Czech University of Life Sciences Prague

Faculty of Economics and Management

Department of Management



Diploma Thesis

Attracting customers online: the effectiveness of online marketing tools

Author: Kirill Petrov

Supervisor: Richard Selby, Ph.D.

CZECH UNIVERSITY OF LIFE SCIENCES PRAGUE

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DIPLOMA THESIS ASSIGNMENT

Kirill Petrov

Economics and Management

Thesis title

Attracting customers online: The effectiveness of online marketing tools

Objectives of thesis

With the development of internet people use E-commerce as a new way of doing business. The main target of this thesis is to discover what attracts consumers to a web site, and then to estimate the right way of attracting customers online with the help of online marketing tools.

Methodology

- 1. Data collection, Qualitative research method, Face to face interview, Questionnaire, Data analysis
- Analysis of customer attraction and interest will be carried out in several stages using the example of an actual Italian language-learning web site. With the help of Google Analytics will be estimated the original condition of the web site and the state of the site after applied marketing strategy.
- Chosen marketing channels, such as SEM (SEO, Google Adwords), E-mail marketing and Social media marketing, must improve the visibility and conversion of the web site and help customers to interact easily with it.

The proposed extent of the thesis

Approx 60 pages

Keywords

Online marketing, SEO, Online shopping, E-commerce, SEM, Customer satisfaction, Online marketing tools, Loyalty

Recommended information sources

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The Diploma Thesis Supervisor

Ing. Richard Selby, Ph.D.

Electronic approval: 7. 3. 2015

prof. Ing. Ivana Tichá, Ph.D.

Head of department

Electronic approval: 11. 3. 2015

Ing. Martin Pelikán, Ph.D.

Dean

Prague on 24. 03. 2015

Declaration
I declare that I have worked on my diploma thesis titled " Attracting customers online: the effectiveness of online marketing tools" by myself and I have used only the sources mentioned at the end of the thesis. As the author of the diploma thesis, I declare that the thesis does not break copyrights of any third person.
In Prague on on 27 th March
Kirill Petrov

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Attracting customers online: the effectiveness of online

marketing tools

Summary

This diploma thesis is focused on a digital marketing applied on a company, which operates internationally. Especially thesis is targeted on the effectiveness of online marketing channels and attracting customers. It contains the theoretical part and own input,

which is based on analysis of the online business and marketing strategy for it.

The main aim of the literature overview is to explain the terminology of online marketing, how it works, and to show capabilities of different online marketing channels. The next target is to show how can be potential customers and competitors identified. All the information should help to understand the problems, which are sneaks in the second

chapter of the work.

Own input describes analysis of the original condition of a company and the website, the advertising campaign, redesign of the web, creating of a new content, search engine optimization and also the online marketing strategy, which contains social media marketing on a Facebook and e-mail marketing. On the base of the results all marketing channels were evaluated and compared together and then identified what activities attract and bring more customers to the website.

Key words

Online marketing, SEO, online shopping, E-commerce, SEM, customer satisfaction, online

marketing tools, loyalty

1

Lákání zákazníků on-line: účinnost on-line marketingových nástrojů

Souhrn

Tato diplomová práce je zaměřena na digitální marketing aplikovaný na společnosti, která působí v mezinárodním měřítku. Práce se zejména zabývá účinností on-line marketingových kanálů a přilákáním nových zákazníků. Obsahuje teoretickou část a vlastní vstup, který je založen na analýze firmy a marketingové strategii pro ní.

Hlavním cílem literární rešerše je vysvětlit terminologii on-line marketingu a jeho funkčnost, a ukázat možnosti různých on-line marketingových kanálů. Dalším cílem je ukázat, jak mohou být identifikováni potenciální zákazníci a konkurence dané společnosti. Veškeré informace by měly pomoct porozumět problematice, která je probrána ve druhé kapitole práce.

Vlastní vstup popisuje analýzu původního stavu společnosti a webové stránky, reklamní kampaň, re-design webu, vytváření nového obsahu, optimalizace pro vyhledávače, a také on-line marketingové strategie, která obsahuje sociální média, marketing na Facebooku a e-mail marketing. Všechny marketingové kanály byly vyhodnoceny a navzájem porovnány na základě výsledků analýzy. Na závěr bylo zjištěno, jaké marketingové kanály lépe upoutávají pozornost potenciálních zákazníků a jak jsou účinné.

Klíčová slova

Online marketing, SEO, online nakupování, E-commerce, SEM, spokojenost zákazníků, online marketing nástroje, loajalita

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1. Introduction

Internet has a very strong influence on the formation and development of the global information society. Web space as a social phenomenon - global communications, providing the exchange of text, graphics, audio and video, and access to online services without territorial and national boundaries. Distances become shorter and shorter. It is hard to hide facts or information now, all becomes transparent.

Internet develops very rapidly and dynamically, despite the fact that it has a short story. It is an effective tool for research, education, marketing and business development, which has a huge impact on the audience. Technological capabilities of the Internet, causes the rapid development of the global information society.

Around 40% of the world population has an internet connection today, it is about 3 061 624 500 people, and it keeps growing every second. [1] Internet users and also particular clients for a company can be easily found on different blogs, forums or social networks, video streaming web sites, such as Facebook, Twitter, YouTube, Vkontakte, Instagram and others. This is the way to expand the customer base of a firm. The main target is to attract buyers, convince them that your product is better, safer, and cheaper and has a good quality and then make your customers loyal.

With development of information communication technologies the new way of doing business appeared. Traditional marketing now slowly receding into the past. Customers now have a vast amount of information about products or services, which companies provide. Current buyer does not limit himself to goods from the town's shops. On the contrary there is a possibility to order any product from any company all over the world. Consumers can easily compare different goods, read the evaluation or comments from other buyers about particular products and make a right choice without leaving a home. All this creates a huge competition for businesses. Companies should realize that without e-commerce it's hard to survive. But the appearance of a firm in the web space does not mean success. There are millions of aspects that should be taken into account and without online marketing strategy it would be hard to get the company visible and recognizable.

Today exist so many web sites, that are static old fashion and absolutely unusable and inaccessible. These web pages make a bad reputation for companies. Customers stay there

for a few seconds and leave or they simply bogged down in a lot of information that has no order and even meaning. In this case, there is one way out - to completely remake a web application, to choose the right design, navigation and keywords, strictly focusing on a specific target audience. Web pages must help to run business and attract customers, but in no way interfere with its development. It is the main subject of this diploma thesis.

2. Aims and objectives

The main aim of the diploma thesis is to attract customers online, make the web page visited. The second aim is to make chosen web site usable, accessible and profitable.

To achieve the set up goals, the next objectives must be reached:

- To analyze and to test the original condition of a web site, called Skypeitaliano.com
- To create the online marketing strategy.
- To make changes in design and content of web pages in accordance to a proper marketing strategy that will start from a question – for what action from the client side the web application is built for?
- To promote the Skypeitaliano.com web site after all modifications.
- Analyzing and testing the condition of a web after all actions.
- Measuring the result.
- Monitoring.

3. Methodology

- 1. Web site analysis using Google Analytics. This statistical web tool provides many metrics that can be very useful in making decisions about reconstruction of a web site or redesigning. Also understanding the value of the information that is produced by Google Analytics managers can estimate what marketing channel is more profitable and attracts more customers. The main indicator will be ROI, by which company can estimate the profitability.
- 2. A/B test. It is a kind of experiment, when the original version A is compared to a modified version B. [2] The main aim is to estimate user's behavior and to understand what is the best one.
- 3. Testing usability and accessibility of a web site. It is another experiment, when 5 people will be randomly chosen to use the web page under monitoring. [3] All their complications on a page will be recognized and taken into account in the further development of a new version of a web site.
- 4. Search engine marketing or SEM will be consist of Search engine optimization and Pay per click advertising (PPC) with the help of Google AdWords.
- 5. Social network marketing. Two social networks is chosen Facebook and Vkontakte. The main target is to create groups, which will connect with Skypeitaliano.com web site, and expand the customer base.
- 6. E Mail marketing. Informing clients about special offers, seasonal discounts and new products. Also sending newsletters to customers.

4. Literature review

4.1 Characteristic of the Internet

Internet is a worldwide system with interconnected computer networks. Computers connects with each other via TCP/IP¹ protocol. The aim of the Internet is communication or technicians would say the exchange of data. The most frequently used and popular service is WWW. Ordinary users say web pages or even simply web. The internet is about sharing different types of content:

- Text
- Graphics
- Audiovisual content

All web pages are interconnected with each other by hypertext links. With the help of them people can share content, publish content, find and spread information. Hypertext links are the best tool to increase popularity of a website and significantly affects marketing communication on the Internet.

Next characteristic of the Internet is a speed and it's time availability (24 hours, seven days a week). Uploaded information is available immediately and for everyone. Any communication on the internet takes 1 second or even less. People can chat, exchange the information using a large amount of programs, such as Skype, e-mail, Viber or What's up, VoIP.

Basic work with Internet for users is simple. Just put the question for a search engine and then it will display all the search results in the form of links to the relevant web sites, where the requested information is.

For companies it is more complicated, than for its clients. For effective and smart marketing communication a firm should plan the way and form of marketing communication, analyze market environment and select a target group. High and speed development of the Internet services and new technologies allows to identify a particular customer faster and better. Company can focused even on small market segment. Every day monitoring is very important for evaluation of the applied marketing strategy. Firms

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¹ Transmission Control Protocol/Internet Protocol

should react on the validity of the situation quickly and make the most appropriate decisions.

4.2 Brief Internet history

With the advent of the Internet people found themselves in the information century. Internet appeared approximately 50 years ago, when the American army wanted to ensure connection of their radar stations. Then Americans tried to interconnect education institutes. On the 29 of October 1969 was created network ARPANET. The aim of this network was to connect all universities in different parts of USA. [4]

The most important event was in the year of 1980, when in the Swiss university for nuclear development, called CERN, Tim Berners - Lee created the idea of hypertext link. It was a first weighty step on the way of sharing and actualization of information. [5]

The next step of expansion of the Internet was presenting the first graphic search engine Mosaic for society by the organization, called National Center for Supercomputing Applications in the year 1993. After two years was invented the standard WWW. In the year of 1995 in the USA were about 2 million Internet users. Further was traced the incredible growth of users. [6] In the year 2013 Web certain The Global Search and Social Report Company announced the following figures: [7]

- Whole world users 2.4 milliards (penetration 34.3 %).
- 7.4 millions in the Czech Republic (penetration 73%).
- 15.5 millions in the Netherlands, the highest penetration (92.9%).
- 594 millions in China, the highest number of users in the world (penetration 44.5%).

Other developments: [8]

- The first domain simbolic.com was registered on the 15 of March 1985.
- By the end of 2013 were registered 271 million domains.
- In 2014 was approximately estimated about 15 20 milliards of web pages in the index of Google.

 The basic services of the Internet are: e-mail, on-line communication between users via Viber, ICQ, What's up, VoIP telephony Skype, and DNS - domains, FTP transfer of files or NFS - sharing of files.

Development of the Internet is incredible and hardly predictable. In a short time people acquainted with the latest technologies and services.

4.3 Marketing on the Internet

Internet marketing is a way to achieve requested marketing targets via Internet. Like classic marketing it includes a variety of activities, which are connected with influencing, persuasion and holding the relationship with customers. Internet marketing concentrate on communication. Also often named as web-marketing, e-marketing, on-line marketing or the newest name is digital marketing.

The main aim of a company should be providing quality goods or services for an acceptable price, in the right time, in the right place and in the right way. That are the components of marketing mix, called 4P:

- Product something, that brings value for customers. That value can be as a benefit
 from using a product, better conditions and lower prices compared to the
 competition, good mood, realization of the dream, holding famous brand and so on.
- Price interprets how much costs a company spend to get a product.
- Place distribution of a product. It contains logistics, warehousing. For distribution of immaterial products, such as software, video, games, online services or music, it's enough the connection to the Internet. Other products have offline distribution.
- Promotion it is a process, when the information transfers from source to the subject. In other words it is a communication process between company and consumers. Before buying something, customers must know about the existence of a product, they want to know about functions and quality of a product. And finally buyers should be convinced about the particular good. On the other hand companies want to have information about consumers, their preferences, tastes and behavior. So two sides must communicate with each other.

