Proposal of marketing communication for selected product

Bachelor thesis

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Herewith I declare that I have written my final thesis: **Proposal of marketing communication for selected product** by myself and all sources and data used are quoted in the list of references. I agree that my work will be published in accordance with Section 47b of Act No. 111/1998 Coll. On Higher Education as amended thereafter and in accordance with the Guidelines on the Publishing of University Student Theses I am aware of the fact that my thesis is subject to Act. No. 121/2000 Coll., the Copyright Act and that the Mendel University in Brno is entitled to close a licence agreement and use the results of my thesis as the "School Work" under the terms of Section 60 para. 1 of the Copyright Act. Before closing a licence agreement on the use of my thesis with another person (subject) I undertake to request for a written statement of the university that the licence agreement in question is not in conflict with the legitimate interests of the university, and undertake to pay any contribution, if eligible, to the costs associated with the creation of the thesis, up to their actual amount.

Brno 22nd May 2015   _____

                                                                                    Martin Dovičin

Abstract

DOVIČIN, M. *Proposal of marketing communication for selected product.* Bachelor thesis: PEF MENDELU in Brno, 2015.

This bachelor thesis is dedicated to analysis of marketing communication for selected product on the Internet and afterwards propose appropriate marketing communication strategy on the Internet. The thesis also describes the available options of marketing communication on the internet and defines the differences in consumer behaviour related to the online environment.

Keywords

market analysis, marketing communication, Internet marketing,

Abstrakt

DOVIČIN, M. *Návrh marketingovej komunikácie pre vybraný produkt,* Bakalárska práca: PEF MENDELU v Brne, 2015.

Táto bakalárska práca sa venuje analýze marketingovej komunikácie pre vybraný produkt a následnému návrhu vhodnej marketingovej komunikácie. Práca tiež opisuje dostupné možnosti marketingovej komunikácie na internete a definuje rozdiely v správaní spotrebyteľov vzhľadom na online prostredie.

Kľúčové slová

marketingová analýza, marketingová komunikácia, internetový marketing

Content

1 Introduction and objectives

1.1 Introduction

With the arrival of the Internet, humanity found itself in new era of information age. Although the Internet was created before more than 40 years, it is still under the development and offers lot of space to create and explore new features.

One of the nowadays phenomenon of the Internet is also Internet marketing, which opens the gates to the new era of marketing that increases user and also marketers comfort. It combines technical and also creative aspects of World Wide Web, such as sales but also advertising and development. Internet marketing is based on the offline marketing rules and goals, such as satisfaction of customer needs and wants and simultaneously reaching the company's objectives.

Because increasing number of the Internet users, the Internet marketing as a tool for promotion by use of the Internet is becoming more popular. In fact, more and more companies are willing to use rather online advertising than offline Internet tools such as newspapers, TV or billboards, because in case of offline marketing, there is more difficult and more costly to reach targeted segment than in case of Internet marketing. Increasing interest in Internet marketing caused mainly by increasing penetration of Internet users and increasing trust in purchasing via the Internet lead many marketing companies to try to transform their focus on field of online marketing instead of offline marketing.

Considering the fact, that the Internet has the power to connect almost 2 billions of people from around the world, it is obvious, that Internet has the capabilities to bring a lot of money from company's target market worldwide. This leads companies to create new online businesses, mostly e-commerce solutions.

Marketing is not only about advertisement, but also about detection of customer needs and wants, which can help develop such product, which will satisfy these wants. Internet marketing offers many tools to analyse behaviour and needs of the customer in short time. In this situation Internet is used by marketers to create value for customer by satisfaction of their needs and wants and creates value for company in form of income from sold goods.

Internet marketing brought a revolution in marketing in many ways. The environment in which is marketing used as well as marketing tools is constantly changing and becomes more sophisticated.

I chose this topic because I am fascinated by possibilities, which the Internet offers. Possibilities of creating, choosing and changing of marketing channels are enormous, therefore I would like to use this opportunity to help company to promote selected product on the Internet.

1.2 Aims of thesis

The main objective of this thesis is to propose an Internet marketing communication based on realized analysis and describe tools for analysis of customer behaviour in order to better understand their needs and individually analyse selected marketing strategies.

The selected company would like to expand worldwide with the niche, which is relatively new on the market, therefore I will try to find and develop suitable Internet marketing communication channels which can lead in increase of sales of the products and brand awareness. Before every marketing action, there is need to analyse market and set the marketing goals. Therefore I will make analysis of current marketing strategy of the company and analysis of the competitors on the market. Based on the marketing goals and its analysis I will propose market segmentation.

