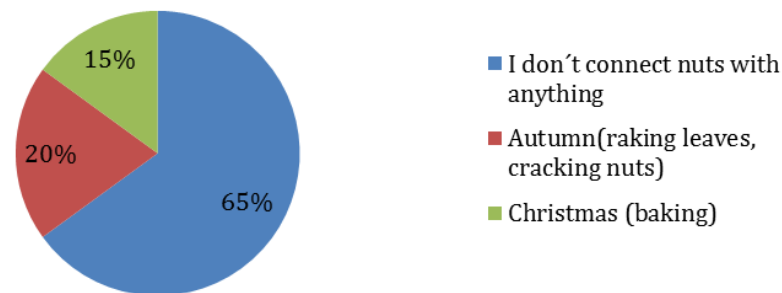**Do you connect nuts with some special occasion?**

Figure 21: Seasonality of the nuts

Even though there were some respondents that can think about the nuts in connection with autumn or Christmas time, no one actually buys nuts only in these times of the year. In total 65% of respondents actually buy nuts during the whole year or do not have any connection in terms of the season or activity with the nuts. The majority of them said that "Nuts are normal food for me".

Before the researcher started to ask the respondents that buy nuts more detailed questions about their buying behaviour, first of all the question **"Why do you/ don't you buy nuts?"** had to be answered.
    The main reasons according this research **why people do not buy** nuts are:

- They are not available everywhere
- I do not have any reason why to eat nuts
- Allergy

These answers correspond with the internet survey and recommendations how to encourage people to buying nuts were already described.
    Reasons **why people buy nuts** are as follows:

- Their taste
- Nuts satiates my hunger
- It is replacement for sweets and chips
- It is fast snack
- They are healthy and nutritious

These answers might be helpful when creating a new marketing communication strategy. Connect information such as "healthy, fast, nutritious snack" might be the core of a new marketing communication strategy.

To be able to understand the buying behaviour of respondents more, the research-er asked buyers of nuts for more questions. First of all the researcher was interest-ed in the place where the respondents buy nuts. The respondents could answer more than one source.
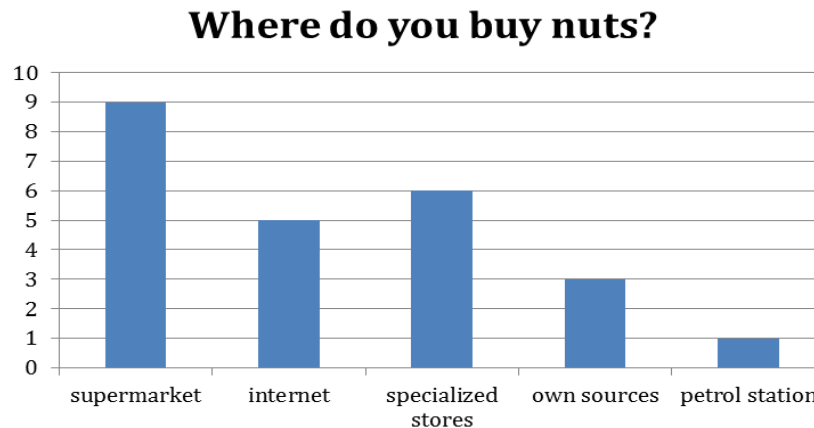
Where do you buy nuts?

Figure 22: Typical places for buying the nuts

The supermarkets as a place where people buy nuts prevail similar to the internet survey. Specialized stores and stands were also quite frequented answer. One half of respondents that buy nuts have actually tried to buy them via internet.

The respondents that consume nuts buy them no less frequently than every two weeks. The majority of respondents buy the nuts every week.

The factors that influence the respondents when buying nuts are namely:

- Quality (if the nuts do not look old, dried up)
- Only actual taste and need
- Price

An interesting point of this question was that the price level was mentioned only in two cases. According to this research people focus more on the quality when talk-ing about the nuts.

To be sure how the price level influence the respondents and how the nuts are perceived generally among consumers as well as among non-consumers of nuts examined the following question.
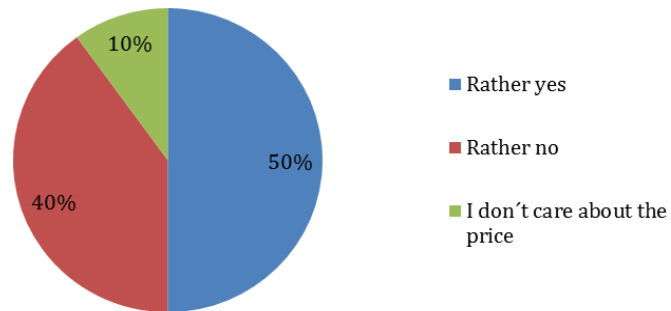
Do you consider nut expensive?