There is another conception that displays the view of a customer. It is called 4C:

- Consumer companies must sell products that give value to buyers.
- Cost the price, that includes costs for obtaining the product plus time for searching and paying for services connected to the product.
- Convenience customer satisfaction. Product or service must by easily to buy and get information about it.
- Communication relationship with clients.

4.3.1 Brief history of online marketing

Online marketing can be considered the beginning of the end of 90th century. Since 1994 companies make their advertising on Internet. [9] Some marketers begun to understand the potential and power of web-marketing. But the technological progress and accessibility to the Internet for people was limiting the ability of online marketing. But year after year the situation began to improve and companies begun to present themselves on the web space with the help of WWW presentations. Web pages begun to replace printed brochures, catalogs and finally companies started to sell their products via the Internet, using e-shops.

Continuously began to develop and improve multimedia, banner ads, newsletters and so on. At the moment, when companies begun to detect customers preferences, opinions, desires, comments on products, was born Internet marketing.

4.3.2 Influence of the Internet on marketing

Internet has significantly contributed to the change of marketing. Information today is highly accessible. People use the ability to compare goods including prices from different producers. Customers can exchange their opinions on products, evaluate them and of course they can buy goods and services on Internet without any movements. It's actually a huge market with unlimited offer of products with well-informed customers. The space on Internet is opened to everyone irrespective of size of a firm. Even a small company or individual entrepreneur can achieve effect and customers. It's enough to use wide range of advertising, sales support, public relations or direct marketing.

4.4 Online marketing vs. Offline marketing

Internet marketing is already more significant than classic marketing today in the countries, that use advanced technologies. But we cannot divide them. Marketing has one base and companies that sell only on the Internet communicate with customers with the

help of offline marketing, solve transport or pricing policy. On the other side many firms leave offline environment, if concerning marketing. In some situations there can be reasons for that, but generally it is a mistake.

Foremost production companies wouldn't relate only to the Internet. Can happen anything and Internet will stop working, due to the government interaction or something will radical change. Since 1990 to 2000 in just 10 years the situation on the Internet has absolutely changed and during next 10 years it has changed again thanks to Google. [10] Without qualitative enterprise, shop, loyal customers, good service, tradition, firm is very vulnerable.

Companies often ask a question – what is better: online or offline marketing? In most cases it is about asking wrong question. But if it occurs, company must realize two things:

- The aim of marketing
- Target markets
- Segment of customers

By that management of a firm must decide where to focus their marketing activities, what ways and tools of communication marketing mix can be used. It is necessary to think if the particular customers usually buy products via e-shops or they accustomed to buy goods in a street market, if they can find information online or they better read paper news or catalogs, they make their own decision or they listen to other opinions etc.

Companies can find more differences among customers. According to this marketers can attract some buyers by PPC advertising, other can be attracted by billboards along the road or for example young people might be interesting in ads in the social networks.

Combination of different marketing activities creates synergistic effect. That is why companies should do both, online and offline marketing. The ratio between these activities varies. But Internet marketing has some advantages against classic marketing:

- Monitoring and measuring there are more good data.
- Non-stop accessibility (24 hours and 7 days a week) marketing on the Internet performs continuously.
- Complexity customers can be suddenly reached several ways.

- Ability of individual access to clients non-anonymous customers, community, and the right buyers can be found by the right key words and content on the web page.
- Dynamic content the offer can be changed any time.

4.5 Examples of communication tools

4.5.1 Web site

Web pages are the basic tool of marketing communication on the Internet. With the help of web pages people learn information about offered products, about a company, contacts and of course they can decide why to buy specifically your product. When creating a web site developer should follow the rules of accessibility and usability. It concerns the web design, content, navigation, SEO and so on.

Technological progress of web design goes faster and faster every day. There are a lot of different web applications that can interact with customers in many ways. Web developers use programming languages to build web pages. They are: [11]

- HTML
- CSS
- Java script
- C++
- Pascal
- Ruby

Many types of web pages can be found on the Internet. For this diploma thesis were chosen a special type, called corporate websites. Company should use corporate websites for different forms of marketing communication. Primarily they should inform and hold customers in a contact with a firm and its products. But on the other hand, there must be situated some elements, that can obtain necessary information from clients. For example, they are forms to send queries, discussion forums, and the ability to comment different articles, surveys, competitions, online chats or VoIP contact. So corporate web pages are suitable for public relations, sales support or direct marketing. But they are less appropriate for advertising. Of course there is a place for that, but in no case there should not be

adverts from third parties. Ads must only supplement the content of a web page. Bad inappropriate advertising discourages customers.

Also web pages can be created for special needs. For example micro web pages can be built for attraction of customers for specific queries or micro web can be created only for special advertising.

4.5.2 E-shop

Online shop is the place, where internet users can buy products or services via personal computer, mobile phone or tablet.

Historically, the first e-shop was electronic library shop, called Books.com. [12] It was found in 1992. Than the company Pizza Hut enabled ordering of a pizza in 1994. [12] The e-shop development dramatically speed up after 1995, when Amazon.com entered the market and the year later was created eBay. [12] For the first time e-shops sold CD's, flowers, gifts or electronics. Nowadays people can buy online almost everything.

Except of goods and services of all kinds electronic shops provides different kinds of payment and shipping:

- Cash on delivery
- Payment card
- Bank transfer
- SMS payment
- Home delivery
- Shipping to the branch office

From a business side operation with an e-shop is not easy. Online market is hyper-competitive environment, which continuously decreasing prices, force management of e-shops to create newest ways of attracting customers, sales support and promotion.

Through different challenges the e-shop for most companies is absolutely necessary. Buyers firstly search for products on the Internet and then go to a store. So e-shop plays the role of a huge catalog, where they can compare prices and characteristics of different products at home without wasting time and then buy chosen product in a store for a few minutes.

4.5.3 Blog

The word blog was invented as an abbreviation of the word weblog. It means web recorder. Blogging means regularly posting on a specific page. A person, who writes a blog called blogger. Articles are posted in a chronological way. There are two types of blogs:

- Personal diary (every person, who has a connection to the internet can create his own blog and post there his thoughts, life events and so on)
- Professional blog (often it's a company's blog for posting latest news about products or services, marketing activities or useful information, connected with a particular question)

Around company blog creates a society with common interests. People can write comments to the different articles and sometime they can write their own post in a blog. That practice called guest posting.

The main aim of a blog is to attract customer's attention and inform them. Also blogs create traffic to the web site and build good backlinks for better search engine positioning.

The first blog was written by Justin Hall. He started writing it in 1994. [13] The word weblog was created in 1997 by Jorn Barger, but the abbreviation was introduced by Peter Merholz in 1999. [13] If the blog created only with video content, it's called vlog. Today is widely used microblog for a special form of blog. It is used in Twitter. Number of blogs today is around 179 million, according to www.tumblr.com (2014).

For marketers it is important to differentiate blogs, that write an independent blogger and blogs of companies. Also it is necessary to know who is yours customers (B2C or B2B environment). Style in communication should be different in those two cases.

Around 60% of companies in the world have their own corporate blogs, but on the other hand companies don't actualize their blogs often. Almost 2/3 of world firms actualize blogs only once a year. But the power of corporate blogs cannot be underestimate. Good blog with relevant content can create a strong flow of visitors from natural search for different words. Later that visitor can be converted to customers and it would be less expensive than attract them by advertising.

4.6 Basic terminology

CMS

Content management system – is an information system or computer program for supporting and organization the process of designing, editing and managing content. Other words it is a platform for building web pages, blogs or e-shops. Such systems make work with content (text, graphics, pictures, video and animation) much easier. The biggest advantage is that with the help of CMS an ordinal user of the Internet can build a web page. Tools of CMS optimize and store content in HTML.

Basic functions:

- Providing tools for creation a content.
- Design solution.
- Managing of a content(storage, monitoring, control, accessibility, controlling the flow of files, publishing)

Types and examples of CMS:

- Enterprise Content Management System(HRM-human resources management system, CRM-customer relationship management system, DMS- document management system)
- Web Content Management System(web sites and blogs: Wix.com, Wordpress.com, e-shops: Joomla.com, Drupal.com)

Search network

Search network is a group of websites related to the search, in which ads can appear.

Google search network includes Google search websites and search pages of partners, with whom Google subscribe a contract with the aim to show ads (search partners network), (Google, Inc., 2015).

The most commonly used Czech search engine is Seznam.cz. The search network is also formed by partner websites Zbozi.cz, Firmy.cz, Sbazar.cz, Obrazky.cz or Seznam Encyclopedia and other (Seznam, Inc., 2015).

The same situation is in Runet (Russian web space). The most popular search engines are: Yandex.ru, Rumbler.ru and Mail.ru. [14]

Contextual network

Contextual network is a group of more than a million websites, videos and applications. Websites in this network have partnered with Google and display relevant ads using AdWords (Google, Inc., 2015).

In the Czech Republic it consists of a group of the most visited sites of the Czech Internet and other several thousands of partner websites that display on their pages contextual advertising Sklik. Each month the contextual network grows by hundreds of newly connected websites (Seznam, Inc., 2015)

One of the most famous platforms for contextual advertising in Russia is Yandexdirect. [14]

Key words

Keywords are words that associated with the product or service, brand or website. They are widely used in SEM-search engine marketing. In connection with PPC advertising the key word text is a chain consisting of one or more words written in a different order. Significance of keywords advertising needs to be relevant to the content of website, content of advertising and content of lending page. In other words key words that use marketers should be almost the same, as users write to the search engine, according to the rules of advertising on the Internet.

Optimization

Optimization is a very important part of online marketing activities. It is a process of making changes in order to improve the success of advertising, website accessibility and usability, search engine position of the web. Marketers can optimize ads, keywords, content of landing page and a whole website. Web developers can optimize web design, navigation, contrast, colors. The right optimization should proceed from the analysis of advertising and website structure (design). The results of all activities should be measured for the next improvements.

Click

It is a situation, when someone clicks on link in order to get to the relevant landing page. A click can be counted even if a user doesn't reach the website. Web page can be temporarily blocked or unavailable, it can be not working or a person will decide to leave, because of low appearance of a page or bad Internet connection. As a result, in analytics might see a difference between the number of clicks on a link or add and the number of visits to the website.

Conversion

Conversion is an action from the user side, which a company wants to obtain. Management should think about the aim of a website and what final goal is requested. Examples:

- Main target (conversion) for e-shop can be order of a product or service. In some
 cases people can order something, but during the time they can realize, that they
 don't want to buy it and will cancel the order. So the final estimated goal should be
 paid order.
- Other conversions might be: registration, video viewing and implementation of a questionnaire or other forms to obtain information about a client.

Conversion rate

Conversion rate is a rate of conversions divided by quantity of clicks on ads, which led particular customers to the web.

Impressions

How often an ad is shown on a search result page or other site of a network. It occurs when users start typing some word combination they need to find.

Landing page

It is a web page, that is always appears after user clicks on a link or ad. Lending page is a core element of search engine marketing. Success of online marketing depends on how well lending page is constructed (navigation, frequency of key words, design). Landing

page experience is represented by such options as the usefulness and relevance of the content provided on the page and the quantity of backlinks on the page.

Quality score

It is an estimate number of the quality of company ads, keywords and landing page. Higher quality ads should lead to lower prices for clicks and better ad position. The components of quality score are:

Expected CTR-click through rate, which is used to measure how often people click
an ad after it's shown to them. It is often used to help determine the effectiveness of
an ad. CTR can be counted as the number of clicks your ad receives divided by the
number of times your ad is shown:

$$CTR = \frac{Clicks}{Impressions}$$

If we have 2 000 impressions and 100 clicks, our CTR is 0.05 or 5%. [15]

- Ad relevance
- Landing page experience

Quality score can be measured from 1 to 10. The more relevant the ad and landing page are to the user, the higher quality score you get. [15]

4.7 Online marketing strategy

Creation of an Internet marketing strategy is a first step in a whole process of data analysis, building a website and its promotion. It is a complex plan of actions, which should lead to the successful changes in existing website or should give positive results in developing a new web. To know what steps a company should do marketers can draw a diagram.