Before proposal of marketing communication, I will analyse weak and strength factors of current situation and based on the analysis I will propose marketing communication mix.

Proposal of marketing communication mix will include proposal of new commercial website focused on customer needs and wants based on the newest marketing trends. After development of the website, I will analyse Internet advertising tools such as PPC, social networks, search engine optimisation and other marketing tools in order to increase traffic on the website and increase customer engagement.

Because measurement of the effectiveness of selected marketing communication is a necessary part of the marketing strategy process I will analyse the success and effectiveness of the developed marketing communication by calculating return on investment and by use of free analytical tools.

2 Literature review

In this part of thesis I would like to introduce the basic terms and definitions regarding to the Internet marketing tools and the tools used to analyse efficiency of selected marketing mix.

2.1 Internet marketing

Internet marketing is defined as the application of the Internet and related digital technologies in conjunction with traditional communications to achieve marketing objectives (Chaffey, D., Ellis-Chadwick, F., Johnson, K and Mayer, R. 2006, p. 8).

According to McPheat (2011, p. 9) use of company's marketing strategy influences also advertising, promotion, public relations and sales of the company.
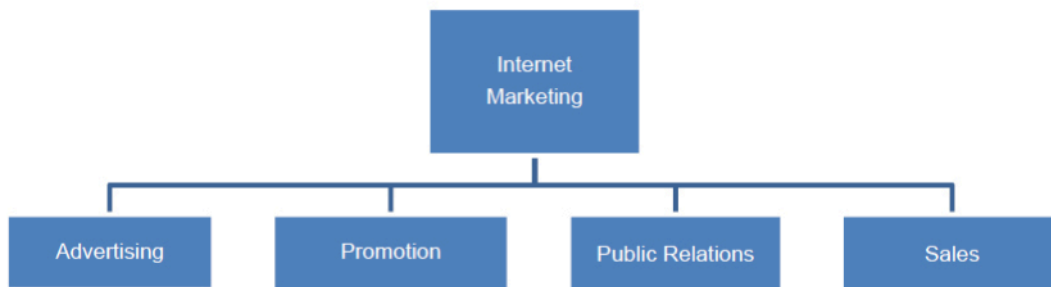
Figure 1:   Internet Marketing Influences Other Related Activities
Source: Internet Marketing (2011)

According to Lavin and Good (2010), the Internet marketing has for most clients from most industries the highest return on investment (ROI) of any advertising tools. It is because of possibility to real time analysis of selected marketing strategy, where the online advertisers can collect data about the effectiveness of their ads.

Main advantages of Internet marketing comparing to offline marketing are in more effective monitoring and measuring. Marketer can obtain more data in higher quality. Another advantage is complexity, when customers can be reached in several ways at one time. The content is available 24 hours per day, seven days a week. The biggest difference is in individualism. Marketers can reach the target group much more easier than ever before. In the past, marketing was mass oriented, nowadays in times of social media, effective search engines and due to many types of online marketing tools it is much easier to reach required target. (Janouch, 2010, p. 15).

Roberts (2013, 12) sees the milieu in which Internet marketing takes place is seen as complex environment in which marketers attempt to achieve four distinct generic goals:

1. Customer **acquisition** as a foundation goal of all marketers. In order to grow and thrive, businesses must attract new customers. Internet marketing adds other marketing communications channels and a variety of techniques to the customer acquisition effort.

2. Customer **conversion** respectively the process of persuading visitors or buyers to become actual customers. It requires persuading the customer who has visit a website, to make a purchase or to persuade him to engage in a set of interactions, often beginning with subscribing to a newsletter, that will eventually result in a purchase.

3. Customer **retention** is process of turning the newly found customer into a loyal one. This customer should remain with the enterprise over an extended period of time. Marketers have learned that it is cheaper to retain customers than to acquire them, and must therefore focus some of their activities specifically on retention.

4. Growth in customer **value**, respectively the equity that exists in the enterprise's customer base. This customer value is the goal of previously mentioned processes. Marketers have discovered that not all customers are equally profitable. Internet marketers can track customer behaviour, calculate the profitability of individual customers, and improve the value of the over- all customer base.

2.2   Internet marketing communication

According to Chaffey (2010, p. 499), Internet marketing communications are Internet-based techniques used to generate web site traffic.

Janouch (2010, p. 26) thinks, that classical segmentation of marketing communication mix can be also used in case of Internet communication. There is just necessity to divide Internet tools into different categories.

Miletsky (2010, p. 431) states, that "Every marketing campaign and every Web site is executed to achieve some pre-established objective. Establishing specific goals and continually measuring progress toward those goals allows marketers to zero in on the often elusive, ever-changing recipe for achieving Web site success—however success is defined."

