

**Czech University of Life Sciences Prague**

Faculty of Economics and Management

Department of Economics



Bachelor Thesis

**Economic Comparison of Online Marketing  
Campaigns: Case Study in Area of Baby Nutrition**

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# CZECH UNIVERSITY OF LIFE SCIENCES PRAGUE

Faculty of Economics and Management

## BACHELOR THESIS ASSIGNMENT

Žaneta Šupová

Economics and Management

Thesis title

Economic comparison of online marketing campaigns: A case study in area of baby nutrition

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### Objectives of thesis

The aim of this bachelor thesis is to identify different online marketing campaigns and define the marketing strategies of each of them. Also, economic comparison of marketing campaigns will be done.

### Methodology

An audit of data and database of the online marketing campaigns. Selected information must be analysed and market has to be segmented into different groups using appropriate methods. Using methods for creating of visual content to distinguish each marketing campaign is necessary. Methods for economic measurement and comparison of online marketing campaigns are used as well.

The proposed extent of the thesis

40 – 60 pages

Keywords

marketing, online, campaign, economic evaluation, strategy

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**Statutory Declaration**

I, the undersigned, hereby declare that I have worked on my bachelor thesis titled “Economic Comparison of Online Marketing Campaigns – Case Study in Area of Baby Nutrition” by myself and I have used only the sources mentioned at the end of the thesis.

In Prague,

.....

Žaneta Šupová

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I would like to thank Mr. Petr Procházka and all other persons, for their patience, advices and support during my work on this Thesis.

## **Economic Comparison of Online Marketing Campaigns: Case Study in Area of Baby Nutrition**

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### **Ekonomické porovnání online marketingových kampaní: případová studie v oblasti dětské výživy**

#### **Summary**

The aim of this work is to compare the cost of online marketing campaign. The work is divided into two parts. The first part, theoretical, presents and explains the basic concepts related to marketing, what is the role of marketing in today for the company and for the companies that use online campaigns. In the second part, practical, will be specifically mentioned online marketing campaign of two e-shops, there will be explained the basic principle of operation of the company and then a deeper analysis of profitability based on specific online marketing campaigns. After this analysis of both e-shops will be possible to economically compare which one of the two marketing campaigns was more successful.

#### **Souhrn**

Cílem této bakalářské práce je ekonomicky porovnat Online marketingové kampaně. Práce je rozdělena do dvou částí. První část, teoretická, uvádí a vysvětluje základní pojmy týkající se marketingu, jakou roli má marketing v dnešní době pro společnost a pro firmy, které online kampaně používají. V druhé části, praktické, bude již konkrétně uvedena online marketingová kampaň dětské výživy dvou e-shopů, bude vysvětlen základní princip fungování online obchodů a poté hlubší analýza profitability na základě online marketingové kampaně. Po této analýze obou e-shopů bude již možno ekonomicky porovnat, která z těchto dvou marketingových kampaní měla větší úspěch.

**Key Words:** Marketing, Online, Campaign, Economic Evaluation, Strategy

**Klíčová slova:** marketing, online, kampaň, ekonomické zhodnocení, strategie

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# 1 Introduction

Online marketing campaigns are an important part of marketing as itself. This type of marketing is nowadays very spread and most of the companies all over the world use it. It is not just cheap and quick, but also it is easier to “tailor” the advertisement for each user of the Internet. These strategies and campaigns have to influence all of us and get into our awareness, so we buy the specific product or service. This is also part of this bachelor thesis – to explain how is this tailor made used and how effective it is. There are many ways how to do it, but there will be analyzed just a couple of them. The most used and known are Pay Per Click, Search Engine Optimization, E-mail, Video Marketing and Social Media Marketing. Couple of these campaigns are used in the practical part – there will be shown when and where each campaign was launched and then the economic evaluation will follow.

E-mail Marketing and Search Engine Optimization have one big advantage and it is that they are set up for the whole year long. These activities do not need any special treatment to be spread to customers, especially in case of SEO. In case of e-mail newsletter, they need to be prepared in a way of design and special promotion sales, but this thesis is focused more on the way how to attain the result instead of what is needed to attain it. With regard to Video Marketing, in this thesis it is used as another possibility to achieve the success of getting new customers. In a chapter Video Marketing is briefly explained what is and why is it so effective to use this tool. The advantages and disadvantages of setting up this campaign to be successful and fully usable.

Pay Per Click and Social Media Marketing are explained more in detail. In case of PPC there is fully explained the process of setting up this tool, how to make it work and how to evaluate the success of a campaign. Very important about PPC campaign is to find out how many users of the Internet actually clicked on the banner pinned on the specific website.

Social Media are in area of marketing very important and useful tool to achieve the goal very quickly and easily. It is known that social media like Facebook or Twitter

are here not just to share everything with the world, but also to spread the information as soon as possible to as many as possible people. That is why this marketing tool is still more and more used. Social Media Marketing closely cooperate with Search Engine Optimization and its toll – cookies. In the chapter is briefly explained what is social media and why to use it, how many people in the Czech Republic use social media, especially Facebook, and what to expect from using social media as a marketing tool.

In the practical part many tables, graphs and pies will take place to show in detail how the marketing campaigns used and explained in the theoretical part were successful. The success will be demonstrated by the real numbers acquired on practice in E-commerce department. These numbers are very important to evaluate the strategies of both e-shops.

The evaluation will proceed as follows – first the determination of each activity must be done and specified when and what campaign was launched. Next by the acquired numbers the table and then comparison of these activities will be done in a way of profitability and success of both e-shops.

In the thesis the e-shops are named as E-shop X and E-shop Y, because all the numbers are highly confidential and could be misused by the competitors. In the practical part where the tables and graphs with these real numbers will take place, the market share data graph will come to evaluate the success of all the launched campaigns.

The aim of this thesis is to evaluate both e-shops by using these marketing tools and compare which was more profitable. The chapter Evaluation will consist of overall evaluation of success of the campaigns and will offer recommendation for both e-shop to support it and make it more effective and more interesting for customers and Internet users.

## **2 Thesis Objectives and Methodology**

### **2.1 Objectives**

The aim of this bachelor thesis is to identify different online marketing campaigns and define the marketing strategies of each of them. Not all of the marketing campaigns are explained here, but the most common and most used are identified.

This theoretical information will be applied in the analytical part by using acquired market share data. This data will be used in the special tables, graphs and pies to help identify the most useful and most successful campaign determined in this thesis.

After these steps the final economic comparison of the activities of both e-shops will be done. On the base of this results the evaluation of success of the campaigns and following recommendations will follow and the final part of conclusion will sum up the acquired information, evaluation and recommendation for both e-shops.

### **2.2 Methodology**

An audit of data and database of the online marketing campaigns. Selected information must be analysed and market has to be segmented into different groups using appropriate methods. Using methods for creating of visual content to distinguish each marketing campaign is necessary. Methods for economic measurement and comparison of online marketing campaigns are used as well.

To evaluate the campaigns the extraction of numbers from tables must be done to deduct the appropriate data to get the real and clear results. Synthesis of these information must follow for proper and correct results and induction of recommendation will the final part also contains.

### 3 Background Review of Marketing

Marketing is an activity of some company, which buys or sells products or services. By marketing activities are meant advertising, selling and delivering product to customers. In marketing is very important to deliver the message to people by using slogans, packing designs, celebrity endorsements and general media exposures. Marketing is a system of business activities, attitudes and methods, which permeates practically every business decision – about the product, manufacturing program, investments and innovative projects, shopping, personal even organizational questions.

Marketing mix is defined by four P's – product, place, price and promotion[10].

- **product** – is meant by goods and services each business provides for target customers. When the product is developing the business should consider quality, design, features, packing, customer service and any subsequent after-sale service.[11]
- **place** – thought mainly logistics, transportation the rodut to the customer. Online shops have to have stock in a good location, so it doesn't cost too much to transport it directly to the customer.[11]
- **price** – is an amount of money customer has to pay to get your product. Many cosideration about the price – must be reasonable in compare with quality and demand.[11]
- **promotion** – act of the communication of the product benefits for the customers, it involves tools like advertising, direct marketing, personal selling and sales promotion.[11]

### **3.1 The Role of Marketing**

The role of marketing in today's life is necessary for companies and firms that sell or buy products and services. All of them want to visualise their offer and higher the demand. The key point of marketing is always the customer. The firms need to find out the main clients and customers needs. The role of marketing is wider – it is not just an advertisement, it is work with with the market, it is business philosophy, which is derived from customer needs and tries to satisfy these needs and change it in a specified demand.