Figure 1: Online marketing strategy



Source: Online marketing strategy, available at http://onlinemarketingstrategies.org (accessed on 23.02.2015)

4.7.1 Marketing communication

Marketing communication includes activities, called communication mix, and also techniques for communication with customers. Here are basic parts of marketing communication on the Internet:

- Advertising(catalogs, PPC advertising, offline advertising)
- Sales support(discounts, competitions, samplers, loyalty program)
- Public relations(news, articles, viral marketing)
- Direct marketing(e-mail, online chat, webinars)

4.7.2 Selection of target markets

For selection the forms of marketing communication, respectively where marketing communication will be performed, management of a company should know who will be the object of this communication. Firstly should be described a particular customer. Then marketers should estimate a target group. This process is called segmentation of customers.

4.7.3 Analysis and identification of customers

Before creation a communication strategy managers must put several questions:

- Who are the company's customers?
- How they can be described?
- What influence their buying behavior?

Customers can be new, loyal or can be from a competitor side. During analysis of buyers can be found their requirements, needs, desires, and preferences. It is important to know why people buy this product, if they differentiate products from variety of suppliers. Other aspects can be the price of a product or additional service. It is necessary to remember, that analysis of customers is not disposable process, but it is permanent.

Companies must constantly follow the customer's behavior and come with newest products and services. It can be a new design, better quality and price or new characteristics. Without that a company cannot survive in a hyper competition environment. Analysis of customers is held for disclosure previously hidden opportunities in customer's satisfaction and needs.

4.7.4 Segmentation variables

Segmentation of customers by defined factors is one of the steps of determination target markets. There are a lot of different variables that can be taken in consideration. A good way to estimate them is a brainstorm session and creation of a potential buyer.

Description of a potential buyer is not so easy but well-created profiles can answer a lot of questions, such as at what time a person search on the Internet, if a person works or not, when he or she has a free time or what is his or her hobby.

Brainstorm session should be conducted by several people. All ideas should be recorded and then analyzed. Chosen variables can be written in a table:

Figure 2: Identification of customers by variables

Variables	Examples
Territory	Europe
Countries	CR, Poland, Russia
Regions	Middle Czech
Cities	Prague, Brno
Other	Subtropical zone, mountains
Age	18+
Sex	Male/Female
Number of family members	2,3,5
Other	Single, retired
Salary	Under 15 000 CZK or higher
	40 000 CZK
Education	Basic, secondary, higher
Livelihood	Self-employer, worker, teacher
Life style	Can be different
Social status	Middle class
Other	Character of a person
Buying habits	Buy every day, sometime
Preparedness to buy	Know or don't know the
	product
User knowledge	Beginner, upper user
Attitude to a product	Positive, negative
Preferred values	Services, price, quality,
	shipping
Others	Loyalty
Religion	Catholic, Muslim
Nationality	Czech, Russian
	Territory Countries Regions Cities Other Age Sex Number of family members Other Salary Education Livelihood Life style Social status Other Buying habits Preparedness to buy User knowledge Attitude to a product Preferred values Others Religion Nationality

Source: JANOUCH, Viktor. Internetovy marketing. Albatros media. 2014. ISBN 9788025143117

On a segmentation base company can select target groups, for which it will devote its own marketing communication. For each segment company must treated differently. In B2C markets we cannot take every customer's need, preference or habit in a consideration, because it is a very hard process of identification and recording of each variable. It can be

assumed, that the situation will change faster and firms will start recording each customer as individual one. But in B2B markets now it is possible and necessary.

4.7.5 Positioning strategy

After target segments were chosen, company should think about competition strategy. It is a key element, by which a company will differ from its competitors. Product can be differing from competition by several characteristics:

- Product doesn't have any competitors.
- It is hard to competitors to invent similar product.
- Product brings substantial benefit to customer.
- Product is perfect (very debatable issue).
- Product has a better price.
- There can be more characteristics.

If the product has at least one of described options, it is a compelling advantage, but it doesn't mean that it will be successful on a market. Positioning strategy must show to customers how they should look at the product. One of the best choices is to think about a history of the product. It shouldn't be unreal and long story. It's better to connect a particular product with some kind of sport, hobby and famous person or with some ritual or a mystery. Red bull is a good example of creation a story for product. Almost every extreme sport, where people get adrenalin, cannot get along without energy drink Red Bull.

Other variant is to make a video clip with a good story of a product. Also some member of a company can tell customers what is special about the product. There are thousand possibilities how firm may declare its product. The main aim is to show and then to prove, that exactly this product is unique and worthy of purchase.

4.7.6 SWOT analysis

It is always necessary to conduct a SWOT analysis of a company. The aim of this analysis is to estimate Strength, Weaknesses, Opportunities and Threats of a company. [16] It can be estimated with the help of brainstorming. Also it is important to know, that strength and weaknesses of a company are internal elements, while opportunities and threats are external ones.

On the beginning of each business or for significant changes it is highly important to hold such analysis, despite the size of the firm. SWOT analysis can bring serious facts, which would change the opinion on a strategy and situation of a company in a positive or negative way.

Possible questions, that management can put during a brainstorm session for SWOT analysis:

Strength:

Strength is an internal, positive factor. It describes what company does well. Attributes can be tangible and intangible.

- What advantages does a company have?
- What company does well?
- What internal resources does a company have?
- What is company's competitive advantage is?
- What is company's price policy?
- What bring employees to a company?
- What people think is a strong side of a company?

Weaknesses

Those are weak points in a company. They should be taken in a consideration and must be reduced and corrected.

- What can be improved?
- What factors prevent the achievement of estimated goals?
- What factors lose company's sales or customers?
- Is a certain business suffers from a lack of resources?
- Is a company's location poor?
- Is a company's personal staff is enough skilled?
- Does a certain company have modern technologies?

Opportunities

Opportunities represent factors, in which a company can realized and succeed. It is often called the engine of progress.

- What good opportunities exist in a particular market, which can be achieved and realized?
- What are the trends in the market?
- Where can a company get additional resources?
- What are the new ways of marketing communication?
- What are the new promotional channels?
- What are the new target segments?
- Are there new partners or suppliers?

Threats

Threats are external factors, which cannot be controlled by management of a firm. It is a risk for business.

- What are company's competitors?
- What new products can be invented in a particular industry?
- What external factors can place a certain business at risk?
- Can new technologies increase competition in the market?
- Does a company have cash-flow problems?
- Does a company need additional financing?
- Can any of company's weaknesses seriously threaten a business?

A SWOT analysis is typically conducted using four squares, where people put all their ideas in a certain square.

4.8 Analysis of competition

Every business has its own competitors. Even if a company is unique and there are no such products in the market that a certain company has, it is very important to know, that competitors can enter the market anytime and every firm should be prepared.

4.8.1 Identification of competitors

The first stage of a competition analysis is identification of competitors. There are several ways of finding competition:

• Search engines:

For finding competitors in a search engine firstly managers should think about key words and short phrases, which characterize a business in a better way. Than insert that key words to the search engine and get a result. All firms that will appear are the company's competitors. Always they will be in a first result page. Other pages with results can be taken in a consideration optionally. Also it is important to know what language and search engine target customers use.

• Catalogs:

Finding competitors in catalogs is very similar as in search engines. Catalog is a hierarchical list of companies, which are divided into categories. So it is enough to choose category of your business and select the most dangerous firms for you. They are those, who are among the first links in a search result.

• Statistic servers:

The aim is to collect information about websites visiting and to put them into categories by their rating and orientation. Thereby company can extend the list of potential competitors. Good statistic server is Ranking.com.

Nowadays it is not necessary to write competitors names on a list of paper. To record and monitor competition a company can use a web application that will control changes in content or design of competitor's websites. That app will inform a manager about any changes on a website by e-mail or even SMS. Example of such software is Versionista.com.

Three types of competition:

Existing competition - represent businesses that are trying to sell goods or services
of the same kind that intends to deliver and your company.

- New competition these are companies that are expected to enter the market in the area where a company plans to work also. Usually this will be only estimates of the overall development of the market, but also such information is valuable for a firm. Management of a company can predict trends of development knowing the attractiveness of a market, earned profits, processed market forecasts and anticipated consumer behavior, possible market barriers, various legislative barriers etc.
- Substitute competition this competition results from the existence of similar or related products and services in the market. Very often, not at first glance, these refunds can be distinguished. For example, the door manufacturer on the market must deal with a company that performs renovations of old doors. It is necessary to carefully monitor new trends in the industry, product development, materials used, design solutions to be ready to identify threats of new substitute products and respond to them adequately.

Analysis of competition must bring answer for the next questions:

- Does competitors launch new products or services in the market?
- What image are trying to create competition for their business?
- What are the competition target markets and what market share they have?
- What are the company's competitive advantages? (price, quality, service, convenience of customers)
- What is the rate of debt of a competition?
- What is a competitor's strategy of advertising and shipping the products?
- What a company can do better than its competitors?

4.8.2 Evaluation of competition

The next step of competition analysis is an assessment of competitors from two different sides:

Financial analysis

Analysis of financial health of a competitor's company. Elements of financial analysis are: profitability, indebtedness, return on investments, earnings, capital structure, quantity of

employees etc. This information can be found directly on the web or in the commercial register.

Function analysis

This kind of analysis shows the functionality of competitor's website. Marketers of a company must be interested in a group of customers that are buying products from competitors. Important numbers are:

- Quantity of visitors
- Promotion method
- Accessibility of the web
- Navigation of the web
- Effectiveness
- Relevant content
- Ordering process

4.9 Web analytics

Web analytics is a no-stop process of analysis, controlling and monitoring of a website data flow. [17] It is based on qualitative measuring of customer's behavior in a real time. So the web analytics can be considered as the most effective tool of conducting a marketing strategy, which has ever been invented in the online world.

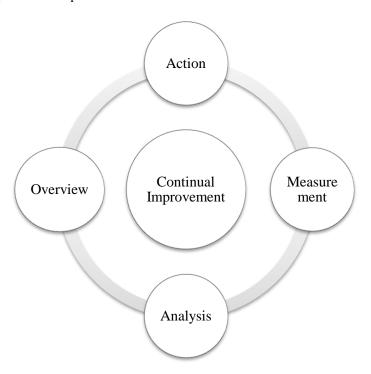
Web can provide valuable data about customer's behavior. These data is a good tool for understanding buyers. But for the right interpretation of data for further improvements company must have an external specialist or has to invest money to install the system and train the own staff. The system, called GETUP can help to focus on five aspects of every measuring strategy: [17]

 Goals and strategy – analytics marketing cannot be done without measurable business targets or conversion aims that can be divided on transaction aims (purchase, registration, contact information, etc.) and engagement goals (website traffic). It is the first step of a strategy.

- Expertise every company need a professional analytic or a professional team of analytics. It depends on how large is a web and a company. For the team of analytics it is necessary to have a permanent facility in a firm.
- Tools installation and authentication of an analytic platform. For example it can
 be Google Analytics, Yandex metrika, Yahoo Web Analytics, Adobe Omniture or
 others. It is important to secure the right installation and configuration of a service
 especially for your company.
- Unified data single web analytics is not enough for transporting of data on a strategic asset. Qualitative and competitive data is needed. Doesn't matter what tools for analytics a company has. It is necessary to unite source of data for answering complex questions and maintaining integrity of collected and shared information.
- Process integration web analytics is a tool for understanding customers. Its value a company will begin to feel after the application to the real decisions.

Basic cycle of permanent improvement with the help of analytics:

Figure 3: Cycle of permanent improvement



Source: TONKIN, Sebastian. Performance Marketing with Google Analytics: Strategies and Techniques for Maximizing Online ROI. 2010. Wiley. ISBN 9780470578315

4.9.1 Google Analytics

Google Analytics is a statistical program running on Google's servers. Registered users can put into their own website monitoring codes and then look at the advanced statistics of pages. The set of data that was collected during monitoring of customer's activity on the certain web is called clickstream data. Service of Google Analytics is focused mainly on clickstream analysis. This service is powerful enough to use it in a corporate purpose. It is completely free and company has to invest money only for employing a technical staff for professional analysis of the corporate website.