2.2.1   The environment for communication

For marketing communication on the Internet there is necessity for environment. The sites (or other environments), as Janouch (2010, p.28) thinks, cannot be communication itself, but they creates environment for this communication. The environments for communication are:

- WWW sites
- E-commerce
- Blogs

- Social network profiles
- And others

2.2.2   Goals of marketing communication on the Internet

Because of wide scope of tools, marketing communication on the Internet can choose many different objectives. Janouch (2010, p. 27) thinks, that these goals can be divided by direction of communication. In direction to the customer there are four basic objectives:

- Inform
- Influence
- Induce action
- Maintain relationship

Goals, according to Janouch (2010, p. 27) in the direction from the customer can be summarized in 3 areas:

- Information related to the purchase
- Information about demands, needs, satisfaction, etc.
- Information about the customer itself

According to Ryan and Jones (2009, p. 41), marketing communication mix is used to achieve conversion goals. Conversion goals could be anything from online purchase (a sales transaction), online query (lead generation), subscribing for online newsletter or other goals important for the business and appropriate to the customers. By using marketing communication mix, these goals can be achieved directly, such as online ordering, or indirectly such as sharing business information that builds trust or brand awareness.

2.2.3   Marketing communication mix on the Internet

According to Kokemuller (2015), communication mix refers to specific methods or activities in order to promote company or its products to targeted customers.
Chaffey (2013, p. 498) states, that marketing communication used for customer acquisition includes search engine marketing, online partnerships, viral marketing, interactive advertising, e-mail marketing and online public relations. This is done through digital media channels.

Janouch (2010, p. 26) says, that many activities on the Internet, does not belong only to one category, e.g. link building[1] is done by several techniques such as paid inclusion, blog posts, through social media and many others.
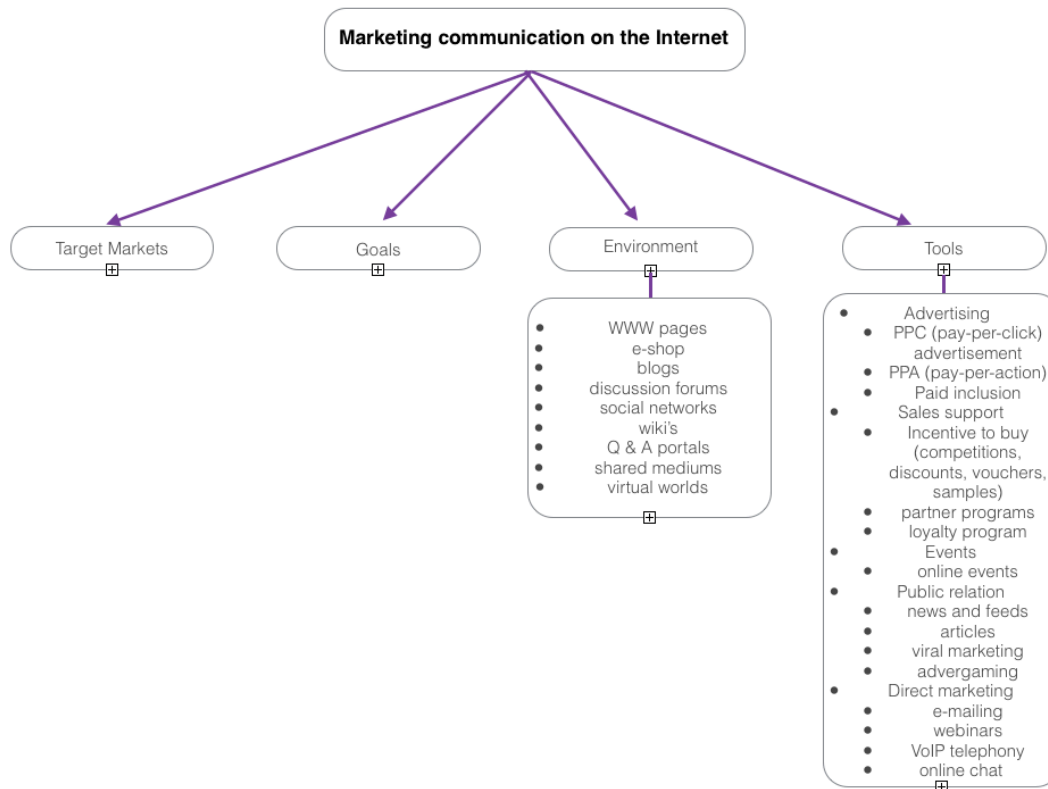
Figure 2:   Marketing communication on the Internet

Source: Internetový marketing: Prosaďte se na webu a sociálních sítích (2010).