### **3.2 The Evolution of Marketing**

In a specified agrarian economy people were self-sufficient. They were providing their own food, making their own clothes, building their own houses and making tools. There also existed a very small specialization of work force and very small need of shift. Over time, however, begins to develop specialization of labor and artisans are focused on the manufacture of its products, in which achieving perfection. The result is that man made his product in larger quantities than needed, but he lacked other products. When a person produces more than it needs or needs more than manufactures, laying the foundation for commerce and trade is at the heart of marketing.[1]

Shift emerging in these economies are based on a simple basis. Most shops are operated on a small scale without specialization in management. Effort is devoted mainly produce and not the market. At the next stage of historical development of small-scale producers are starting to produce their goods in larger quantities in anticipation of future orders. Specialization of labor brought about a merchant who tries to sell increased production. Dealer acts as an intermediary between producers and consumers. To facilitate communication, buying and selling on a territorial basis bringing together various stakeholders of the company. Thus making shopping centers.[2]

Modern marketing in the United States came with the Industrial Revolution. Along with the growth of urban centers was conducted and dwindling rural population. Domesticated crafts moved to factories in which they came to work, people from rural areas. Created services ensuring daily needs of workers in factories who were no longer self-sufficient. The beginnings of independent marketers can speak in the second half of the 19th century and the first two decades of the 20th century. The first attempts aiming for growth of manufacturing companies, as market demand exceeded supply. A prerequisite for successful mass production, however, was the mass market. Only in terms of the mass market to the factory to work with optimal parameters. But the way the distribution of the products had to be extended and new methods for disposing of industrial production. Natural next step in this development was the increase the number of marketing specialists. Greater attention was paid to marketing in the US until the 30s, at a time of economic crisis, with extremely sharpened competition. In the mid-50s with a certain marketing concept gets in contrast to traditional concepts, which are – Manufacturing Concept, Product Concept, Selling Concept, Marketing Concept and Social Marketing Concept. [1]

### **Manufacturing Concept**

1900 - 1920: manufacturing concepts, which monitors maximizing production, increase labor productivity and reduce production costs primarily technical innovations. In the first place, the production and sales issue was considered secondary because the company based on the belief that consumers have their own interest in quality products that "good product sells itself." [12]

### **Products Concept**

1920 - 1930: Product concept (orientation), which is based on the uniqueness of the products, their quality, utility properties etc. The customer begins to orient himself by the quality of the goods.[12]

### **Selling Concept**

1930 - 1950: sales concept (orientation), which results in an economic downturn, the fundamental problem is not a shortage of goods, but lack of customers. Therefore, begin to study the habits and motivations of consumers, increasing the importance of assertive trade policy through extensive promotions, discounts etc. that has made goods "force" customers. [12]

### **Marketing Concept**

1950 - 1960: Marketing concept (orientation) that occurs after 2nd World War and is based on the observation that much more successful in their activities are businesses that are focused on the problems and issues of consumer products (particularly as regards the technical aspect) have included up to second place. Begins to identify what products consumers are particularly demanding. Firm may then produce a high degree of certainty that satisfies customer needs and thus provide for its production. [12]

### **Social Marketing Concept**

1960 - present: SOCIAL (social) marketing, which encourages the production and consumption of such products, which are not contrary to the public interest, are in harmony with the environment. [12]



**Figure 1: Marketing Concepts**



Source: [13]

### 3.3 Types of Marketing

**Converse marketing** – it is a type of marketing when customer doesn't know about new product so there is a need to inform him and call a demand

**Stimulating marketing** – the demand is only in some parts of country, or world, it depends how spread the product is; it is important to export the product to other territories

**Developing marketing** – the customer wants to satisfy his needs, but for now the product doesn't exist, it is necessary to evolve, make and put on the market

**Remarketing** – in this kind of marketing is important to longer the function of curve, characterizing product life cycle and hold the demand for some time [14]

## 4 Background Review of Online Marketing

### 4.1 Types of Internet Marketing Tools

Figure 2: Internet Marketing



Source: [15]

#### 4.1.1 Pay Per Click

Immediately after registering the comparative goods, you should focus the attention on PPC (Pay-Per-Click) advertising system. PPC model indicates payments for advertising, means payment per click. The advertiser pays only for the real user action, for visit of the website. If it is talking about PPC advertising, it is usually two PPC advertising systems - Google AdWords list and Sklik that mediate search ad in the two largest search engines in the Czech Republic and also have an extensive network of partner sites, which also display advertising. [16]

### **4.1.1.1 Advertising in search**

In the search for an ad appears above the natural search results - top position, up to 3 ads, and right alongside the search results - up to 8 ads. In Google sometimes ads may also appear below the search results.

The advertiser defines the keywords that are related to the product or service and who wants to be shown the ad, if anyone is going to look. At the same time determine the price they are willing to pay for clicks on these words. When it comes to the search engine user enters a search query – for example "Refrigerators", the search engine evaluates relevant advertisers who are interested in a given word, sort of advertising based on the price offered and the quality of ads and search results appear. If the user clicks on one of the ads, coming to the advertiser's website. The advertiser pays per click amount no higher than his bid for clicks. [5]

Search advertising is very well targeted. It appeals to users at the very moment when he is looking for the specific product or information about it. It responds to the active demand. It is suitable for anyone who sells a product that people are looking for. Systems restricting advertising only in certain segments such as sex, guns, casinos or alcohol. Advertising is not limited by the size of the budget that you want to spend, thus making it suitable for both small and large advertisers. [9]

Advertising AdWords and Sklik are very flexible systems and are accessible online constantly, whenever the advertiser customize the ad, suspend, resume or modify the offered price. Changes take effect almost immediately. There is also control over finances – the advertiser determines the maximum cost handle the daily campaign budget. Advertising can be controlled through a conversion tracking even know whether it is profitable. [5]

### **4.1.1.2 Monitored metrics**

PPC allows the advertiser to watch all the necessary data to evaluate and optimize the ads, namely:

- Clicks - the number of times the ad was clicked - how many visits came to the advertiser's site through advertising
- Display - the number of times an ad is displayed
- CTR click-through-rate - CTR, the percentage of those who clicked on the ad from all views
- CPC cost-per-click - the average price the advertiser pay per click
- Position - the average position in which advertiser's ad to appear
- Conversion - Number of fulfilled goals site – for example Orders
- Conversion rate - the percentage of those who made the conversion from clicks on an ad
- CPA cost-per-action - the conversion price, the costs of acquiring a customer
- The value of the conversion - conversion of sales – for example The total cost of the order [3]

Other metrics highlighting the relevance metrics such as bounce-rate, number of pages viewed, average time spent on site, the advertiser can also watch via eg. Google Analytics. [3]

### **4.1.1.3 Position and the price of PPC advertising**

Position search ads are determined based on the auction principle. The higher the price the advertiser offers, the more chance he has of getting a better position. At the same time the search engines always prefer more relevant ads because they want to offer their users the best possible results. For this purpose, use the Quality Score, the major scale consists CTR - the more users are clicking on an ad, the more likely it is interesting and relevant, so it is better evaluated. Besides advertiser's CTR and Quality Score influences the ad's relevance, its history or the quality of the target page. [2]

It is therefore normal that the first position is the advertiser that offers a lower cost per click than the advertiser in the second position. Simply because it has better quality scores. Upgrading to higher quality ads is thus a way to get to a better position without having to pay significantly more. Or a way to reduce cost per click and still maintain the position.

Determining position, that evaluate bids and Quality Scores advertisers, fighting for a particular keyword, takes place on every search. Therefore, prices may be a position on each search different forward and we can not guarantee a position where the ad appears. At every moment in the game a different number of advertisers, with different price menus, with varying quality. In addition, the price changes over time, each advertiser also pays different prices (according to their quality and their price offers). Even different keywords have different high price. General are more competitive and more expensive than concrete, few-words phrase (which also tend to be less sought). [3]

### **4.1.1.4 How to start**

To advertise in PPC systems, the advertiser needs to open an account. That you set up at <http://adwords.google.com> and <http://sklik.cz>. An account can have without paying anything yet, you can see it in it to create the campaign. As soon as you want ads

to run, you have to ensure payment. In Sklik prepayment credit in the Wallet list in AdWords you can choose several options, the ideal is to choose to postpay by credit card. Insert a memory card and clicks you regularly pull down upon reaching certain limits, for small expenses of once a month. [3]

For conversion tracking is needed in the account to generate the conversion code and then paste on the conversion page - the page that the advertiser sees after sending the order.

Once you have an account, you can create campaigns. They serve for better orientation in the structure of the account, just like the advertiser has in the shop category. Campaigns to specify the advertiser's daily budget to have limited his spending. [16]

Furthermore, certain geographic targeting campaigns in AdWords, which operates globally, the advertiser can also target countries other than the Czech Republic. The campaigns then the advertiser has the report. Reports contain keywords and ad text that appears in the search for just those words. Keywords are divided into relatively small assemblies to ad text as much as possible to measure words.

When writing texts the important thing is to think about besides relevance to important information for users, sales arguments and competitive advantages. The text should include a call to push users to do what the advertiser wants to do. [16]

When choosing keywords the tough part is to choose one that will look just by users interested in the advertiser's product. Certainly when the advertiser restricts it only to general words, but make use of relevant phrases containing the brand, model range and specific product names. In addition, it pays to combine with other words that are used in a search, such as prices specification - "Cheap", a place where they would like to buy - "Prague", or simply that they want to know the price - "Price". The tool is a good inspiration for the design of key words that show specific phrases that users are looking for.