With the help of Google Analytics several questions can be answered:

- What kind of customers bought a particular product or service?
- What marketing channels generate the highest ROI?
- Where during the process of ordering a company can lose the biggest amount of potential clients?
- What marketing campaign gets more conversions?
- What are the most successful and effective campaigns and specialists?
- What is the share of marketing effort on the total result of a business?
- What is the most attractive content on a website?
- How often buyers come back after purchasing some product or service?
- What key words people use to get on the corporate web pages?
- What geographical area brings the biggest amount of visitors?
- What language the potential customers use mostly?

There are many other options as well as tricks in Google analytics. It is visible that without web analysis it's impossible to achieve good results in e-commerce. Companies do their business blindly without using tools of web analysis.

4.10 Web testing

There are many types of website testing. It is very important to test a web before it will be launched online. Also web pages have to be tested after some time of presence on the Internet. Web can be tested by software or a group of people.

Software testing is focused on functioning of the web application. Advantages of web product can be labeled as functions and problems of the web can be labeled as bugs-places in a web page, which can make problems for users. Often such tests are called accessibility and usability testing. The purpose of those tests is to know if the web page is simple and convenient for use and if the page is accessible for users with some physical difficulties.

Why web testing is so important? Firstly, creation of a web is less expensive in a long-run horizon. It is understandable that correction of a finished website is very expensive. In fact a company will pay twice. Secondly, web testing can find problems earlier, than it would be found by users. It makes web pages more trustful. Thirdly, if the website launched online for a first time, Google will give an index to each web page. Indexation is a kind of rating of a web site. Each search engine has its own secret index.

Bugs can appear in any place or element of the website. There can be problems with text (bad visibility, not relevant fonts, layout, functions and so on), color and contrast of web pages, programming codes (HTML, CSS and Java script), registration form, menu, navigation, buying process or simply customers will not like something in a web site.

To fix as much problems as possible web developer can use different software for testing. Applications for testing can be free or not. These are some examples of testing software that can be found online:

- Checkmycolours.com it is a tool for checking foreground and background color combinations of all Document Object Model elements and determining if they provide sufficient contrast when viewed by someone having color deficits. All the tests are based on the algorithms suggested by the World Wide Web Consortium (W3C). This service is free of charge.
- Webaim.org WebAIM offers complete web accessibility services, such as accessibility training, accessible site certification, accessibility evaluation and reporting, consulting and technical assistance. Regardless of the type or size of a company's web site, WebAIM can help ensure that a website is accessible and usable to those people with disabilities. The company specializes in developing and retrofitting web content for accessibility. Company's accessibility approach is one

- that empowers clients to maintain that accessibility into the future. All services of WebAIM company is not free.
- Validator.w3.org This validator checks the markup validity of web documents in HTML, XHTML, SMIL, MathML, etc. There are other validators that can estimate the validity of a specific content such as RSS fields, CSS style sheets, Mobile OK content, or to find broken links. As an alternative a company can also try our non-DTD-based validator. It is free for use.
- Validator-suite.w3.org it is a good opportunity to check valid code of a website, according to the validity standards. Company can evaluate twenty web pages for free after registration

Also website should be compatible for different browsers (Internet Explorer, Mozilla Firefox, Google or Opera) and different devices (mobile phones and tablets).

Next step in web testing is a test of group of people. For that kind of web test five people is required. It is maximum; if a company has less people for the test it's ok. The main target of this test is web design test, web content and suitable structure and navigation test. Levels of the test are:

- First of all marketers in cooperation with web developers must to think about questions they will ask to focus group during test session.
- To find people for testing. To invite users that are considered as a target segment of a company will be the best choice.
- Test procedure. One hour is enough for test session. During the session management should pay their attention for what people are doing. If they stop, ask them, why. Furthermore managers should request people to do something, to find something, to buy a product, to register or to fill the form and send it. Monitoring is necessary. It is important to know how long users are doing something, where they stop and for how long, why they don't finish the task and so on.
- All information should be written or recorded.
- Final stage of testing is a discussion about results. Conclusions have to be applied and all improvements should be done

By this interactive way a company can learn a lot of useful aspects about what should be changed on the website. Thereby the company can satisfy the needs of their customers and make a profit.

The last but very important thing is identification of potential security risks. Website security is not the last unimportant thing to do. Viruses can be very dangerous for website working. Also the information, which contains a website, should be safe. A good solution of the problem can be buying the TLS certificate. TLS (Transport Layer Security) is a modification of previous SSL (Secure Sockets Layer) protocol. It is cryptographic protocol that is used for secure transportation of information between the sites of the Internet. [18]

This type of a protocol is widely used in applications that work online, such as web browsers, e-mail, chats and VoIP. TLS certificate can be bought online.

4.11 SEO

SEO is an abbreviation of the English definition search engine optimization. [19] In this diploma thesis Google search engine will be taken as an example.

The main aim of SEO is to push a website in a search page results as higher as possible. In other words the target is to obtain a better position in a particular search engine. SEO is not a specific and certain method. It's a combination of technics, monitoring, debugging and unthinkable marketing. [19] Majority of SEO technics is not special; everything comes from the principle of the creation of semantic and accessible web. Other methods are added towards improving the site's ranking by the search engines.

Semantic code is a cod, which is used not for presenting but for identification of significance of the content. Semantic code is well structured with the help of marks that give clear and real significance of the final web pages content. For example it is the right structure of titles on pages. Title of the higher level is above titles of the lower level. It shows what is hidden under those titles to the search engine. So the search engine can evaluate the content of the web pages better. [19]

SEO includes the following activities:

• The choice of the right and logic structure of the website

- Creation of the correct semantic code of web pages using HTML programming language.
- Creation of a web content that will be attractive, meaningful and interesting for web users.
- Building backlinks that lead to single pages of the web from other websites.
- Manipulation with relevant keywords.
- Continuous analysis of web position in the search engine and the next correction of web pages leading for better positioning.

Every search engine consists from three parts: search engine robot, database or index and search engine page with a filed for searching. The aim of the search engine robot is to find new pages on the Internet and put them into index. Robot gives an evaluation to the pages while saving. System of evaluation of search engines is different. This diploma thesis is concentrating on Google. Page rank is a Google's system of evaluation that is based on how much qualitative backlinks a page has. [20]

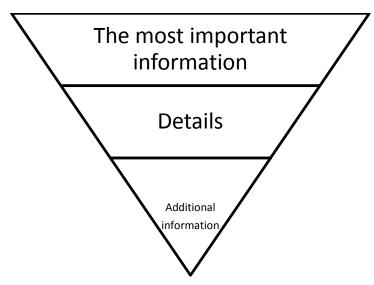
Optimization process can be done for a new or existing website. In our case will be taken an existing website for improvement. If existing web is not effective and it doesn't work, SEO techniques should be applied. It is more complicated process, because firstly existing website should be analyzed. The main target of that analysis is to estimate weak points of a web from the SEO view. But there are two good points: after analysis weak points will be known and old domain is always better for search engine evaluation than a new one. Optimization phase will be the following:

- Analysis of an existing condition of a website from the view of a search engine.
- Analysis of web structure and its navigation.
- Analysis of code validity.
- Analysis of a content of a webpage.
- Analysis of website backlinks and its registration in catalogs.
- All steps for improvement after analysis (right structure and navigation, valid code, good hosting and domain, key words, qualitative backlinks, catalog registration and so on)

4.11.1 Copywriting

The aim of copywriting is creation of professional texts or articles especially for advertisements or publicity releases. Writing the right texts on the Internet is crucial for selling a product or service. Information that contains a website must be useful and relevant for potential customers. Search engine also evaluate the content of the web page. People will better understand logic and well-structured text. Information should be delivered in a form that journalists called inverted pyramid:

Figure 4: Inverted pyramid



Source: Write Better Blog Posts, Pyramid Style available at http://www.practicalecommerce.com (accessed on 1.03.2015)

Example of a web page with product or service for sale:

- Firstly the name or slogan of a product or service with description should be presented.
- Under that must be written all technical parameters, price, characteristics. In other words all steps that should lead to ordering.
- Finally there should be single parametrs and characteristics that fully describes the
 details of a product or service. These information should be provided only for
 customers that are interested in a particular product. Information that is needed for
 buying a product.

From inverted pyramid copywriters creates titles, slogans and the right text structure. Also it appears in the right semantic HTML code of a document.

4.11.2 Backlinks building

Previous improvements were connected with on-page factors (content, code validity). Now it's time to pay attention on off-page factors (backlinks and advertising).

Backlink is a link that leads to some page of a website. Backlinks can be two types: internal links that connect pages of a single website or external links that lead to another web pages. Every web page passes its own evaluation to another pages via hyperlink. The main target is to obtain links from relevant websites with higher page rank. It will promote a page on a higher position in a search engine.

One of the best way how to obtain backlinks is a backlinks exchange. A company can exchange backlinks with its partners or friends. It is very important to have relevant backlinks on a website. Backlinks that are not connected with the aim and content of a web can harm your page rank. The last question is where to put that backlinks:

- All links can be put on a special web page, called partners. That web page may be
 positioned in a navigation menu.
- Also backlinks can be placed in the footer of a web. The main advantage is that
 links will be displayed on all pages of the website, also on a home page that is
 always better evaluated by search engine. Disadvantage is that you can put limited
 amount of links in order not to decrease credibility of a web.
- Links can be put in a relevant text on a page. Those links have the highest value for a home page. Companies should try to persuade their partners to put a link into their text that will lead to the company's home page. It will look natural and a home page will obtain higher PR from a search engine side.

There are some more ways how to get backlinks. Company can buy links or use special exchange link systems. But it is very important to remember that only relevant and qualitative links can help to move forward in a search engine.

4.12 SEM

SEM is an abbreviation of the English word combination search engine marketing. It is a complex of actions aimed to increase website traffic from its target audience. SEM is also connected to off-page factors.

After all SEO improvements and traffic building via backlinks it is not necessary to wait until your efforts will show up and the website will get in a higher position in the search engine. Optimization is a long-term process and its results cannot appear immediately. But there exist another method how to get a website to the first search engine page. Serves to it PPC advertising systems.

4.12.1 PPC advertising

PPC means pay per click from English. It is a type of contextual advertising. Creator of advertisement pays only, when the Internet user click on his ad. Internet users meet with PPC advertising every day. Ads can be found at the beginning or at the end of a search result page. Also ads are placed in the right column of a search result page. All ads now are labeled with the mark advertising. Here are PPC systems of the three biggest search engines in different countries and all over the world:

- Google AdWords (adwords.google.com). This platform is very popular in the whole world.
- Seznam Sklik (sklik.cz). It is famous in the Czech Republic and works only for Seznam search engine.
- Yandex direct (direct.yandex.ru). This PPC system works for Yandex search engine in Russia.

PPC advertising brought a new way of payment for advertisements. Earlier in off-line advertising companies paid for publishing a fix price for example for one month (billboard or magazine), regardless of whether it was successful or not. The concept of pay per click advertisement invented Jeffrey Brewer in 1998. Later a new way of payment introduced Google in 2000. From that time PPC ads gradually gained fame and popularity among advertisers.

PPC advertisement applies during searching and also it displays on the pages with related content. So when people search relevant content, they always see your ads. It's called remarketing and it is possible to configure it in the PPC systems.

4.12.2 Google AdWords

This diploma thesis will concentrate on Google AdWords PPC platform. It is an international PPC system that provides advertising in the Google search engine. If your target audience is international, Google AdWords is a perfect decision (but in some cases it doesn't work, for example in China, because the most popular search engine in China is Baidu.com).

Google AdWords has many advantages:

- It allows to choose your target segment of customers (country, region, city language etc.).
- Ads can be shown at a certain time of day.
- A day budget can be estimated.
- CPC and day budget will save your money. You only pay for results (clicks).
- Google AdWords can connects with Google Analytics. It will give you a full report about your online marketing campaign and customer's activity.
- Free set up and support is provided by Google via mobile phone.