2.2.4   The characteristics of interactive marketing communications

Traditionally the marketing communication flows in one direction- to the customer. There should be emphasized, that during evolution of marketing communications, there have been significant changes in communication in the way to the customer and also from the customer.

According to Chaffey (2013, p. 499) there are eight key differences:

- **From push to pull:** push media broadcast the information from advertiser to consumers of the message and these are passive recipients. Push media broadcast information mainly unidirectional. As push media are considered print, TV or radio. On the other hand, pull media such as the

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[1] Technique used to increase search engine optimization, according to Bailey (2011) linkbuilding can increase the number of high-quality links pointing to a website, what leads to better website ranking and it is considered as proven marketing tactic for increasing brand awareness.

web; the consumer is active in selection of the message through actively seeking out a web site.

- **From monologue to dialogue:** another change in marketing communication is transition from monologue to dialogue. Through interactive media there is possibility to enable dialogue between company and customer. This means possibility for two-way communication between consumer and supplier, through e.g. e-mail.

- **From one-to-many to one-to-many and one-to-one:** while TV and print are one-to-many, respectively from one company to many customers, often poorly targeted, with media "one-to-some" – reaching a niche becomes more practical. One-to-one media represents personalized messages to the customers.

- **From one-to-many to many-to-many communications:** according to Hoffman and Novak (1996, p. 48), the new media communicate in form of many-to-many. This form of communication or media allows customers interact with other customers via website. The example to many-to-many media is online auction server eBay.

- **From lean-back to lean-forward:** new media, according to Chaffey (2013 p. 499), are lean-forward media, because media such as websites usually has the visitor's undivided attention, while lean-back media such as TV may be on, but its audience is not necessarily watching it. This means that lean-forward media has higher intensity than lean-back media.

- **The medium changes the nature of standard marketing communications tools such as advertising:** overall message on the Internet from the advertiser becomes less important, while usually are detailed information which user is seeking.

- **Increase in communication intermediaries:** comparing the traditional media such as TV, print or radio, there are only several media owners, while in the Internet era, there is increased range of media owners through which can marketers promote the products.

- **Integration remains important:** while the new media offers new ways of promoting products for marketers, this not necessarily means, that marketers should forget about traditional media. Chaffey states, that we should combine and integrate new and traditional media.

According to Janouch (2010, p. 28), interest in traditional media in last years increases and companies which ignored offline marketing nowadays use combination of online and traditional media, e.g. opens their wall stores and they are very active in offline environment.

2.3   Internet marketing tools

Internet marketing is formed by set of tools that are used to deliver services to customers.

McDonald and Wilson (1999, p. 43) say, that it is any use of technology to achieve marketing objectives and has an external and an internal perspective.

Many activities on the Internet do not fit into exactly one category of Internet marketing tools. For example, when doing link-building activity, we use more types of marketing tools for example paid inclusions, PPC ads or advertisements on social media websites.

2.3.1   Search engine marketing (SEM)

According to Williams (2013) is search engine marketing: "Form of marketing that promotes a business through paid advertisement that appears on search engine result pages. This includes paid placement, contextual advertising, paid inclusion or through search engine optimization."

In search engine marketing according to Williams we can distinguish:

Pay per click (PPC)

This type of Internet marketing communication channel for promoting and online presence is called Pay per click, because the marketer pays for each time the hypertext link in the ad is clicked on. In case, when a company pays for text adverts to be displayed on the search engine results pages when the search users enter a specific key phrase.

The main strength of this marketing technique is that is highly targeted with controlled cost of acquisition. Extend reach through content network on the other hand, it is relatively costly technique in competitive sectors and low volume comparing to SEO. (Chaffey, 2006, p. 256).

Banner advertising

One of the first Internet marketing communication channels was banner advertisement. First banner was used in 1985. Banner ad (area) is considered as any place on a Web page that is used as place for advertisement and is not advertising link (text link). (Stuchlík. 2000, p. 169).

According to Sedlák (2012, p. 147) best-targeted banner ads should be:

- Placed in a visible place
- Interesting content of banner with attractive text
- Used on Web page with the related thematic
- Placed after the text related to banner (blog post, etc.).

Paid inclusion

This type of marketing strategy uses inclusion in directories as Yahoo! or Firmy.cz. Inclusion can be also free in case of open directories such as Seznam.cz. This type of marketing tools is important since it can assist in boosting page rank. Another key aspect of linking is the architecture of internal links within the site. (Sedlák, 2012, p. 134)

Price comparison websites

According to Klapdor (2013, p. 44), price comparisons websites, also known as aggregators, offers huge number of services and products, such as insurances, cars or customer electronics. They revenue models include affiliate revenues such as pay per click (PPC) or display advertising (CPM).