With advertising the advertiser can have quite a lot to win, especially AdWords includes many opportunities - expanding Ad Sitelinks, map branches or telephone number. The ads can be displayed on different days and different hours with different quote or turned off completely. The A / B testing serve AdWords experiments. Google search can display an ad with a picture and a price based on XML feed products - Product Listing Ads. AdWords also has a lot of options for advertising on mobile phones, including click-to-call extension - call directly from the ad, promotion of mobile applications and advertising applications. [3]

#### **4.1.1.5 Optimizing ads**

Search advertising is usually small to medium shop is hundreds or thousands of keywords and advertising texts dozens. To ensure performance and achievement of objectives, it is necessary to constantly respond to changes in the search to optimize costs. Improve performance testing ads, finding new keywords and refining existing ones. Respond to seasonality and update ads by existing offerings. Caring for a long-term advertising, advertising cannot be set and let go. [16]

#### **4.1.2 Search Engine Optimization**

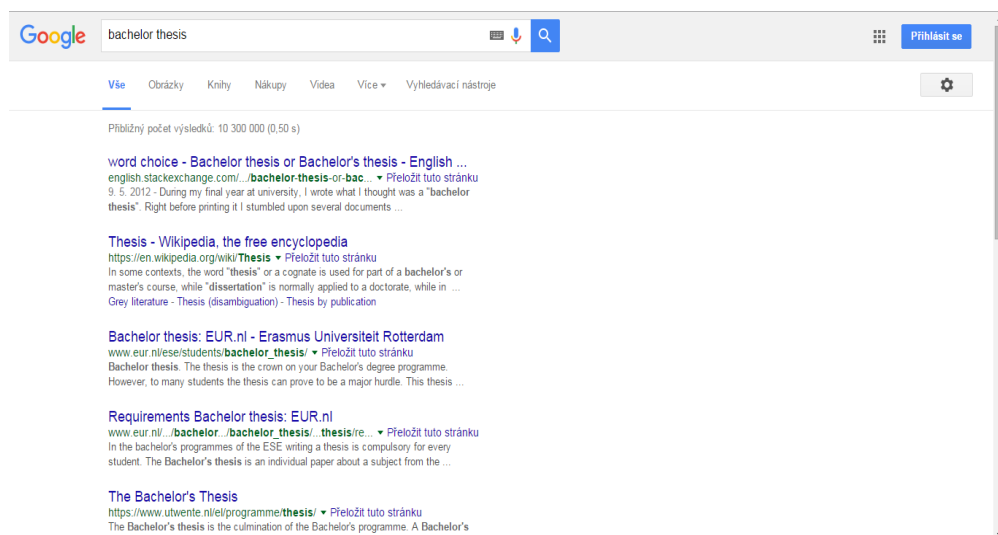
Search engine optimization has become recently formulas of many Internet marketing agencies. Why this is so, and why many are contracting Internet presentations are willing to pay a few thousand more for website SEO sticker?

Search engine optimization is a complex set of activities associated with the creation, operation and promotion of a website that provides good placement in SERP (Search Engine Result Page) pages on relevant key phrases. Factors affecting these results are commonly divided into onpage (on page factors) and offpage (factors outside their website). [4]

Onpage SEO is nowadays the standards of quality suppliers. Onpage most important factors are:

- The semantics of the source code
- Content relevance to keywords
- Clarity and coherence of individual pages
- Timeliness and uniqueness of content

**Figure 3: Example of SEO Tool**



Source: Author

On the contrary, off page SEO is a set of activities add-on. The main reason is the need to input several analyzes. The most important part of off page optimization includes:

- Analysis of relevant keywords and phrases
- Competition analysis in SERP keywords and phrases



- Link building (building backlinks)
- Registration in catalogs
- Purchasing relevant ads
- Increasing public awareness website on the Internet [4]

Search engine optimization is a complex set of activities on the website and beyond, the purpose of which is to be visible in search results relevant for key phrases. SEO performance, and thus its cost can be vastly different for two different uncompetitive entities. The reason is mainly the diversity load of keywords and phrases. Some sectors are widely represented on the Internet and build SEO for several years. In this case, the position on the first page of search huge success, which costs a lot of money - example keywords vacation computers. Unlike optimization niches where there is no problem to occupy specific key phrases - xample key phrases “domestic pig breeding“ - first in the search results with minimal cost. [17]

SEO does not always ensure first place in the search engine keywords. Good SEO will ensure that the relevant customers via the search engines find pages. Optimalizase for search engines is a never ending process requiring repeated analysis, evaluating their results and subsequent implementation of changes removing vulnerabilities. Just as it is important to carry out initial analysis needs to be done and controlling output analysis, which help with searching for weak spots and unwanted effects - analysis of the sources of visits, pages permeability analysis. [8]

## 4.1.2 E-mail Marketing

E-mail marketing is one of the tools of direct marketing, it's targeted distribution of commercial and non-commercial messages to well-defined list of email addresses. In order for companies to e-mails on the e-mail addresses to send out must have the recipients of their agreement. For this reason email marketing is one of the effective tools to build one-to-one communication. Sending regular e-mails to the company keeps the awareness of their beneficiaries, and building your brand. Emailing is one of the fastest growing form of electronic direct communication. [19]

Advantages of email marketing lie mainly in low cost, flexibility and ease of testing, measuring and evaluating campaign.

The main objective of sending e-mails Conversion. Above all, the point is that the recipient did the event (bought, filled out a form, reading an article etc.). E-mail but also allows you to get ideas, suggestions, comments, or customer response. In this case, the majority does not rely on one-time e-mail, but it is a longer exchange of information in multiple emails.

This communication is more personal than other marketing activities, but less personal than a telephone conversation, which is another technique of direct marketing. [20]

If the aim of complaints and other information, then you need to fulfill the following conditions:

- Set a specific goal - the program must be clearly defined in terms of who you want to reach and what information you need to get
- Ensure that you clearly identify the behavior of recipients and forced them to read the contents
- Differentiate - send an e-mail only to selected recipients, change text by target groups

- Prepare forms and microsites where they will generate suggestions
- Send e-mail to "fresh" addresses - if someone asked for sending offers six months ago, and no e-mail he has since been posted, will you have to remember that agreement completed and he'll think he got spam
- Consider the experience of users and accordingly design the whole e-mail
- For all events have prepared evaluation tools (tagging links, programs for managing email campaigns) [19]

#### **4.1.2.1 Newsletter**

Newsletter is typical of various interest and business portals for companies and e-shops. These are regularly sent by e-mail with the information you have sales and promotional in nature. Graphic design and customer design any pressure and forcing him to any decision.

Newsletter must assume at first glance the content, ie. the user must bring some improvements that can be achieved by choosing a suitable topic. Suitable topics include tutorials and tips, case studies, rankings and surveys, interviews with professionals and customer feedback. [20]

#### **4.1.2.2 E-mail Offering**

This form is typical for e-shops. E-mails offering are called promotional emails.

For emailing, it should follow a few guidelines. One of the key is personalization, which includes not only addressing but also targeting according to

previous experience buying and preferences, or according to other requirements. The biggest benefit of this form is to link e-shop information system, specifically the CRM module which can track customer communications, including data on purchases. [18]

It is recommended that in the invitation e-mail was offered a single product. If the menu contains more than 3 products, the user loses their attention and usually does not order anything. Mostly promotional emails go to individuals who in the e-shop has already ordered a product or visited the site. [20]

### **4.1.2.3 Abandoned Basket**

Abandoned basket campaign is sent to customers who add products to the shopping cart but did not complete the order.

It's a very effective way to attract customers back. According to the survey, nearly half of all emails sent are opened and the quarter of the customers clicks back to the site e-shop. Customers often leave the basket without any intention. They left him, for example, because the e-shop suddenly go retrieve, or because the process to completion was too complicated and so on. [18]

### **4.1.2.4 Permission email marketing**

It is a privilege to send anticipated, personal and relevant communication (advertising) people who agree with the sending and want to receive it. The English language is sometimes used instead of the concept of permission email also the term "opt-in email." Compared to other marketing activities are different that the e-mail recipient (customer) of this notice not only knows, but it also directly expected. The basis is that the initial activity must come from the customer himself, therefore, usually

have to fill in a questionnaire and inform themselves about the request. Furthermore fills what information is interested in and what he should be sent. [18]

Although the customer must make greater efforts in order to define, on which the offer is interested in (for example, time-consuming questionnaire), the result is a win-win situation. The customer gets exactly specified information that you requested in the questionnaire, the company has again become familiar with customer requirements and can work with them. The customer therefore does not have to search through a large number of offers, which would be ultimately unnecessary, and the company in turn may not expend unnecessary effort to promote a product or service that the customer is delivered. [19]

Companies have also the advantage that data from customers continue to operate and can analyze and use. Also important is the feedback from customers, so communication was not unidirectional but bidirectional. The company must analyze whether the submitted information is relevant and that offer customers interested and took advantage of it, or what you would like to change. [19]

Basic concepts:

- HTML email - hypertext markup language.
- Undelivered - undelivered emails.
- Bounce rate - the share of undelivered emails (Hard bounce - e-mail account does not exist, Soft bounce - e-mail account is full)
- Open rate - the proportion of delivered and opened emails.
- Click through rate - the share of e-mails, which were clicked.
- Double Opt-In - a double confirmation. After entering an email into the form on the web user receives a confirmation email to confirm it is on the list (currently the most preferred option).