PPC systems are based on an auction bid. Evaluation of an ad will depends on CPC bid and Quality score of a lending page. In accordance with this evaluation advertising gets its place in a search result page.

There are some other kinds of payment in Google AdWords. For example CPM (cost per mille/thousand) or CPA (cost per action). In the first type a company is charged for 1000 showing of a banner ad. The second type is more attractive for advertisers. It will appear in Google AdWords after some experience with this platform. Action in CPA can be some conversion. So a company pays each time, when users do some useful action in a website (buy something, register or send some form).

4.13 Social media marketing

Social media marketing is a process of website traffic building through different social media sites. First online social communities began to appear in the last century, but blossoming of the social networks started from 2003, when communication for people on the Internet became better, faster and more convenient. First meaningful communities were Classmates.com and Frendster.com. With development of social media marketing specialists started to divide some definitions in this sphere:

- Social media is a combination of technologies that are consist of communication content etc., between people, their friends and their virtual relations. Examples of social media are: social networks, such as Facebook and Twitter, content management systems, such as WordPress, products that were created by joint efforts like Wikipedia, web pages for sharing videos and pictures, such as YouTube and Flickr and other.
- Social networks are groups of people or communities with the same interests. For
 example it is a fan group of some popular singer, basketball team or some famous
 brand. Even classmates of some school or students of any university can found their
 own group to keep in touch in real time from any place of the Earth. Those groups
 can be created in a Facebook or Vkontakte.
- Social environment presents a wide scale of friends, places and interests, which make people members of a special community online and offline. It describes why we keep in touch with other people, who we are and what is our mission and aim.

For the purpose of this diploma thesis will be chosen Facebook as a social network for creation a fan group of a website that should build a traffic on it. Also there is a possibility to promote a web with the help of advertisement on a Facebook that uses pay per click method of payment.

4.13.1 Facebook

Facebook is a huge social network that provides many possibilities for website promotion and building a fan society that will increase a web traffic. Facebook was founded on 1.02.2004. At the beginning Facebook was a network of Harvard University in a state Cambridge, Massachusetts. It was used for searching students who studied in the same class. Later Facebook connected more students from universities and schools throughout

the United States. During early years (2004-2008) the biggest competitor of a Facebook was Myspace social network. It was a battle of big companies, such as Coca-Cola and Pepsi. After the year 2008 Facebook had more members and popularity. The biggest player becomes Facebook.

No other social network beats a Facebook international popularity and actual potential power. Facebook provides a huge amount of different social web applications. Around Facebook exist perfect community of developers. It gives a lot of possibilities for your business and your customers. Facebook has more than one milliard active users all over the world. It is a big database of different international customers. Any company can chose its own target segment and increase website traffic and sales. Future stands by social networks. Society becomes more and more virtual. Some specialists say that for example Facebook can become an operation system that people will use like Microsoft Windows or Linux. It is a good opportunity for marketing. Every company must think about this possibility.

4.14 E-mail marketing

E-mail marketing belongs to direct marketing on the Internet. Sending e-mails is a very effective way of online marketing communication. At the same time it requires quality and actual content prepared by copywriters (not always) and overcoming many legal and technical barriers.

Addressing customers must be targeted and differentiated. A company should create a database that will contain detailed contact information (address, mobile number, e-mail, country, city), information about previous buying (details about every purchase, timing) and information about applied marketing campaign (when was customer reached, in what way and how successful it was). E-mail marketing can be two different types:

- Newsletter is a regularly e-mail that companies send to its customers in order to
 provide them the latest information about products and services (instructions and
 user guides, case studies, statistics, investigations, surveys, interviews with
 professionals, sales support, advertising etc.)
- Promo e-mail contains product or service offer with the aim to persuade customers to buy a product or service. E-mails also include links that lead to the target web

page. The main aim of a company is to prepare a quality and financial attractive offer. Also a target page must be relevant, clear, attractive and informative.

E-mailing as a form of direct marketing also serves as a form of communication with customers. Well-trained staff is required for communication. It is necessary to answer emails from customers immediately, because every client is very important.

Direct communication with customers via e-mail brings a lot of opportunities against other forms and ways of marketing communication on the Internet:

- Easily personalization
- Differentiated approach
- Possibility of immediate reaction
- Lower costs
- Simple evaluation of the effectiveness

Also there are some disadvantages of e-mailing:

- Possibility that an e-mail will be bounced (spam)
- Harassment of customers (frequent e-mails)
- Hard to estimate why customers don't react
- Technical problems (pictures will not appear or video will not play)

Although it still predicts disappearance of e-mail marketing, it is still an effective tool of direct marketing and it can be taken in consideration.

5. Own Input

5.1 Brief website description and history

Practical part of this diploma thesis was applied on the website, called Skypeitaliano.com (www.skypeitaliano.com). This website was created in November 2014 and launched on November 27, 2014. Website has an educational character and the main aim is to teach people Italian language online via Skype.

Skypeitaliano.com is a kind of family business. Creators of the web are located now in the Czech Republic and Russian Federation. The idea came from one member of a family that knows Italian well and has been in Italy many times, especially in Rome, Florence and Venice. During that vocations in Europe many contacts of Italian teachers were found. Later was created database of teachers and started building the website. As a platform for website creation was chosen Wix (wix.com). It is a simple content management system that can build a web page without coding. Also hosting for a website was provided by Wix and it costs 10 Euros per month. The name of domain was selected several days according to free domains. Actually the domain consists of two words Skype (VoIP system) and Italiano - Italian word.

Skypeitaliano.com exists 3.5 of month and after analysis was estimated that it is not efficient and for customers it's not attractive. It was decided to analyze the website, to create online marketing strategy and totally rebuild it. Next screenshot shows old web page before all modifications:



Figure 5: Old landing page

Source: www.skypeitaliano.com (accessed on 02.03.2015)

5.2 Online marketing strategy for Skypeitaliano.com

After acquaintance with the website description and history it's time to create online marketing strategy for further improvements. Here is step by step plan:

First stage:

• Aims and objects

Second stage:

- Analysis of data from Google Analytics (original website condition)
- Website testing by people: testing of a website design, compatibility testing(browser, mobile, tablet compatibility testing), suitable structure and navigation testing
- Content testing
- SEO testing (website position, analysis of backlinks, code testing, key words depth testing)

Third stage:

- Identification of customers
- Analysis of competition
- Monitoring of competition

Fourth stage:

- Modified design
- Right code
- Optimal usability and accessibility
- Building backlinks
- Suitable content
- SEO(key words http://openrefine.org/)
- Creating website map

Fifth stage

Advertising PPC

- Social network groups
- Social network advertising

Sixth stage

- Creating client database
- E mail marketing

Seventh stage

- Analysis of Google Analytics
- Evaluation of the results
- Monitoring

5.2.1 Website aims and objects estimation

The main aim of the website is to obtain people, who wants to study Italian language at home via Skype. For that purpose there are two options on the web. First is online payment for different courses with several teachers and the second is registration on the website.

Also a good opportunity to get target customers is to use social networks groups.

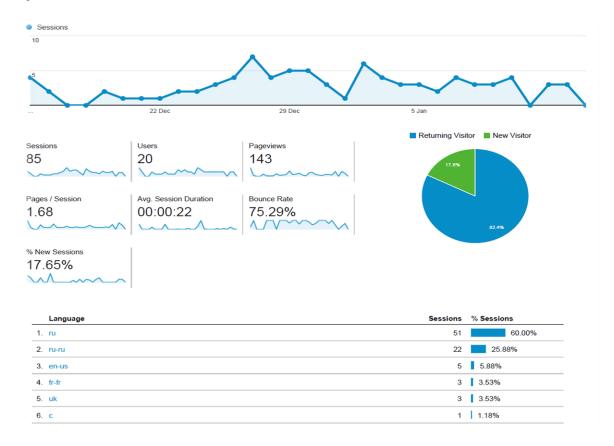
As practice shows people don't want to pay directly for standard courses like in e-shop. Every person is individual and wants to know more information about courses, prices, quality of lessons, recommendations or comments and finally to make his or her own schedule with a particular teacher. So registration is a primary target of the website. Registration provides a good and quality database of particular customers that can buy online courses later in the future.

5.3 Analysis of data from Google Analytics

After installation and configuration Google Analytics system into the website Skypeitaliano.com on the day, when it was launched (27.11.2015), information about the website was monitored. After half a month has passed first reports from Google analytics were discussed. For the first essential evaluation of the website condition was taken a period from 15.12.2014 to 14.01.2015. The results were poor and not significant.

First report was called Audience Overview:

Figure 6: Audience overview



Source: Google Analytics report, available at

https://www.google.com/analytics/web/?hl=en#report/visitors-overview/a56336715w89755655p93287788/ (accessed on 10.03.2015)

Audience overview is a general set of metrics, which were used to estimate the website performance. First of all during a month the web visited only 20 users and as a pie chart shows there were 82.4 % of returning visitors and only 17.6 % of new visitors. The biggest amount of visitors was on the 26 of December, 2014 (8 users) and on the 2 of January, 2015 (7 users). That 20 visitors made 85 sessions a month. It is very poor result for a website that should work and bring money. Only 20 users per month is not significant at all. Moreover 17.6 % of new visitors from 100 % is unsatisfactorily.

Page views metric is low also (143 pages/month). Mainly it was done by teachers of Italian language, because the wanted to know what is the website structure. Second metric that connected with pages and sessions is very low too. It is only 1.68 pages per one session. So

it can be said that for one session a person looked only at one or two pages maximum, but actually there are much more pages.

Next important metrics are:

- Average session duration this indicator shows how long users stay on a website on average. It is dramatically low (only 22 seconds). It means that people left the web pages in less than half a minute.
- Bounce rate this metric is very significant. It means sessions in which the person left a website from the entrance page without interacting with the page. For the website Skypeitaliano.com it reached 75.29 %. High bounce rate is a very bad indicator of website performance.

The most frequent language that was used is Russian (85.88 %). Second language is US English (5.88 %). And third position took UK English and French (3.53 %). So US English and Russian languages can be taken in consideration while identification of target group of customers. On the location map provided below it is very easy to see the most frequent countries, from where visitors came:

Figure 7: Location map



Source: Google Analytics report, available at

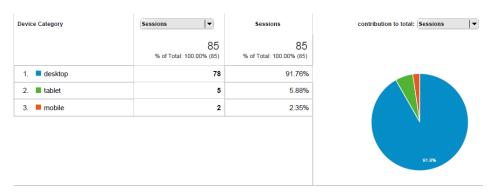
https://www.google.com/analytics/web/?hl=en#report/visitors-

overview/a56336715w89755655p93287788/ (accessed on 10.03.2015)

Based on the data from a location map the target countries can be estimated. The website has the biggest amount of visitors from Russia. This means that marketing campaigns, such as Google AdWords and advertising on a Facebook must cover it. But also USA and Canada must be taken in a consideration.

A small amount of new users and returning visitors can be explained by lack of advertising and SEO optimization. To know what devices people use to reach the website and from what channels they came from next two tables below can be used:

Figure 8: Device category

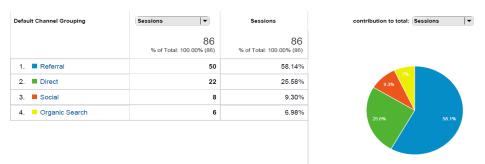


Source: Google Analytics report, available at

https://www.google.com/analytics/web/?hl=en#report/visitors-overview/a56336715w89755655p93287788/ (accessed on 11.03.2015)

First table explain that 91.76 % of session were held desktop (computers). Also mobiles and tablets were used too. It means that the website must work properly on all mentioned devices. For that reason the web should be tested. With the arrival of smart phones people started to use mobile phones more frequently. That's why the mobile version of the website must be comfortable and simple in use.