Figure 23: Price of the nuts

Even though seven out of ten respondents that normally buy nuts answered that nuts are expensive, this factor does not discourage them from buying this type of food. The price advantage that many e-shops have against the brick and mortar shops might support the bigger orders of nuts through this online channel.
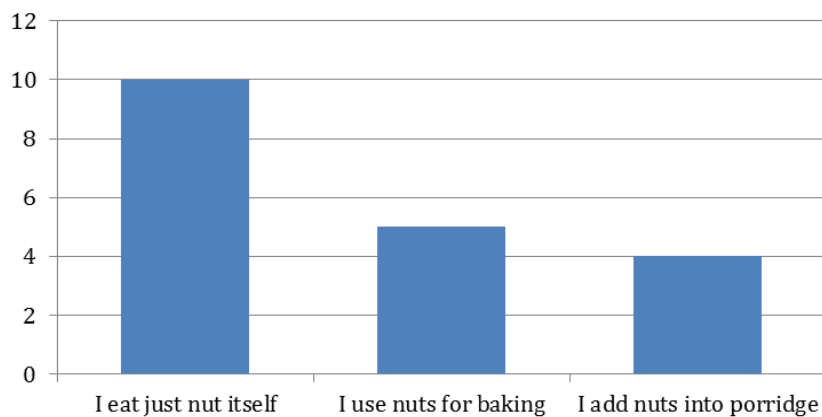
How do you eat nuts?

Figure 24: Ways how respondents eat nuts

The researcher wanted to know how people actually consume the nuts at home. The respondents were allowed to answer more than one way how they eat nuts. It turned out that the majority of respondents eat nuts without any modifications. Baking or adding the nuts into the porridge were the only two ways how the respondents use the nuts for preparing some other food.

The very last question followed the previous one and applied to all respondents. The responds for the question **"Can you express other ways how nuts can be used in the kitchen?"** are as follows:

- Add nuts into sweets (cakes, pies etc.)
- Add nuts into porridges
- Add nuts into salads
- Add nuts into normal food
- I don´t know any other way

There is some level of awareness what to do with the nuts in the kitchen, but as was mentioned above, writing posts on the website and social sites about interesting facts about the nuts, recipes and various tips can be the right choice how to communicate with new potential customers as well as please the current ones.

5.3.2   Internet activities

The main reasons why people use the internet were almost the same among all the respondents.

- School/work
- Communication
- Information search
- Entertainment

The most frequented answer was the *communication* and more specifically social sites or e-mail.

There were only four people out of twenty that commonly order food either fresh or packaged online. The rest never tried it or use this service very rarely. Those respondents who buy food online buy rather special products that are not available in every shop or nuts and similar products in bigger amounts.

Although many people said that the advantage of shopping food online may be in time saving they also said that the waiting time for their order is one of the main reasons why they do not buy food online. They do not want to wait a couple of days to get their order. They want it immediately or the next day at latest. On the other hand, they would use it more if the transport were faster.

The complete list of pros and cons of online food shopping according interviewed respondents can be seen in the following table:

Table 8: Reasons for and against buying food online

Reasons for buying/advantages of online food shopping	Reasons against buying/disadvantages of online food shopping
• Time saving • Greater product range • Lower prices • Accessibility	• Lack of trust • Need to choose food on their own • Uncommon activity – not enough recommendations • Too long waiting for the order • Uncertain quality/freshness

There were in total 8 respondents that tried to order nuts online. The reasons that would convince them or discourage them from buying the nuts online were similar to the table above. The greatest emphasis was placed on *recommendations*.

According to this research, the internet advertisements are not perceived in a bad way by internet users except the pop-up windows. In total 9 out of 20 respondents answered that they do not notice them or at least they try to ignore them a do not click on them. The other group of respondents that counts for 11 opinions told that they notice those internet advertisements on various web pages and they sometimes react and click on them.

The webpages or applications which offer the most appealing advertisement that often lead to internet user's reaction are:
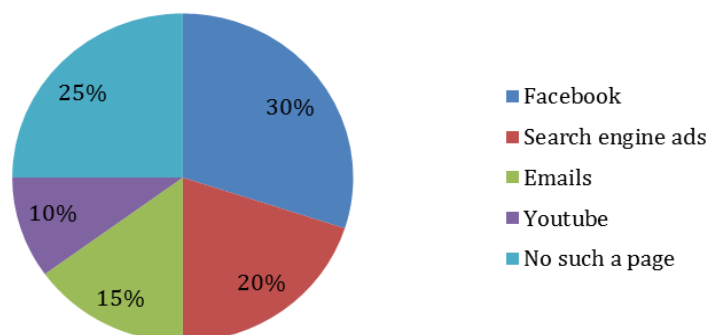

Figure 25: Place of the most appealing advertisements

According to this research, marketing investment into social sites and SEO might be prevailing.