- Single Opt-in - simple acknowledgment. After entering an email into the form on the site, the user is immediately added to the list. Greater risk of including the wrong email list. [18]

### **4.1.3 Video Marketing**

Communication through video is a very effective way to reach potential customer support and presentation of your products and services. Use of video on the Internet brings many benefits and is a great solution with a broad impact on visitors. It combines the advantages of classic TV advertising with the most important characteristic of the Internet - with interactivity. [21]

Searching for information their users are increasingly looking at the video format than the classic text form and begin your search for one of the video servers - for example YouTube. It is easier and more clearly once seen and heard than read ten times. In addition, users can see the opinions of other users in the form of comments, add your, or join the debate which led to the video. [21]

#### **4.1.3.1 What is Video Marketing**

The definition of the concept of online video marketing is that the marketing strategy is used for commercial purposes with the intention propagation company, brand, products or services by using short, engaging and information-rich videos. Videos are doing so to stimulate the interest of prospective customers about the advertised products or services and lead them to order. [22]

### **4.1.3.2 Advantages of Video Marketing**

The main advantage of video marketing to traditional approaches via text is that the video is able to get to the essence of things faster and easier to understand than text while saving precious time of your potential customers. Instead, users had to scroll a page full of text trying to track down the message or main information that they are trying to address, you can submit this information in much less time and much more attractive way - as a video. [22]

Besides the already mentioned advantages, such as simplicity and a more engaging, we can draw attention to some of the main benefits of video marketing, such as:

- The low cost of manufacturing the information video
- Simple pervasiveness sharing on the Internet
- The ability to effectively inform and engaging
- Support for PR and communication with customers
- Attraction through verbal and audiovisual communication
- Support your image as a modern company Moving with the times
- Increased percentage in search results [22]

### **4.1.3.3 Disadvantages of Video Marketing**

Unless the care of spectacular, professional-looking output, can count with high costs. For the purpose of video marketing but there is not need for expensive production of sufficient quality digital camera and light. Instructional and informational videos may seem like Hollywood's widescreen film. To draw attention to convincing if just a pleasant male or female voice and value-added information to the user. [6]

Although video marketing, like other forms of marketing, but it has its pitfalls. The main drawbacks are:

- The problem with coverage marks in the dissemination of video users – for example spam
- The problem with the video size and speed user connections – for example slow speed loading and playing video [6]

### **4.1.3 Social Media Marketing**

Social networks are becoming increasingly part of any marketing budget. Facebook is, according to official figures significantly active for about a third of the Czech population and monthly Facebook will use more than four million people (out of seven million who use the Internet in the Czech Republic). [23]

Some social networks and their signals are closely monitoring the search engines – especially Google - and a presence on social networks often has an impact on SEO and linkbuilding. [24]

In addition, social networks, see your potential and current customers. For those potential depends on you how you will reach them. They currently use in unprecedented social network for user support and feedback. Social networks are so fundamental element of brand building, brand awareness and brand reputation. For the needs of



corporate marketing and communications in the Czech Republic can use a variety of social networks from virtually inevitable Facebook, despite a very active Twitter, LinkedIn focused on job area, or significantly increasing Google+. [23]

Social networks use significantly younger, penetration in the population under 20 years is virtually foolproof. For three quarters of Czech Facebook users are under the age of forty years. The fundamental and basic way to use social networking and content marketing is storytelling through which we come to their fans and elicit their reactions. These have mainly form of feedback (comments and "likes"), but also further spread by sharing. [25]

Social networks are the main communication tools and the fans do not hesitate to make full use of. If you sell products or services, which include user support, so it is more than certain that this support must also extend to social networks. Customer lines are now moving to social networks. On social networks can be in many different forms. From basic company profiles communicating with fans through to complex applications that can talk on social networks, but also to sell or expand loyalty programs. [24]

Advertising on social networks allows, as well as advertising on the Internet, targeted at specific audiences and visibility both at the social networks (especially corporate profiles or applications) and conventional targets on the web (corporate website, minisite, e-shops, blogs, etc. ). [25]

**Figure 4: Social Media Marketing Cycle**



Source: [23]

#### **4.1.3.4 What to Expect from Social Media**

- Wide and interesting ways to communicate with existing and potential customers.
- Possibility to use specific and successful forms of advertising that some of the social networks offer (especially in the form of PPC advertising on Facebook).
- Active marketing in the form of competitions and competing applications with significant opportunities viral spread.

- Linking with corporate websites and e-commerce business that exposes another unprecedented opportunities for viral spread.
  - Social networking can be delivered turnkey and in the same manner, it is possible to take care of corporate social profiles and activities. Likewise, we can all but brushed learn and then you just help where you need it.
- [24]

## **5 Analytical Part: Case Study of Baby Nutrition**

This part is focused on analysis and following evaluation of online marketing campaigns. First part is about determination of baby nutrition on the czech online market, definitions and the target groups.

Because all of the numbers are real the names of the two analysed e-shops can not be published due to the competitors.

### **5.1 Baby Nutrition on the Czech Online Market**

Baby nutrition itself is a very specific area to sell. There are many legislative laws to avoid competitive market. The e-shop must be very careful how the product of baby food is displayed, there are strict moral and ethic principles.

#### **5.1.1 Definitions**

Baby food diet mean up to three years of age, which the food is according to the Code - Latin Codex Alimentarius (the "CA"), divided as follows:

- Nutrition designed especially during the current period of breastfeeding and also for progressive adaptation of infants and children to ordinary food. Products can be either directly ready for immediate administration, or in a dried form requiring mixing only with water. [26]
- Nutrition on cereal-based, which is made primarily from one or more milled cereals. Cereals should constitute at least 25% of the final mixture. These products we can further be divided into the following products:

- a) Products consisting of cereals which are or have to be prepared for consumption with milk or other appropriate nutritious liquids;
- b) Products with added cereal rich in proteins, which are or have to be prepared for consumption with water or other suitable fluid protein-free;
- c) pasta, to be used for cooking in boiling water or other appropriate liquids;
- d) rusks and biscuits which are to be used either directly or after crushing with addition of water, milk or other suitable liquids. [27]

Infant formula, which covers products used as substitute milk, specially manufactured to satisfy the nutritional requirements infants during the first months of life until the introduction of appropriate baby foods. Infant formulas is meant nutrition of children under twelve months. [28]

There is a need to emphasize that breast milk can not be replaced and is best and most natural diet of a child in the first months of life. Codex Alimentarius uses the designation "milk substitute" for classification purposes, not to promote artificial feeding.

## **5.2 Current Baby Nutrition**

Spare baby food has reached a high standard both in terms of relevant nutritional values and excellence in manufacturing processes. Milk composition is based on the opinions of the European Commission for pediatric gastroenterology, hematology and nutrition. Besides the basic lines of lotions are available milks intended for special medical purposes, hypoallergenic milk, antireflux, Lactose, the milk intended for alimentation, milk for premature and fortificant breast milk for babies with low birth weight. The current level is further improved by findings that emerged from a series of clinical studies. Attention is focused on the biological functionality of the diet. These

include lotions enrichment prebiotic fiber, probiotics, nucleotides and a polyene fatty acids. [29]

Recent studies show that in developed countries with a high level of hygiene is the transfer of protective microflora birth canal and some limited protection to neonates bifidogenic flora in the intestinal tract missing. Similarly, in infants born by cesarean section. [29]