Figure 9: Traffic channels



Source: Google Analytics report, available at

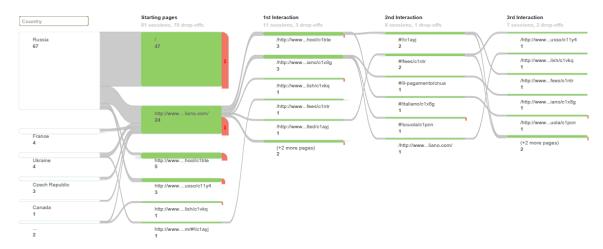
https://www.google.com/analytics/web/?hl=en#report/visitors-overview/a56336715w89755655p93287788/ (accessed on 11.03.2015)

Next pie chart shows that the biggest traffic came from referral channel (58.14 %). It means that visitors came from websites that are not social networks. It can be caused by backlinks between different relevant websites. For example Skypeitaliano.com has several links on other education websites that provides language teaching. The second indicator is direct traffic, which is 25.58 %. Direct traffic grows, when people type the website URL into the browser. Internet users can remember a web URL from friends, offline marketing activities or from recommendations from forums. In this case, it can be caused by teachers, advertising in magazines and the "Word of mouth".

The last two metrics are about social network traffic and organic traffic. The first indicator is important, but very low (only 9.30 %). The solution for improvement this situation is to review the Facebook group (analyze the content and layout), launch advertising and expand the fun's base. Indicator of organic search is the lowest. It can be improved by SEO optimization.

The last step of the website analysis is to explain why the average session duration is so short and the bounce rate is so high. For better understanding the particular problem the user flow diagram is provided below:

Figure 10: User flow



Source: Google Analytics report, available at

https://www.google.com/analytics/web/?hl=en#report/visitorsoverview/a56336715w89755655p93287788/ (accessed on 11.03.2015)

This diagram point out users drop-offs. From 80 sessions the website has 70 drop-offs. It means that 90 percent of sessions end immediately after visiting landing page. This situation also proves bounce rate and average session duration, which are critically insufficient for working web. The reason is old fashion design, colors and bad contrast of a font with background.

5.4 Website testing

5.4.1 Testing the website by users

For this kind of the test were chosen more than five people that can speak Czech, English and Russian. All these people were between 18 and 30 age and their gender was not important. Almost all the participants were interested in learning Italian language online. People were surfing though the website using desktop, mobile phone and tablet. Focus group was asked to answer several questions during the website interaction. There are the questions that were asked during that session:

1. Color Scheme:

- Do you like it?
- Which colors you like which don't?

• Which colors do you want to see/change there?

2. Navigation:

- Is it easy to surf through the website?
- Are menu buttons matching the content of pages?
- Is it easy to find what you need?

3. Aim:

• Is the aim of website clear?

4. Registration:

- Is it comfortable?
- Where you would like to see registration form?

5. Content:

- Do you like the font of web pages?
- Does video corresponds to the content?
- Are images suitable for the website aim?
- 6. What is missing on website?

7. Suggestions and comments

After all sessions the results were written and summarized. Main tendency of answers is provided below in a table (desktop):

Figure 11: Web testing by people

Questions	Answers
1	With poor brightness letters merge with the
	background (black with brown). Background with a
	map of Italy is not suitable. Letters should be more
	visible. Logo in header is old fashion. Colors are
	unattractive.
2	The navigation is easy. In a contact page were
	expected the contact of a company. Price of courses
	is not found.
3	The aim of a web site is clear.
4	Registration form can be placed in a right up
	corner.
5	Content is suitable. Font is ok, but there are many
	different fonts that are bad for visibility. More
	photos can be put. Videos are connected with the
	web content.
6	Gallery, Skype button, online consultant, language
	certificates, experience of a school, comments on a
	quality of lessons, recommendations are missing.
7	More brighter and visible font in header. Header of
	a contact page hides a text of menu buttons. Slider
	with images of Italy on a landing page.

Source: self-made table

As it was mentioned above, users interacted with the website using different devices. Mobile and tablet version of the website has almost the same remarks from users about color scheme, design, fonts, navigation and so on. But there were other difficulties during website interaction:

- When user switched a page the menu buttons were in inappropriate positions. It can be caused by mistakes in code or by display resolution of mobile phones or tablets.
- Frequently asked questions (FAQ) didn't load.

The answers of the participants helped to make changes in the website design, interface, navigation and website structure. Web testing by people is a useful tool that can be used in decisions about changes in the website. All web applications are created for users, so it

should be simple and convenient in use them. Also websites should attract people by its content and colors.

5.4.2 Content testing

Web content should be relevant to the aim of the website. The website Skypeitaliano.com had different types of content: text, pictures, videos and also radio podcast.

Text was relevant to the website purposes, but it can be more complex and well-structured. The problem can be solved with the help of diagrams or infographics.

Pictures were not so suitable for this kind of webpages. Firstly, logo in the header wasn't connected to educational character or Italian culture. Secondly the photos of teachers can be in the same style, which was not.

Videos were suitable for the website. They were about Italy. But the good option is to record a small video clip 30 or 1 minute long with the aim to tell the customers why they should buy the course of Italian language online. It can contain a short description of the company and the unique feature of the courses, explaining why people must choose it. The promotional video can improve the website traffic and facilitate web interaction for particular customers.

Radio podcast was a good feature for Skypeitaliano.com. This may like clients and it can increase web traffic, when the Internet users will search for Italian radio.

Web content is a core element in success. Testing of the website eliminates the weak places in the content and helps to improve or change it.

5.4.3 SEO testing

SEO testing was held with the help of online web applications that provide different types of SEO checking:

 www.seositecheckup.com – is a power platform for SEO checking. Among the services, which the company provides, are: the site load speed checker, website monitor, sitemap generator, broken link checker, white label SEO reports etc. The main feature of the web platform is a full SEO checkup of a chosen website that

- can be sent to an e-mail in a PDF format. Services of a company are not completely free.
- www.seonastroje.cz is a strong web application for website SEO checking.
 Seonastroe.cz provides 9 SEO tools that can help to atomize the process of search engine optimization, which was done by hand before. SEO tools are: SEO Monitor, SEO analysis, analysis of key words, position check in a search engine, validation HTML and CSS, ranking and so on. Services of a website are both free and paid.

First SEO report from www.seositecheckup.com showed 14 important problems that can be fixed, 1 semi-important problem, 29 passed cheeks and 0 unresolved checks. Total score of the website was 64/100. It was not bad result, but 14 problems should be solved to improve the website visibility in a search engine. Here are descriptions of selected vulnerabilities: [21]

- Keywords Test. The density of chosen key words should fluctuate between 2 and 4 percent. The density of a specific key word is below 2%. It must be increased.
- Keyword Usage. Keywords not included in Meta-title and Meta-description. First
 of all title, meta-description and Meta keywords tags should be created and then
 keywords should be inserted.
- Headings Status. Headings (<h1>) are the HTML tags that construct the structure of a web page. They can help to emphasize important topics and keywords within a page. There were no such headings on web pages.
- Code to Text Ratio. It is a relation between source HTML code size and a website content text size. It can influence site loading and user experience. The page size (source code) of Skypeitaliano.com is 29.04 Kb and the content text size is 0.00. The content text represents 0 % from the webpage source code.
- Media Print Test. It is a website media print CSS property for custom printability.
 In other words, it is a printed version of a webpage for users. The website didn't include it.
- Keywords Cloud. The Keyword Cloud is a visual representation of keywords used on a website. This shows which words are frequently used in the content of a

- webpage. Keywords having higher density are presented in larger fonts and displayed in alphabetic order. The webpage didn't have any key words cloud.
- Minified Java Script Files. There were no minified java script files in the web site.
- Minified CSS Files. There were no minified CSS files in the website.
- Plaintext Emails Test. Elimination of e-mail addresses that can bring spams. One e-mail was found. E-mail links should be protected.
- IP Canonicalization Test. It is a situation, when IP address and domain name display the same page but do not resolve to the same URL. If this happens, search engines may be unsure as to which URL is the correct one to index. This could cause duplicate content problems if a search engine indexes a site under both its IP and domain name. The website's IP (216.185.153.21) address didn't redirect to the website domain name.
- Media Query Responsive Test. Test if a website implements responsive design functionalities using media query technique. The website was not using media queries. Using this technique in order to implement responsive design functionalities.
- Social Media Activity. It shows the activity on social media networks. There was no activity on: Twitter, Google Plus, Vkontakte.

The second SEO test from www.seonastroje.cz gave the worse evaluation of the website www.skypeitaliano.com. The score was 59 percent from 100. There are the points that gave another test:

- Web Page Position. The website was tested in different search engines, such as
 Google.cz, Google.com and Seznam.cz. Organic search was selected. Was very
 bad: in all these search engines the website was placed after the hundredth position.
 Only in Google.cz the website had the 98 place.
- Bad Structure of the Webpage. The page didn't have any inscription.
- Backlinks. Low amount of backlinks was identified.
- Validation of HTML, CSS and Java Script. During the validation process were found several mistakes in code, but they are not crucial.

Performed SEO tests showed mistakes in codes, keywords density, and position of the website, bad structure and low backlinks building. All these aspects should be corrected in order to improve user experience and web position in organic search. Better position of the web in a search engine increase visibility, traffic and effectiveness of the site.

5.5 Analysis of target audience

As it was mentioned earlier, customers can be divided into several groups (new and loyal clients and customers from the competitive side). Skypeitaliano.com is a new firm, which is trying to take its place on the market and obtain new customers. So the company doesn't have any loyal clients yet. New buyers and competitor's clients can be taken in a consideration.

Identification of the particular customers is not an easy thing, but in case of e-commerce it is easier. For that purpose data from Google Analytics can be used. Audience overview report showed that almost 86 % of users came from Russia. That's why great efforts should be directed to Russians, but there were several users that came from Canada or USA. Skypeitaliano.com is a company that provides its services around the world and online. It's mean that the website and all marketing communication campaigns must be conducted minimum on Russian and English languages to attract the biggest amount of the future customers.

Also future customers can be taken from the competitors. To entice this kind of clients Skypeitaliano.com should do or offer something better than its rivals. For example comparative advantages of the company can be:

- Time flexibility of courses
- Price of the courses
- Certificated teachers
- The way of teaching (new concepts, fast learning)
- Free materials for learning (no need to buy a book)
- Availability for all levels of knowledge of Italian language
- Courses for children

Skypeitaliano.com provides only online language courses. So it is available for all Internet users from 8 to 50 ages. Generally people that are over fifty uses the Internet very rarely or they don't use it at all. And children usually started to learn languages and use the Internet from school, so 8 is a good age to start learning other language. Marketing communication should be mainly performed online. The next table describes possible aspects of the particular customers:

Figure 12: Identification of customers by variables for Skypeitaliano.com

Factors	Variables	Skypeitaliano.com
Geographical	Territory	Whole world
	Countries	All countries without Italy
	Cities	All cities except Italian
Demographic	Age	8 to 50
	Sex	Doesn't matter
Socioeconomic	Salary	500-1000 Euro
	Education	School, University, College
	Livelihood	Student, self-employer,
		employee, business man
Socio-psychological	Life style	Can be different
	Social status	All classes
Behavioral	Buying habits	Buy rarely, but for a long time
		(duration of a course)
	Preparedness to buy	People don't know the product
		yet
	User knowledge	Beginner, upper user, advanced
	Attitude to a product	Not established yet
	Preferred values	Quality, discounts, courses for
		different level of study
Other	Religion	All religions
	Nationality	All nationalities

Source: self-made table

The process of market segmentation helps to understand what the company's customers are, to know their needs and desires and to adopt online language courses. This process is permanent. After some time the changes in customer's behavior should be detected via Google analytics and market analysis.

5.6 Analysis of competition

To start with analysis of competition the appropriate key words must be chosen. For competitors search were chosen Google search engine. Catalogs and statistical servers were not used, because services of Skypeitaliani.com are available around the world it is hard to estimate the right catalog and statistical database.