5.3.3 Recommendations

The recommendations that could be made from the interviews are in some range similar to those from the internet survey. In this part only the different or additional recommendations will be described.

The emphasis within the online communication mix should be on the wide range of nuts and tips how to consume them. According to the results from interviews this awareness is missing.

Taking into account the place where people buy nuts the most frequently, the marketing activity to promote online sales of nuts might be to handing out the leaflets or samples in the supermarkets to inform the customers that they can have better quality for a lower price when they will use the online method of buying nuts.

The e-shops should focus a lot on the speed of their services. The faster they are able to process the order the happier the customers will be. Some guarantees for example that customers can get their order the next day if they order it before noon might be appreciated.

6 Discussion and limitations

The objective of this thesis was to determine the reasons to buy nuts and suggest the online marketing communication mix of nuts. As the recommendations were described in detail in the end every part of research this part will summarize the main recommendations and point out the limitations.

The actual research was divided into three parts. The first part focused on analytics data. The web performance of the website www.zdrave-mlsani.net was examined. This analysis helps to understand the important keywords as main sources of the website visitors and region they come from. The main recommendations were to focus on SEO on Google.cz as well as on Seznam.cz. Another step would be active management of the Facebook page and the usage of other social sites. These recommendations should lead to more website visitors. They should be also very effective and low cost because the tools and applications that allow targeting would be used. The limitation of this part of the research is in the duration the website was analysed. There were only five months for data gathering. Knowledge of earlier data would positively influence and refine the results.

The second part focuses on quantitative data using the online survey. This survey collects data about the respondents' opinions towards nuts and online shopping. The researcher concluded that the nuts are perceived as a healthy food and there are few known reasons why people buy them. The main recommendations arising from this survey are in terms of the marketing communications mix. The emphasis should be placed on promoting the healthy aspects of the nuts and their versatile use to make them interesting for consumers. To enhance the online sales of nuts, the current customers should be motivated to recommend this e-shop and share their good experience. There were almost 400 respondents from all over the Czech Republic but to be able to apply these findings to whole market of the Czech Republic, the sample of respondents should be higher. There were also many respondents that are close to the researcher and that are very interested in a healthy lifestyle, thus the sample of population might not be balanced.

The third part of the research was about the in-depth interviews. These interviews aimed to understand more about the consumers' buying behaviour of nuts and opinion about the online sales of food and various advertising techniques. The online communication mix, according to this research should focus on promoting various types of nuts and the delivery of the products should be very fast. One of the limitations was the amount of people interviewed. There were in total twenty interviews conducted. This qualitative research mainly included the people from the researcher's surroundings. The respondents were chosen to represent various types of people but even then these results could not represent the entire population of the Czech Republic. Furthermore there is always an influence of the moderator on the respondents. The moderator may ask questions and give information about the product, which has a positive or negative effect on the participants' attitude towards the product. This can also lead to a biased result.

7 Conclusion

The aim of this thesis was to screen the current market situation. That mean how people feel about nuts and their online buying behaviour of food. As the topic of the bachelor thesis is "Determining the reasons to buy and online marketing of nuts", the researcher found out that in the Czech Republic the nuts are perceive mostly as healthy food and that there is some, but rather low level of knowledge of their benefits. In term of online sales of food the Czech customers are still very careful and suspicious.

Using the results of this thesis it can be concluded that the benefits of nuts according to the research are their nutritional value and that can be easily taken on the go. Furthermore there are their healthy aspects that were described in the theoretical part. One of the objectives focused also on online shopping of food. Respondents were not very familiar with the online shopping of food because of the lack of experience and recommendations. Nuts are perceived as a healthy food but people do not have many reasons why to buy them. There is very low awareness of the various benefits of nuts and ways how to consume them. The first recommendation for the online communication mix resulting from the previous objectives is to communicate the benefits using the social sites and active website management. The communication should also go beyond the online barriers and find the potential customers in places, where they are buying the nuts the most such as supermarkets.

This thesis could be helpful for already established e-shops with nuts as well as for the new ones. This thesis contains the market research within the area of the nuts and healthy food that can help to understand the target customers. Furthermore, there is also an analysis of the online environment and general recommendations for successful management of the online communication with customers. For the chosen website there are also practical recommendations how to improve the website performance.

An online sale of the nuts is an area that is not much analysed yet. The only analyses are done by e-shops themselves on a small sample of their customers and they are not public. This thesis provides more general market research within this topic. However, further exploratory survey using large sample of population and bringing results applicable for the whole market of the Czech Republic is missing.