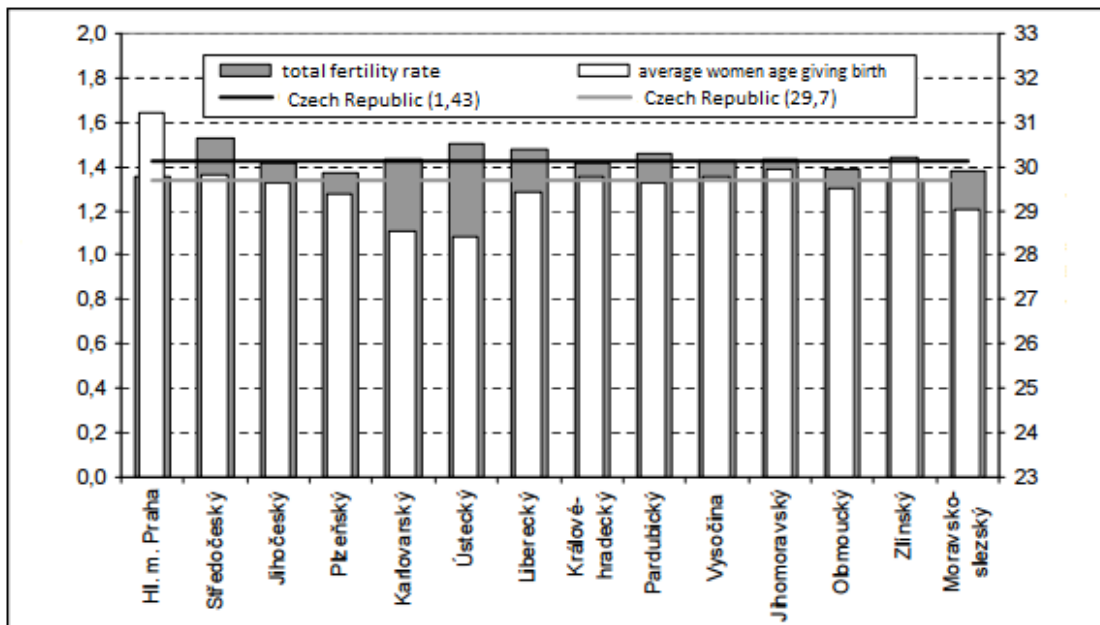
Negative attitudes to the use of alternative infant formula, resulting from findings from everyday practice:

- Failure to comply with the rules for the preparation of infant milk. Especially undesirable increasing doses of milk powder to the volume of water in the notion that child more saturated. But mothers and inflate protein levels, levels of minerals, as well as some vitamins, which increases levels is desirable. [29]
- Misconduct is also preparing milk in boiling water in the belief that it will increase its health safety. [29]
- Some mothers immediately after weaning begin serving unmodified cow's milk. He thinks substitute baby milk are artificial, do not have enough nutritional value and enough vitamins. As a consequence of these deformations is a total failure to thrive baby due to increased renal stress caused by intake of high levels of protein and minerals, the emergence of occult bleeding caused by insufficient iron intake, inadequate intake of essential fatty acids increased risk of milk allergy, and now even high-elevation iodine levels. [29]

### 5.3 Analysis of the Market with Baby Nutrition

Products e-shop baby food is designed especially for mothers with children aged from birth to 3 years. Number of children from birth to 3 years in the Czech Republic about 350,000. We start here from the annual birth rate in 2008 - 2010. [30]

**Figure 5: Average Age of Women Giving Birth by Czech Regions**



Source: [31]

From **Figure 5** we see that the average age of women giving birth is 29.7 years, the city of Prague from this average differs significantly, there is an average age of 31.2 years. our target group are therefore women aged 25 - 35 years on maternity or parental leave. [30]

On the base of the net-monitor measurement data for 11/30 In 2008, we know that almost 70% of our target group (25-35 years) are online and the average number of children a family can calculate the size of our target group which corresponds roughly 171,330 women consumers. This estimate is not entirely accurate count because of wider spreads between the birth of two children (over 3 years) and at the same time

does not allow for the fact that our products can also purchase a person close to the family. For our purposes, however, it will be sufficient for further analysis. [34]

## **5.4 Strategy of Marketing Activities**

### **5.4.1 Target Group Clients**

Our target group are two consumer groups:

- The mothers of children aged 0-3 years on maternity or parental leave
- Pregnant women from conception to birth

In marketing communication, we want to focus on the first group of female consumers. The second group is interesting in terms of future development. Capturing this group already in the beginning, it is crucial for further development. Maintaining existing customer is always cheaper than acquiring a new one. With regard to short "life cycle" of our consumers – only 3 years, appears to be a key treatment in the earliest stages. In communication we will leverage our core competitive advantages and specialization to a specific segment of a full portfolio of products offered.

## **5.5 Analysis of the E-shop X**

The first e-shop which will be this part of analysis focused is e-shop X. This online shop was created in 2013 by a multi-national french company provides baby nutrition. It is original e-shop with branded food and drinks for babies and mothers. The e-shop provides online help by company nurses with years of experience. The e-shop was founded to get the brand into awareness of the society. On the base of this online



shop were founded two website clubs for mothers – each of the club with the different brand of the company.

The e-shop X was created to fulfill the missing range of branded baby nutrition on other websites.

**Promotion Strategy**

When opening the e-shop the first aim was mainly to visible the brands of the company. The mothers’ clubs were more successful than was originally planned, so making up this kind of e-shop was a logical step and mothers moved from this kind of club to online shop and this was the first way how to get new clients. This kind of e-shop is **B to C** (business to consumer).

The strategy used to be mainly help moms with their new role and help them whenever they wanted. E-shop X offers online help from digital experts.

By the time was necessary to make a strategy plan – make banners, special sales promotions and set an e-mail sending of newsletters. The strategy plan for these campaigns follows next.

**Table 1: Time Table of Launched Campaigns in 2014 - E-shop X**

Individual Events	Launched Time (Months) of Campaigns - E-shop X											
	1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.	12.
E-mail Marketing												
Sales Promotion												
Banner (PPC)												
Facebook												

Source: Own table based on data from undisclosed e-shop

The online marketing campaigns are demonstrated in the table above. It means that we have to take this strategy plan in consideration when compare the success of both e-shops.

## 5.6 Analysis of the E-shop Y

E-shop Y was founded by two men in 2009. In this time there was no specified e-shop for baby food and baby supplies such as diapers, pacifiers and special bottles. By a very short time this kind of e-shop became very popular and often seeking by moms and fathers.

The demand was that huge so the founders had to wide their range of offered things by supplements for mothers, vitamins and strollers.

### Promotion Strategy

Their first strategy was to fulfill the gap in supplies for babies and their parents. The main strategy is the best price on the market, either online market or in stores. This is still actual, they try to push the price as low as possible, by making special deals with companies via **B to B** (business to business).

**Table 2: Time Table of Launched Campaigns in 2014 - E-shop Y**

Individual Events	Launched Time (Months) of Campaigns - E-shop Y											
	1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.	12.
E-mail Marketing												
Sales Promotion												
Banner (PPC)												
Facebook												

Source: Own table based on data from undisclosed e-shop

During the months where all of the campaigns and events take place should be the profit the highest – at the end we will find out and compare both of the e-shops and their success.

## 5.7 Share of the Facebook Followers

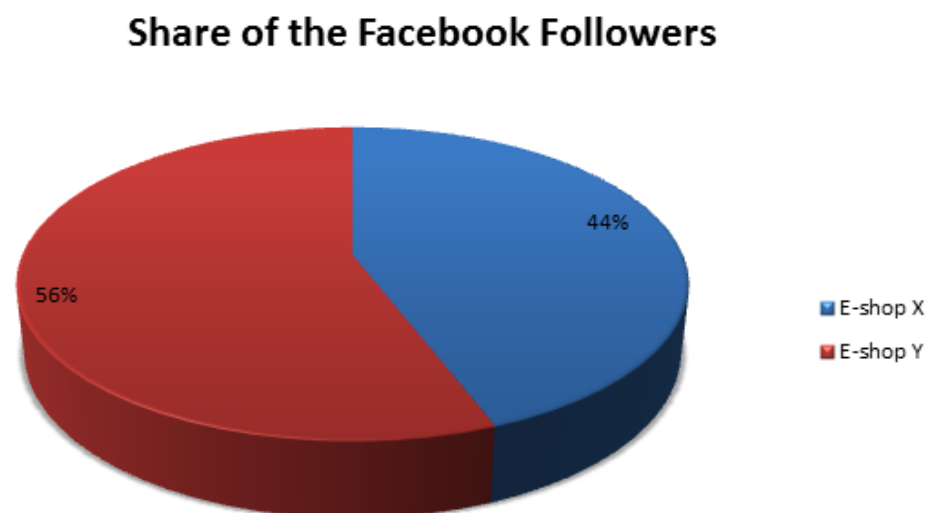
This kind of analysis is very important to assess the overall popularity of both sites on Facebook.

**E-shop X** has **29,326** facebook followers, or more likely, people who like the facebook page.

**E-shop Y** has **37,037** likes per this page. [32]

Although it is clear from these numbers which of the e-shops is more popular, it will be demonstrated by the following pie.

**Figure 6: Demonstration of the Share of Facebook Followers**



Source: Author

From **Figure 6** is visible that almost three quarters of the share has e-shop Y. it could say that e-shop Y is more popular, but the e-shop X is connected to two clubs with over 40.000 facebook page likes from satisfied mothers – but we don't know, which mother shops on which e-shop – wheter on e-shop X or e-shop Y, so this simple statistics is made from clear data visible on Facebook.