Here are the selected key words for the search:

- Italian courses online
- Learn Italian via Skype
- Italian lessons with native speaker on Skype

For each key word phrase were taken the first search engine page with approximately 10 results. After browsing the particular competitors, only 5 of almost 30 were chosen. Other websites were considered as not relevant, attractive and dynamic. A lot of websites had a design from the last century with a huge amount of plane text with different fonts and colors without clear aim of the web, logo and name of a company. It seemed that some websites have been forgotten by their creators. But still the competition exist. Big online language schools with several languages were not taken in a consideration, except one, because Skypeitaliano.com specialized only on Italian language. There are three names of strong competitors and their main advantages:

- http://repetitoronline.com is a Multilanguage online school, which use Skype for online teaching. The website has 3 versions on Russian, English and Ukrainian. Repetitoronline.com has attractive design and clear navigation. Good features that the web has are: recommendations of friends and the number of students (319), free books for learning languages, news blog and a good group in Facebook with relevant and useful information. Also the company had effective connection with Google Plus (12000 users). Disadvantages: too large menu in the header that is splited on two parts, last website actualization was in 2010.
- http://lezioni-italiano-skype.weebly.com is a type of personal blog of one teacher
 of Italian language. Strong points that were found are: simple and attractive design,
 good structured student's feedback, educational institutions that students entered
 after learning language and preparations, different study materials. Disadvantages

- of the website are: presence of the name of CMS platform, which were used to build the website, lack of prices and online consultant.
- http://www.babbel.com/learn-italian-online is a website with a special application
 that appeared after language selection. The application ask questions about Italian
 language in order to know the client level of knowledge. After the end of the
 interaction several online courses offered due to the language skills of a customer.
 Web design is very clear and understandable. Also the new thing that Babbel.com
 provides is mobile phone lessons. It is a good example of educational website,
 which is worth to be followed.

Estimated competitors are very useful for business. It is important to know, which websites can be compared with Skypeitaliano.com. Also due to the competition can be followed the common trends of development in this industry, new features that companies invent and use to obtain new customers and hold loyal clients. Competitors allow to estimate the average price for courses or hours of teaching Italian language.

To control changes in the competitor's websites were chosen www.versionista.com. Free version of the web application allows to track only 5 websites. During 3 months there were no core changes in websites interface or design, but there were changes in the content. Useful information, such as new articles, added pictures and videos or added backlinks, was provided by Versionista.com. It is a powerful tool for non-stop controlling the competition. Information about changes in the competitor's websites helped to choose the right decision for Skypeitaliano.com problem solutions.

5.6.1 SWOT analysis

To know bad and good points of Skypeitaliano.com and to understand future threats and opportunities SWOT analysis was used. It was conducted by several people that were involved to the process of website rebuilding and promotion in the way of brainstorming session. Summarized results are given in the table below:

Figure 13: SWOT analysis

Strengths	Weaknesses
Certificated and highly experienced	New player in the market
teachers	Unknown service and quality
IT support	Lack of big customer's database
Online marketing support	Bad financing
Non-stop online communication	Limited budget
with customers	
Lower price for courses	
Opportunities	Threats
Opportunities • New markets	ThreatsNew applications from competitors
New markets	New applications from competitors
New marketsBetter quality of teaching and	New applications from competitorsStop financing
New marketsBetter quality of teaching and Skype connection	New applications from competitorsStop financingLow demand
 New markets Better quality of teaching and Skype connection New partners 	 New applications from competitors Stop financing Low demand Loss of well-performed teachers

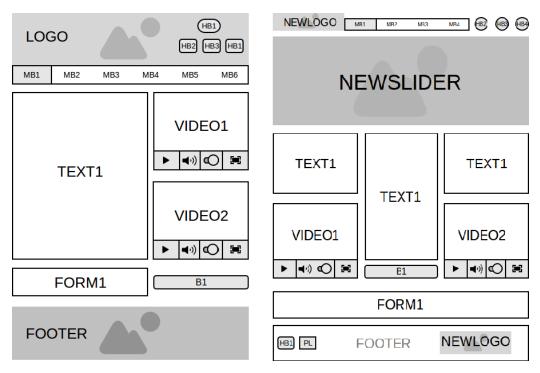
Source: self-made table

This table could help to improve weak points of the company, to use strong issues to gain the comparative advantage, to use new possibilities for development and to protect the firm from future threats or to avoid them.

5.7 New website interface

The report from Goggle Analytics showed that the website had a high bounce rate and almost 90 percent of people left the landing immediately. Also the user testing of the web demonstrated satisfaction and bad evaluation of web design, structure and the color scheme. To correct the situation and attract customer's view a new design, colors and structure for Skypeitaliano.com website were created. Next two schemes have the aim to compare two versions of the site, describe new structure and evaluate the riches progress. On this stage of development A/B testing was used. There is the comparison of old and new landing pages:

Figure 14: Change of the landing page interface



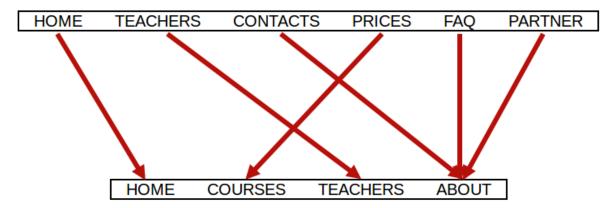
Source: own creation

Header was change completely. The new logo was created. Menu and language buttons was transferred to the top of the page. New slider with relevant images about Italy and education was added. Also advertising banners with call to action text were added to the slider to attract customer's attention and to encourage them to take action.

One huge part of the website with plane text were divided into three parts and later changed into infographics in order to simplify the user experience. Videos were transferred on a different positions, which increased visibility on the website.

Radio podcast were moved above the registration form, which become more comfortable in use. Also social plugins and a partner link were moved in the footer. Menu transformation diagram is showed below:

Figure 15: Menu transformation



Source: own creation

Menu buttons transformation had a positive effect. Navigation became clearer. From 6 menu buttons became only 4 without damage to the structure. Contacts, FAQ and Partners started to be a part of about web page. It saved the client's time in searching needed information and opened new possibility to create a new web page with comments and recommendations from users for example.

5.8 **SEO**

According the SEO test of the website that was provided above changes and improvements were implemented. Search engine optimization is a long-term process and the results of such technics can be not visible immediately, but anyway SEO is very important. Here is the full list of actions for the website optimization:

- Key words Density. To increase the key word density for the website new key word combinations were created and added to the content. Key words were almost the same that were used in Google AdWords campaign. It was done in order to direct people to the right website, when they search the certain content. Used key words are: Italian language online, learn Italian online, Italian courses on Skype, Italian lessons via Skype, Italian language with native speakers online, Italian lessons for beginners etc.
- Keyword Placement. Key words were added to Meta-Title and Mea-description.
- Backlinks Building. During the SEO check some few links were identified. It's not
 enough. To increase the amount of backlinks new relevant links were added to the
 content of the website. For example, the link with resources and support for

- teachers of Italian language were added (http://www.caslt.org/resources/modern-lang/italian_en.php).
- Website Structure. The most important topics of the web were identified and included in the code of HTML. For example text was put between headings <h1>...</h1> tags or between <h2>...</h2>.
- Sitemap Test. Sitemaps are an easy way for webmasters to inform search engines about pages on their sites that are available for crawling. In its simplest form, a sitemap is an XML file that lists URLs for a site along with additional metadata about each URL (when it was last updated, how often it usually changes, and how important it is, relative to other URLs in the site) so that search engines can more intelligently crawl the site. For the new version of the website the new sitemap was added.
- Validation. The new version of Skypeitaliano.com passed the validation tests of HTML, CSS, Scripts and Images successfully.
- Code to Text Ratio. The content text size were increased. Inline styling rules were
 moved into an external CSS file. Java Script code was moved into an external JS
 file. CSS layout was used instead of HTML tables.
- Media Print Version. For printing the website pages in a user-friendly format style sheet was created and implemented.
- Browser Compatibility. The website were successfully tested in Google Chrome,
 Opera, Mozilla Firefox and Windows Explorer. All the browsers display the website properly.
- Device Compatibility. The website was tested in different devices, such as desktop, mobile phone and tablet.
- Responsive Web Design. Skypeitaliano.com was tested for responsive web design
 with the help of web application http://responsivedesignchecker.com. The result
 was negative, but it's enough that the web site is compatible to different devices.
- Social Media Activity. The website was connected with the group on a Facebook (https://www.facebook.com/skypeitaliano?fref=ts).
- Appropriate Web Design. After testing the old version of the website was decided to rebuild the website interspace and design. The screenshot of the new version of the web landing page is provide below:

Figure 16: New landing page



Source: Landing page, available at www.skypeitaliano.com (accessed on 15.03.2015)

The new design and interface intended to increase the website traffic and to improve customer's attitude to the web. To attract customers blue color for the website was chosen. It is an educational color that is appropriate to the aim of the site. New structure and navigation should help people navigate better.

SEO improvements should push the website to the better position in the Google search engine. Better position will improve the website visibility and organic search results.

5.9 Pay Per Click advertising

For PPC advertising was chosen Google AdWords as a platform. Two campaigns on Russian an English language were created. Top evaluated keywords were Italian on Skype, learn Italian online and Italian language via Skype. Daily budget for the campaigns was 71 CZK per one day for each one. Average cost per one click was estimated from 3 CZK to 10 CZK. Client coverage was very wide. More than 50 countries were chosen for advertising targeting. Among them were: all countries of Europe, Russia, India, Canada, USA, Great Britan, Mexico and so on. For the campaign search network was selected. Display network was considered as non-effective, because nowadays people don't pay attention on banner ads. It is an old way of attracting customers online. People are oversaturate by banner advertising. Only well-prepared display network campaigns can achieve success. Here is the report from Google AdWords:

Keywords Audiences Ad extensions Dimensions Q View Change History Columns v Edit + Details * Bid strategy ▼ Automate + Campaign type italian on skype CZK0.00 CZK0.00 CZK1.00/day Remarketing 0.00% 0.0 Eligible Display Network CZK71.00/day Search Network All features 171 7.698 2.22% CZK6.61 CZK1.130.00 3.0 85.95% Total - all but removed 171 7 698 2 22% CZK6 61 CZK1 130 00 85 95% Total - Search ? CZK1,130.00 85.95% 171 Total - Display Network ? CZK0.00 Total - all campaigns CZK1.00/day Show rows: 50 ▼ 1 - 2 of 2

Figure 17: Google AdWords report

Source: Google AdWords report, available at

https://adwords.google.com/cm/CampaignMgmt?authuser=0&__u=2093798083&__c=280 1035483#r.ONLINE&app=cm accessed on (16.03.2015)

This report shows the development of online marketing campaign during almost two months from the end of January 2015 to the end of March 2015. Blue line on the graph shows the number of clicks and orange line shows the amount of impressions or displays. The biggest amount of clicks was 16 per day. And the biggest number of impressions was 1198 per one day. The number of clicks was limited by daily budget. For all campaign was spent 1130 CZK or approximately 42 Euros. Increasing the daily spend would lead to the higher traffic, but the ratio of investments and the income should be positive, otherwise advertising would be not effective. Paid traffic brought 171 clicks, 57 registered users and 16 orders. Each order was on 2 hours to start with learning Italian language. Two hours of teaching cost 6 Euros without first free lesson. It means that revenue was 96 Euros and profit was 48 Euros (without hosting fixed costs, wages of marketer and web designer and transactional costs), because the half of revenue always receive teachers.

Average click through rate (CTR) was 2.22 %, it's not bad for the first time. Average cost per click (CPC) was 6.61 CZK, which is not expensive. And average position of ads was 3, which is good for a new project. The last indicator is Search Lost impression share (budget) that estimates how often the certain ad didn't show on the Search Network due to low budget. This indicator was almost 86 % due to low daily budget.

5.10 Social media marketing on Facebook

To support the website with social media Facebook was chosen. Fan group for Skypeitaliano.com was created one month later than a website. Now it has 30 members and this number is still growing. The description of the fan group is almost the same as on the website but brief. News are usually updated two or three times a week. The content is useful for users. Examples of news are: different photos of Italy, which were taken during vocations in Rome, Florence and Venice, useful materials for learning, videos about Italy on native language and some interesting feeds from Italy.

Also the advertising campaign on Facebook was created. Budget for the campaign was 50 dollars (promotional voucher was used). Average cost per click was 2.22 CZK and the daily budget was 10 CZK per one day. Coverage was very wide. It covered all Europe, Russia, USA, Canada etc. During less than a month there were only 3 website clicks with reached audience 35 people. It is a very weak result that should be improved. The reasons of ineffective Facebook campaign may be hiding in inappropriate pictures for banners adds or in wrong description of an add. Further testing and corrections should improve the situation and make better traffic from the social media network.