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List of abbreviations

GPS – Global Positioning System
SEO – Search Engine Optimization
SEM – Search Engine Marketing
CZSO – Czech statistical office

Appendices

A   Internet survey questionnaire

How important is a healthy lifestyle for you? *

1   2   3   4   5

not at all ○ ○ ○ ○ ○ very important

How healthy do you consider the following food to be *

	Very healthy	Healthy	Neutral	Unhealthy	Very unhealthy
Fruits	○	○	○	○	○
Pastry	○	○	○	○	○
Dried fruits	○	○	○	○	○
Nuts	○	○	○	○	○
Vegetables	○	○	○	○	○
Cereals	○	○	○	○	○
Chips	○	○	○	○	○

Please select below mentioned qualities of nuts that you've known about. *
select all that apply

☐ Easy to eat on the go
☐ Slowing brain ageing
☐ Versatile ingredient for cooking
☐ Rich in fiber
☐ Good to be eaten in a large amount daily
☐ Reducing cancer risk
☐ Nutritous and full of unsaturated fatty acids
☐ Non of above mentioned

Do you buy nuts? *

○ Yes
○ No

Could you briefly describe reasons why don't you buy nuts?

Where do you usually buy nuts? *

☐ Internet

☐ Supermarkets

☐ Specialized shops/stands

☐ Jiné:

Have you ever bought something using e-shop www.zdrave-mlsani.net? *

○ Yes

○ No

How likely is it that you would recommend this e-shop to your friends or family? *

1 2 3 4 5

Not at all ○ ○ ○ ○ ○ highly recommendable

Internet activities

How many hours do you spend on the internet daily? *

○ 4 hours and more
○ 3-4 hours
○ 2-3 hours
○ 1-2 hours
○ 1 hour and less

How often do you use the internet for the following activities? *

	Very often	Often	Sometimes	Occasionally	Never
Shopping	○	○	○	○	○
Business	○	○	○	○	○
School	○	○	○	○	○
Social - communicating	○	○	○	○	○
Entertainment	○	○	○	○	○
Information search	○	○	○	○	○

Which products do you order via internet? *

☐ Electronics
☐ Clothes
☐ Packaged food
☐ Sports equipment
☐ Furniture and home apparels
☐ Grocery
☐ Fresh food
☐ Gifts
☐ Toys
☐ Nothing
☐ Jiné: [   ]

Did you ever order nuts online? *

○ Yes

○ No

What is your opinion towards following internet advertisements? *

	Very positive	Rather positive	Neutral	Rather negative	Vey negative
Email newsletters	○	○	○	○	○
Graphical banners	○	○	○	○	○
Search engine ads	○	○	○	○	○
Promotional shared viral videos	○	○	○	○	○
Pop-up windows	○	○	○	○	○
Targeted advertisements on social sites	○	○	○	○	○

Demographic information

Gender *

○ Male

○ Female

Your age *

○ < 18

○ 18-22

○ 23-26

○ 27-35

○ 36-55

○ > 56

Status *

○ unemployed

○ employed

○ self-employed

○ studying

○ working student

What is your average income? *

○ Below 10.000CZK

○ 11.000CZK-20.000CZK

○ 21.000-30.000CZK

○ 31.000-50.000CZK

○ More than 50.000CZK

Where do you live? *

```
|                             ▼ |
|                               |
| South Moravian region         |
| Zlín region                   |
| Olomouc region                |
| Moravian-Silesian region      |
| Vysočina region               |
| Pardubice region              |
| Hradec Králové region         |
| Liberec region                |
| Ústí na Labem region          |
| Karlovy Vary region           |
| Pilsen region                 |
| South Bohemian region         |
| Central Bohemian region       |
| Capital city of Prague        |
```

B   In-depth interview questionnaire

Nuts

1.   How important is a healthy lifestyle for you?

    1.1. Why is/ is not a healthy lifestyle important for you?

2.   Can you list the types of food that you consider healthy?

3.   When do you think about nuts which ideas come to your mind first?

4.   Which types of nuts do you know?

5.   Do you consider nuts as a healthy food?

6.   Do you know any good qualities of nuts?

7.   Do you connect buying nuts with some special occasion?

8.   Do you buy nuts?

9.   Why do you/ don´t you buy nuts?

    9.1. Where do you buy nuts?

    9.2. How often do you buy nuts?

    9.3. Which factors influence you when buying nuts?

10. Do you consider nuts expensive?

11. How do you eat nuts?

    11.1.   Do you know/can you express other way how you can use nuts in the kitchen/for eating?

Internet activities

12. What are reasons for spending your time on the internet?

13. Do you order any packaged/fresh food online? Which one?

    13.1.   What are reasons that you buy/don´t buy packaged food online?

14. Can you list advantages and disadvantages for you of shopping food online?

15. Do you order nuts online? Why?

    15.1.   What would convince you to start buying them?

    15.2.   What discourages you from buying nuts online?

16. What is your opinion about internet advertisements? Why?

17. Where do you find the most appealing advertisements that make you click on them?

Demographic information

18. Gender

19. Age

20.   Status
21.   Income
22.   Place of residence