**Table 3: Extraction of Numbers of Facebook Followers**

E-shop X		E-shop Y	
December 2013	25,076	December 2013	31,843
January 2014	25,209	January 2014	32,018
February 2014	25,913	February 2014	32,923
March 2014	26,309	March 2014	33,498
April 2014	26,508	April 2014	33,754
May 2014	26,989	May 2014	34,567
June 2014	27,217	June 2014	35,065
July 2014	27,684	July 2014	35,42
August 2014	28,076	August 2014	35,98
September 2014	28,314	September 2014	36,389
October 2014	28,748	October 2014	36,612
November 2014	29,057	November 2014	36,801
December 2014	29,326	December 2014	37,037
January 2015	29,568	January 2015	37,411

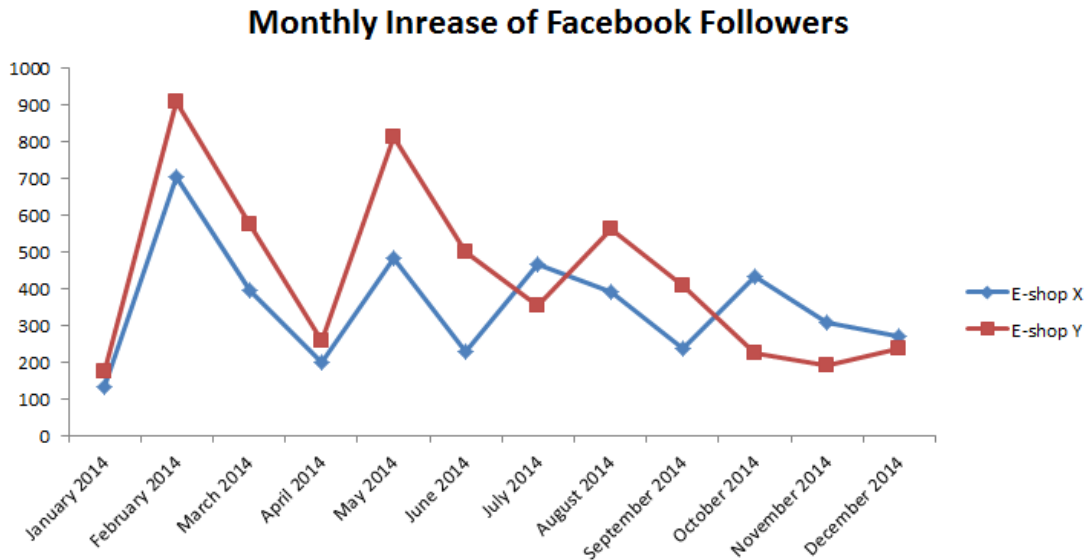
Source: Author [35]

**Table 3** says how many people liked the e-shop's facebook page during the year 2014. Every month the difference of the increase is visible. These numbers can tell more about the success of all the campaigns together. Growing number can not tell from which source the follower came, if it was from the SEO, PPC, E-mail, Video, Social Media marketing, ort he follower came on a recommandation of nearby.

It is obvious that e-shop Y has more followers, but the real increase in following people can be deducted from the previous month.

The graph that tells us which e-shop was more successful in gaining new followers goes after.

**Figure 7: Monthly Increase of Facebook Followers**



Source: Own figure based on data from undisclosed e-shops

In this graph the comparison of increasing number of following people is shown. The line of e-shop Y is obviously higher with exception of July, October and November. In December 2014 the points are almost at the same position, so it means the e-shops had the same increasing curve.

It is possible that one of the e-shops had more successful campaign focused on social media. Due to **cookies - short text files generated by web server and stored on a computer through a browser, when users later return to the same site, the browser sends the cookie back saved and the server get all the information that he previously saved in a user's computer** – the server remembers what the user have been searching for and later can use this information to display a similar offer in user's facebook account. [33]

The maximum and minimum for each e-shop is well shown. The obvious MAX and MIN of both e-shops is in January – due to not well targeted campaigns during the

previous year. The next MIN of both e-shops follows in April. MAX for both e-shops is in February – due to well set campaign in January.

Many up and downs are visible from this graph, it is most likely due to launched PPC campaigns on January, April, June, September, October, November. After this launch next month is always higher, because the target group searching for baby nutrition gets into specific area of people that this campaign is focused on.

The only exception is when the e-shop is not willing to invest into online campaigns such as PPC (pay-per-click), SEO (search engine optimization), or set up the personalization of the E-mail marketing.

## 5.8 Analysis of Pay Per Click Campaigns

As it was said in the literature review of online marketing campaigns, PPC campaign basically means how much the advertiser is willing to pay to be visible on the most common search pages.

These two e-shops launched the PPC campaign at the same time, several months after another. Lanching of the campaigns is visible in the following table.

**Table 4: Demonstration of Launched PPC Campaigns on Both E-shops**

<b>Launched PPC Campaigns on Both E-shops - Months</b>											
<b>1.</b>	<b>2.</b>	<b>3.</b>	<b>4.</b>	<b>5.</b>	<b>6.</b>	<b>7.</b>	<b>8.</b>	<b>9.</b>	<b>10.</b>	<b>11.</b>	<b>12.</b>

Source: Own table based on data from undisclosed e-shops

From **Table 4** is visible that the campaigns were launched in January, April, June, September, October and November 2014. These months are selected specifically, because during these periods are the best sales. It means, the best sales are during spring and autumn, so these campaigns are strategically placed right before these seasons to increase the sales even more.

The price of the launched campaigns is very important. Every month each e-shop invests different amount of money to banners and PPC campaign. After the real and clear profit the real profitability of the online campaign will be available. This value is reached after deduction the invested amount into PPC campaign from the net amount earned that specific month.

**Table 5: Investments into PPC Campaigns**

Investment into PPC						
	Sum of 01/2014	Sum of 04/2014	Sum of 06/2014	Sum of 09/2014	Sum of 10/2014	Sum of 11/2014
E-shop X	180 000,00 Kč	200 000,00 Kč	100 000,00 Kč	220 000,00 Kč	180 000,00 Kč	100 000,00 Kč
E-shop Y	250 000,00 Kč	230 000,00 Kč	220 000,00 Kč	300 000,00 Kč	230 000,00 Kč	250 000,00 Kč

Source: Own table based on data from undisclosed e-shops

From the **Table 5** is visible how much money was invested into PPC campaigns in CZK in year 2014. These amounts of invested money has to be deducted from the total profit of both e-shops, to get the real and clear values.

**Table 6: Profitability After Deduction of PPC Investments**

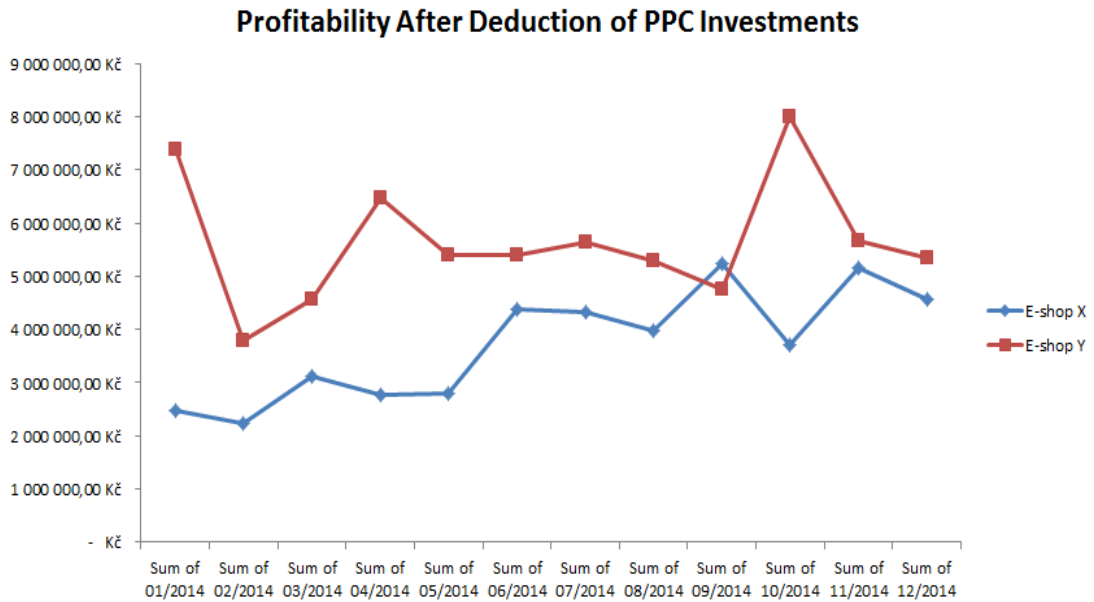
Profitability After Deduction of PPC Investments						
	Sum of 01/2014	Sum of 04/2014	Sum of 06/2014	Sum of 09/2014	Sum of 10/2014	Sum of 11/2014
E-shop X	2 466 873,41 Kč	2 764 050,37 Kč	4 389 083,68 Kč	5 245 745,79 Kč	3 704 451,69 Kč	5 147 454,06 Kč
E-shop Y	7 373 533,00 Kč	6 461 509,40 Kč	5 397 358,66 Kč	4 749 272,15 Kč	7 991 975,18 Kč	5 678 189,75 Kč

Source: Own table based on data from undisclosed e-shops

In the **Table 6** the clear profit in the PPC launched campaigns is shown. It means the deduction of PPC investment from the overall profit in these months was done, and

the result is total clear profit for both e-shops. For better demonstration of these data the graph will follow.