5.11 E-mail marketing

There are two ways how to perform direct marketing via e-mailing. First method is to ask for help a professional e-mail marketing agency. It can be not so cheap but the responsibility of the positive result of this marketing channel performed by the external specialists will lay on the certain agency. The second option is to create e-mails independently. For this diploma thesis own e-mails creation was chosen.

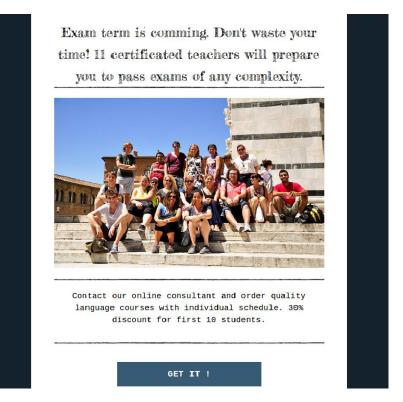
After the customer's database was built it's time to write and sand e-mails and newsletters to the particular clients. For that need identification of the interested customers is very important. It was done in the previous chapters of this work. Next problem is to be sure

that the e-mails and newsletters will be delivered properly and will not fall into the spam. There are several technics that were used to avoid spam folder of the target customers:

- To avoid buying e-mail lists of clients
- Not to use risky words (free, buy, promo)
- Mention only relevant website links
- Don't send e-mails with a huge size (30 kb is enough)
- Use balanced image-to-text ratio
- Get a Sender Score Certificate (provided by Return Path)
- To avoid dirty tricks (deceptive subject lines: starting the subject line with "Re:" or "Fwd" or image text: adding a text message in an image to fool spam filters)
- Ask Gmail or Yahoo Mails to whitelist the website domain or IP address
- Use proper address for mail delivering (support@domain.com or newsletter@domain.com)
- Frequently of sending e-mails (no more than twice a week)

The example of an e-mail with an offer of exam preparation courses of Italian language can be found below:

Figure 18: E-mail with an offer



Source: own creation

The frequency of newsletters and e-mails with offers is once a week. The newsletters have a bit different design and contains 1 or 2 useful things, such as:

- study materials
- information about visa application
- latest news about education centers in Italy

First type of newsletters should attract customer's attention by including study materials that should help students to prepare to the exams or to refresh their knowledge after the last online lesson and to get ready to the next one.

Information about visa application must help to the students, who want to live, study and work in Italy. People always try find up to date articles on the Internet about how to obtain European visa, so all the information and changes in visa regulation in one e-mail is a good proposal that should increase the website traffic, because the full information will be placed in the website.

The last type is newsletters with interesting facts about famous universities or the instructions how to enter the certain educational institution. It can increase cooperation with international relationship offices of the institution and the amount of links for the website that will cause the growth of SEO results. Also it can increase the amount of ordered hours, because students should be prepared to get the place in good school or university and special course of training will help to do that.

5.12 Google Analytics report after the improvements

To be sure that the website works well and effective the development of the key factors in analytics should be monitored at least several times a week. In this section of the diploma thesis data from Google analytics after applied marketing strategy were analyzed and evaluated. Data were taken from the period between the 1st and the 23rd of March. It is closely after the end of the marketing campaign and redesign. First is the audience overview report:

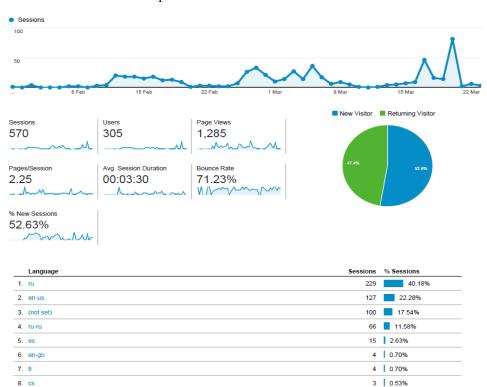


Figure 19: Audience overview after improvements

10. es-419

Source: Google Analytics report, available at www.google.com/analytics/web (accessed on 17.03.2015)

2 | 0.35%

During the analyzed period the number of users grown up to 305 compared to 20 users for the time when the old version of the website was existed. It is a good progress for the applied traffic building activities. The amount of sessions increased almost by 7 times and the average session duration increased twice. Session boom was on the 20th of March with 81 session and 74 users in one day, but the average session duration was low. It means that people interacted with the site more often and longer. Tanks to the online consultant and chat customers ask all the information, questions and arrange their schedule with the individual prices for the courses. So clients don't need to find the right information they need losing much time.

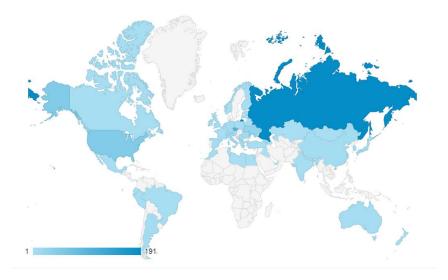
The indicator of page views is 1285. It is not bad, but versus the metric pages per session, which is 2.25 it is weak, because per one session a user watch approximately 2 or 3 pages of the website. It can be caused by unwillingness of people to find the information they requested. To call an online assistant is an easiest decision.

The percentage of new users and the return ones is almost the same. Again Skypeitaliano.com had the biggest amount of sessions from people that use Russian as a language (229 or 41.18%), the second is English or US English (127 or 22.28%) and the other languages that were used are French, Czech and Spain.

Bounce rate indicator decreased by almost 5%. The map of user flow contains the old names of web page domains, it means that Google didn't put into the index the new version of the website yet. That is why Google Analytics showed the old map and bounce rate should decrease after the new indexation. To speed up the process of indexation the request for Google was sent with the help of Web master tools and the file robot.txt.

Wide coverage of target customers in the different countries brought the result. The location map is provided below:

Figure 20: Location map after improvements

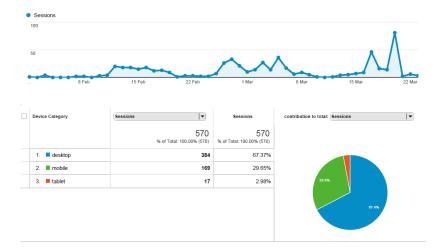


Source: Google Analytics report, available at www.google.com/analytics/web (accessed on 17.03.2015)

Wide customer's coverage that was set in Google AdWords campaign has reached a lot of countries, such as China, Brazil, Australia, almost all countries in Europe, Egypt, Japan, and Libya and so on. It's an important point for the company that provide services online around the whole world. Later more countries can be added.

To understand for what devices the new application should be created or the website should be optimized better the next report showed below:

Figure 21: Device report after improvements



Source: Google Analytics report, available at www.google.com/analytics/web (accessed on 17.03.2015)

According to the device report people use desktop more often than other types of devices (67.37%). But also mobile phones had been used quite often (almost 30%). It means that the mobile version is usable and has the simple navigation and structure, but later the company should think about creation of the mobile application, which would be simple and informative for customers. Also it can contain some new functions, such as online tests, interactive language games or the statistics about client's progress in learning Italian language.

Sessions that were done with tablets amounted the smallest percentage of all traffic (almost 3%). The website looks well on tablets. It is not necessary to make changes.

The last report is very important. It shows which marketing channel attracted and brought customers to the website. The report is shown below:

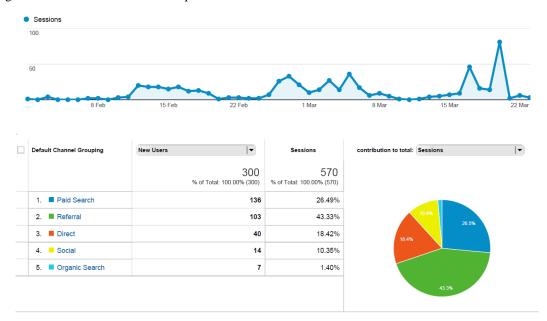


Figure 22: Traffic channels after improvements

Source: Google Analytics report, available at www.google.com/analytics/web (accessed on 17.03.2015)

This tablet contains metrics for new users and sessions. Again paid search led by the amount of new users (136) but the referral traffic is in the 1st place with the number of sessions that was done (43.33%). It is explained by the PPC campaign in Google AdWords. Continuously paid search is core element in respect of the site traffic. Returning

users made more sessions than other people. It is good, because they are interested in the website services and want to know more about them.

Direct traffic is in the 3rd place with the amount of new users (40) and sessions (18.42%). Those numbers can be caused by "Word of mouth", because many people knew it, or by offline marketing activities, such as adds in newspapers or brochures.

Social channel improved its positions with higher number of the new users (14) and sessions (10%), but still social media marketing doesn't works well. It will be improved by attractive advertising banners in the header of the Facebook fan page, new logo, detailed group description, by adding call to action button and by well-prepared content that need a particular customer.

Organic search is on the last place of the marketing channels list. It brought 7 new users and only 1.5% of total sessions. It can be explained by the long process of the SEO. It takes a long time to see the results of the optimization. SEO is a constant process of monitoring and improving the website. Optimization will be held several times in the future again.

5.13 Results evaluation

During the last period, which was one month, 57 users were registered on the website and 30 people liked the Facebook page. Also 16 orders were done. Each order was for two lessons (2hours), first was for free, which the company didn't pay for teachers, and the second hour was for 200 CZK each. So the total revenue was 3200 CZK.

Costs for the same period were:

- PPC 1130 CZK
- Hosting 250 CZK
- Marketing and web design free, because it's a family business
- Average transaction payment 30 CZK (total: 480 CZK)
- Salary costs 1600 CZK
- Total expenses 3460 CZK

Net profit was: 3200-1600-480-250-1130= -260 CZK. Net profit is negative, because the company is young and requires big investments for the first time.

$$ROI = \frac{-260}{3460} \times 100 = -7.5 \%$$

Negative return on investment means that a company is not profitable yet. There are several ways how to improve the situation: to decrease the transactional costs by selling long-term courses or to ask customers to make their payments in the end of the course, not for each lesson.

Conversions for the website were the number of new users. For the certain period the number of new visitors was 85 and the total amount of clicks from PPC ads was 171.

Conversion rate =
$$\frac{85}{171} \times 100 = 49 \%$$

It is not bad indicator for the first time. Results showed that there is a progress in the website traffic, the amount of new users and conversion rate, but the company still has the way where to grow and what to improve in the future.

6. Conclusion

The main aim of the diploma thesis was to estimate, which factors attract customers online. Secondary task was to make existing website more effective and usable. Step by step digital marketing strategy was created and were chosen several online marketing channels for that reason. The process of improving was monitored from the beginning till to the end.

First of all potential customers and competitors of the company Skypeitaliano.com were identified and the data from Google Analytics was analyzed. After the first stage of applied marketing strategy and testing the website by the focus group the new design, navigation and the new interface were suggested and created.

Search engine marketing, social media marketing and e-mail marketing were chosen as online marketing channels for promotion the website and building traffic on it. During a month the web was monitored and the first results of marketing activities were summarized and evaluated.

Web test by people after improvements showed that users like the new color scheme, landing page and the whole design of pages more than the old ones. It is easy in use and navigation attracts more potential customers. Changes in interface made the website navigation menu more comfortable and reduce the amount of unnecessary pages. New structure and registration form increased the number of returning customers. Payment system and online consultant made the interaction with the website much easier for the particular clients.

The most effective was pay per click advertising. This channel brought the biggest number of users. Social media marketing attracts customer's attention less. Content of fan group and advertising should be improved. Search engine optimization gave higher score for the website visibility and customer's experience. Optimization is constantly in the process of improving and monitoring. E-mail marketing informed customers about the new offers or news, thereby attracted them to visit the website. Again e-mailing is a non-stop process, which should be performed several times a month to stay in touch with loyal clients.

Digital marketing showed its indispensability. The result of each applied marketing channel was positive. There are still some channels that should be improved. However the new website started to be effective and customers started to recognize it and make conversions.

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