**Figure 8: Profitability After Deduction of PPC Investments**



Source: Own figure based on data from undisclosed e-shops

The **Figure 8** graph shows the line trend after the deduction of PPC investments. This deduction was taken from the total profitability of both e-shop and the investments was deducted from the months the PPC campaign was launched.

In case of e-shop X the line trend is increasing, it is very positive, it also means growing trend of customers. We have to take in consideration very low start of profitability in January 2014. As it is known it is always easier to get better than to keep it at the same position like in case of e-shop Y. The trend of Y line is mostly decreasing, it is also very well shown in the Table 4, where the values in CZK decrease by hundreds of thousands CZK. This trends tells us that by the same time some other competitor has come to the market or has launched the same PPC campaign, so the customers went to them.



## 5.9 Evaluation of the Online Marketing Campaigns

Table 7: Total Profitability

E-shop X		E-shop Y	
January 2014	2 466 873,41 Kč	January 2014	7 373 533,00 Kč
February 2014	2 234 495,76 Kč	February 2014	3 788 675,96 Kč
March 2014	3 122 493,49 Kč	March 2014	4 556 755,41 Kč
April 2014	2 764 050,37 Kč	April 2014	6 461 509,40 Kč
May 2014	2 803 260,43 Kč	May 2014	5 396 788,51 Kč
June 2014	4 389 083,68 Kč	June 2014	5 397 358,66 Kč
July 2014	4 331 645,52 Kč	July 2014	5 629 235,17 Kč
August 2014	3 963 657,53 Kč	August 2014	5 295 819,22 Kč
September 2014	5 245 745,79 Kč	September 2014	4 749 272,15 Kč
October 2014	3 704 451,69 Kč	October 2014	7 991 975,18 Kč
November 2014	5 147 454,06 Kč	November 2014	5 678 189,75 Kč
December 2014	4 556 760,46 Kč	December 2014	5 356 458,86 Kč

Source: Own table based on data from undisclosed e-shops

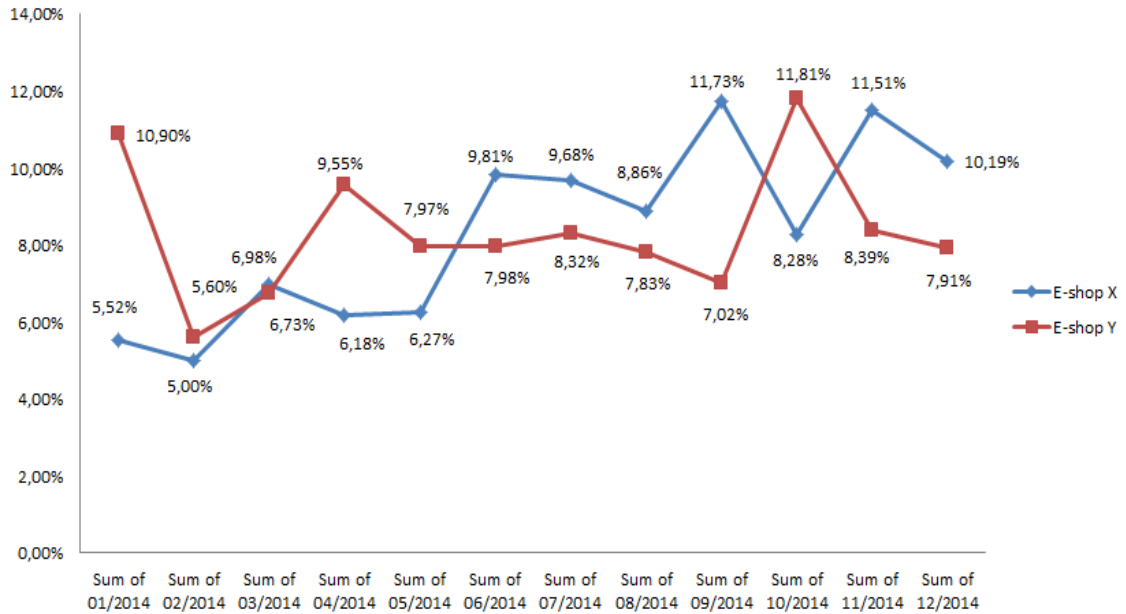
In the **Table 7** we can see the total value profitability in CZK. These values are clear – after the deduction of the cost of PPC campaigns. It is visible from the table that the values are diametrical different from each other. It is due to their basement of customers, offer on the website and the time they are on the online market.

E-shop Y had the most succesful month in October 2014 – almost 8 millions CZK sale. In case of e-shop X the best month was in September 2014 – sale of 5.3 millions CZK. This means that each of the campaigns has different efficiency on the basement of customers and new customers.

Very important is to determine the curve of the share – on the base of total sales. Each of the e-shops has the total sale for the whole year and the percentage share of

every month is very important to determine which of the e-shops was more successful in online campaigns.

**Figure 9: Total Percentage Profitability**



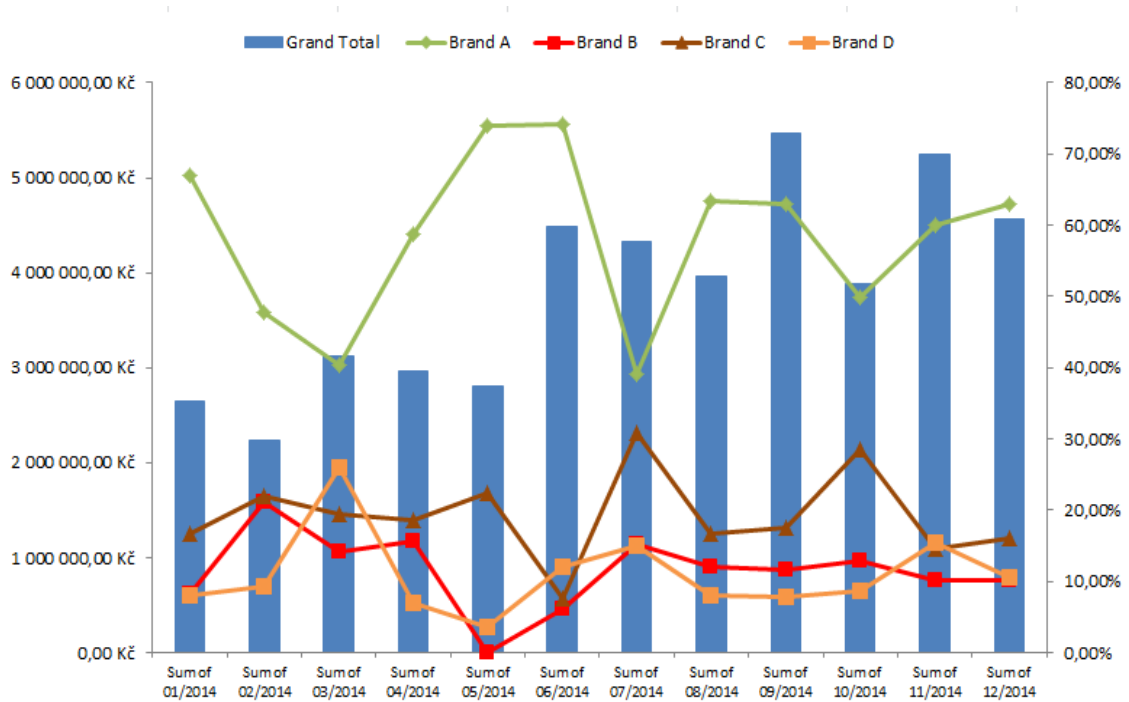
Source: Own figure based on data from undisclosed e-shops

In this graph is the situation slightly different than in the table 5. In this graph the percentages means the monthly share of a whole year – from the grand year total.

For e-shop X the biggest success was in September 2014 – almost 12% share from the whole year. From the other hand the worst month was in February 2014, when the e-shops has only 5% of the total share. This graph helps us to understand the trend line – it is obvious that the curve goes up whole year long, but it is also very important to define why, which will be explained in the total market share of each e-shop.

In case of e-shop Y, the best month was in September 2014, when the e-shops gets almost 12% of the grand total. While during February experiences the same situation like e-shop X – gets only 5,6% of the total share.

**Figure 10: Market Share of E-shop X**



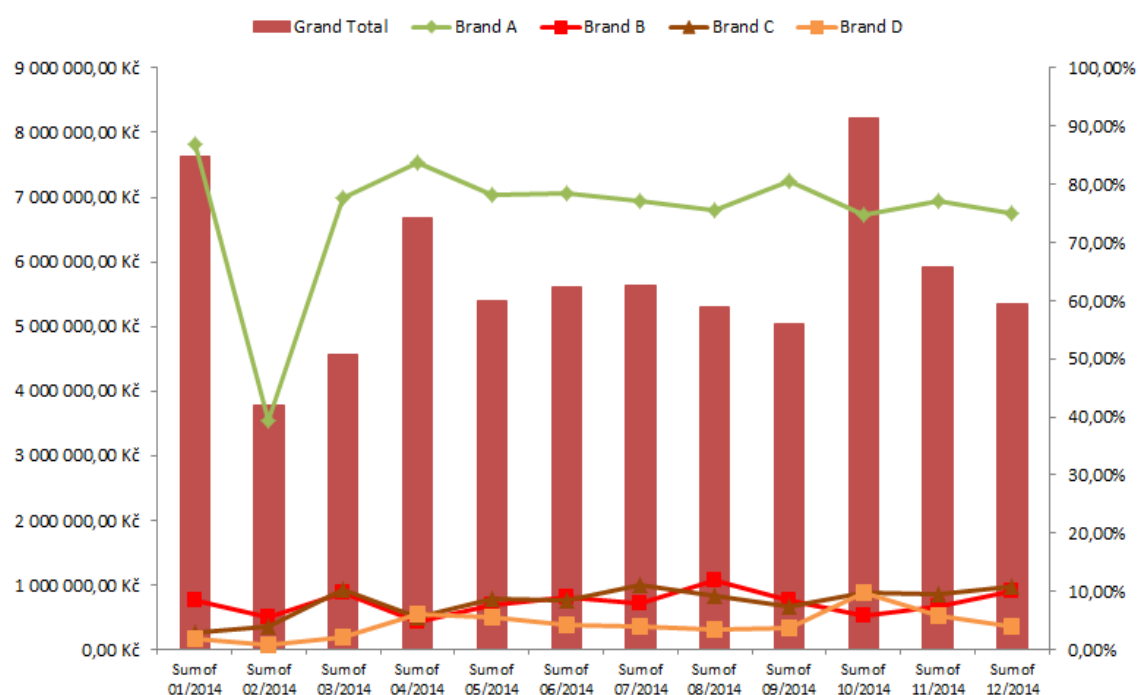
Source: Own figure based on data from undisclosed e-shops

In the **Figure 10** there is illustrated the market share of e-shop X. It means the total sale from all the brands selling on this online shop. The “chimneys” are the total share in CZK, for better understanding how the sale increased or decreased. In this case it seems like the best sale was in September 2014, the worst in February 2014 – this can be seen either in the Table 5 – Total Profitability.

But what this market share really tells us is which brand has what share on the market through the specific e-shop. In this case the Brand A has the highest share eventhough in July 2014 has really huge drawdown. It can be caused by many reasons, but most likely it caused Brand C by a really big sale promotion of their products. The same case is in March and little bit less in October. During March the high increase registered Brand D – due to launch maybe of some new product or a special sale promotion. The sale promotions are usually -25% to whole portfolio of products – so the increase is very perceptible.

Usually this kind of drawdown is caused by the pricing policy – when companies combat with others. We have to understand that the area of baby nutrition is very specific and includes many ethical and moral rules. The companies which provide baby food are undertaken to not promote baby food in a aggressive way – eventhough it is the most profitable – because of support of breast feeding.

**Figure 11: Market Share of E-shop Y**

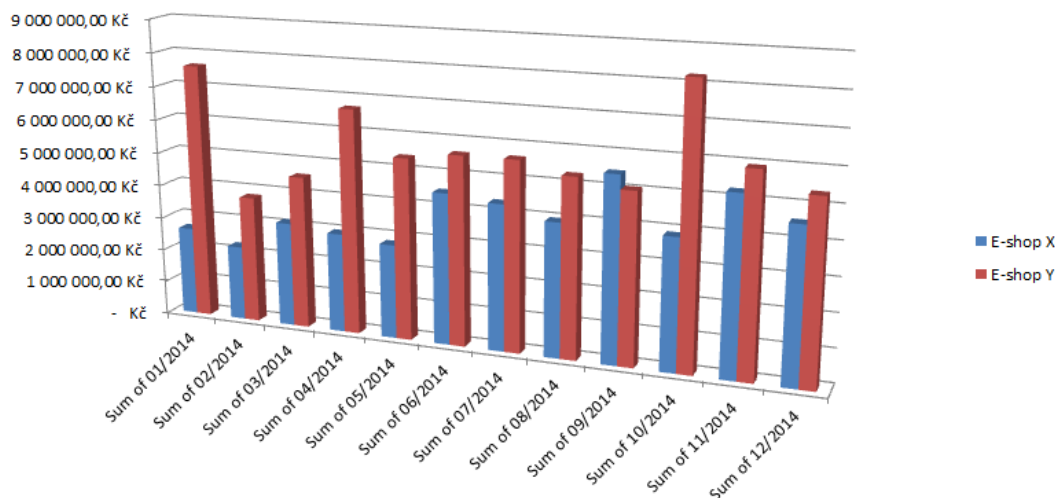


Source: Own figure based on data from undisclosed e-shops

In the **Figure 11** the market share of e-shop Y is visible. There can be seen also the total of each month – in this case the best months were January, February and October – it was obvious from the Table 5 also.

About the market share in percent the situation here is slightly different than on the other e-shop. The market share of each of the brand is constant, except one month fro Brand A – huge drawdown of the total sales. It could be caused by many reasons, for example price increase or badly adjusted advertisement.

**Figure 12: Profitability Comparison of Both E-shops**



Source: Own figure based on data from undisclosed e-shops

In the Figure 12 the total comparison of profitability of both e-shops can be seen.

As it was said in the previous chapters, the E-shop X is much smaller, but the campaign was ran the same way as in the case of E-shop Y. This fact is also reflected in the chart above. There is only one exception – in September. It can purport that in this month the campaign was set better and was more visible on the Internet. From the time table of launched campaigns we can not say that there was some special offer – promotion sale, purchase gift etc. So we have to assume the reason of the higher profit is in better advertisement.

On the other hand E-shop Y has higher profitability the whole year long – except September – can we assume that the advertisement was set up better? No. The main thing is to compare the basement of clients and customers, if we compare this with the total profitability, we may assume the profit is comparable to each other. Only in few cases the profit of E-shop Y was so much higher we have think about different reason. In case of January, April, May and October 2014. If we look in the time table of launched campaigns, the sales promotions and banner were set up right in these month the profit was at the highest point – except May – it may be caused by continued interest of customers.

## **6 Conclusion and Recommendations**

Making business in the area of baby nutrition is not easy. Not only that this area is very specific, but also contains a lot of prohibitions and standards that need to be followed in the context of ethical and moral values. Therefore, the disadvantage for both e-shops is that in the area of baby food and its sale the trader can not be too aggressive and their pricing policy must be moderate. In case of any e-shop selling baby food the other big disadvantage is the direct contact with mother. Many of them are willing to buy anything to help their babies and to influence them the best way is the personal contact, which in the case of e-shops, is missing. In online selling the special promotions and other marketing strategies and campaigns must be set to influence and actually get the mother to shop only on the one specific e-shop – the e-shops must give them something more, different service they do not get in any pharmacy or supermarket.

The thesis was comparing two different e-shops with different basement of customers – mothers. As we could recognize this kind of business stays on special promotions, visibility of the shop and advertisement in social medias.

In the analytical part the most important thing was to define each campaign and on the base of the undisclosed data make tables and charts.

E-shop X was unlike to E-shop Y greater volatility of individual brand curves. It may mean that a lot of customers reacts to promotional activities and marketing campaign launched in these months with the greatest success. It also means that these customers are not loyal to one brand but the price and special promotion is very important to them. On the other hand is needed to mention the constant increase in the overall profitability of the E-shop X, which is in contrast to E-shop Y. In this case it means that this online shop is becoming more popular and maintains its activities and marketing campaigns well.

However, I would suggest to do an extra customer service – for example every third order has free delivery to your door, which is substantial and practical for mothers on maternity leave. I would also make several promotions to attract customers for a

longer period – to every purchase over a certain amount 25% discount, or every fifteenth purchase for free. To attract customers for a longer period is also important to make competition for special prizes – customer collects receipts for a longer period and then win a bigger gift – an experience voucher etc.

In case of E-shop Y the situation is slightly different. Individual brands have constant market share, without any fluctuation – except Brand A in February 2014 when had a major slump. Overall profitability depends a lot on a season, more precisely at times of the greatest sales. Therefore the campaigns had no such a great success than originally planned, except for January and October. On this online shop the loyalty to a brand is very important, that is why various promotions and discounts are useless.

I would recommend to attract the customer by something new. Something new can be a catchy advertising on websites and search engines. What can really help is an investment into a campaign on Youtube – video marketing – another time than in promotionally successful months.

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