2.3.2 Search engine optimization (SEO)

SEO, according to Chaffey (2009, p. 749) is a structured approach used to improve the position of a company or its products in search-engine natural or organic results listings for selected key phrases. It also involves controlling index inclusion or ensuring that, as many pages of a site as possible are included within the search engine.

Chaffey (2009, p. 507) also argues, that while each search engine process hundreds of weighting factors based on their algorithms, which are known only to the search engineers they employ, there are common factors that influence search engine rankings. These are, in approximate order of importance:

- **Frequency of occurrence in body copy.** This means that key factor in determining the position is the number of times the key phrase is repeated in the text of the web page.

- **Number of inbound links (page rank).** The more links you have from good-quality sites, the better your ranking will be. Evaluation of inbound links or backlinks to determine ranking is one of the key reasons Google became popular.

- **Meta tags,** as a part of the HTML source file, typed in by web page creators, which is read by the search engine spider or robot. They are effectively hidden from users, but are used by some search engines when robots or spiders compile their index.

- **Alternative graphic text.** A site that uses a lot of graphical material and/or plug-ins, is less likely to be listed highly. To improve on this, graphical images can have hidden text associated with them that is not seen by the user (unless graphical images are turned off), but will be seen and indexed by the search engine.

Eye tracking: How users scan result pages

Research companies Enquiro, Eyetools and Didit conducted heat-map based on the eye tracking technology, which show, what users focus on while doing search activity. Heat map indicates, that most users are focusing on the top-left area, where shading is the darkest. This means, that little attention is paid to results shown on the lower part of the web search result page, than results situated higher up. Graphics also indicate, how users' eyes are drawn to bold keywords, titles and descriptions in the natural ("organic") results, versus paid listings. (Enge, 2012, p. 15).

Based on the shape of the heating map, they name this phenomenon "The Golden Triangle".
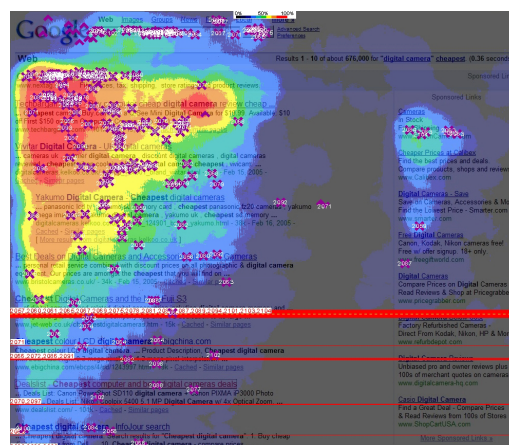
Figure 3:   The Golden Triangle

Source: Golden triangle [online]. [cit. 2015-02-12]. Available from:
http://static.googleusercontent.com/media/research.google.com/cs//pubs/archive/34378.pdf

2.3.3   Social media marketing

According to Shiv Singh (2010, p. 74), Social media marketing is strategy for collaboration and building relationships with our customers. Sean McPheat (2011, p. 41) thinks, social media sites creates virtual community for users, where they can communicate and share with each other about their interests and events in their lives. In some cases, following or communicating with a business through one of these sites is a way for businesses to offer a special deal in exchange for the person participating in that company's social media site.

Ryan and Jones (2009, p. 156) point out potential benefits of engaging customers through social channels:

- **Staying informed,** where marketer can find out, what customers think and get insight into their perception of the products, brands and services. They think, that knowing customers it the main key to effective digital marketing.

- **Targeting traffic,** when marketer is following rules of particular social medium and give wise advises, make good reputation, can gain very valuable targeted traffic from these channels.
- **Influencing the influencers,** while influencers are small in number comparing to the whole market, these influencers already gained the trust and respect of their online peers. By influencing this small target group and their opinion on the brand can have impact on broader online reputation.

According to the Social Media Marketing Industry report (2014)[2], use of social media platforms in case of business-to-business differs from B2C. As in case of B2B marketers focus mostly on social network LinkedIn (33 %), in case of B2C marketers use for promotion mostly Facebook (68 %).

Comparision of use of social media by marketers

	Other	LinkedIn	YouTube	Google+	Blogging	Twitter	Facebook	Pinterest	Social review sites (i.e. Yelp)
■ B2C	3	6	2	2	6	10	68	2	1
■ B2B	2	33	3	3	11	16	31	0	0
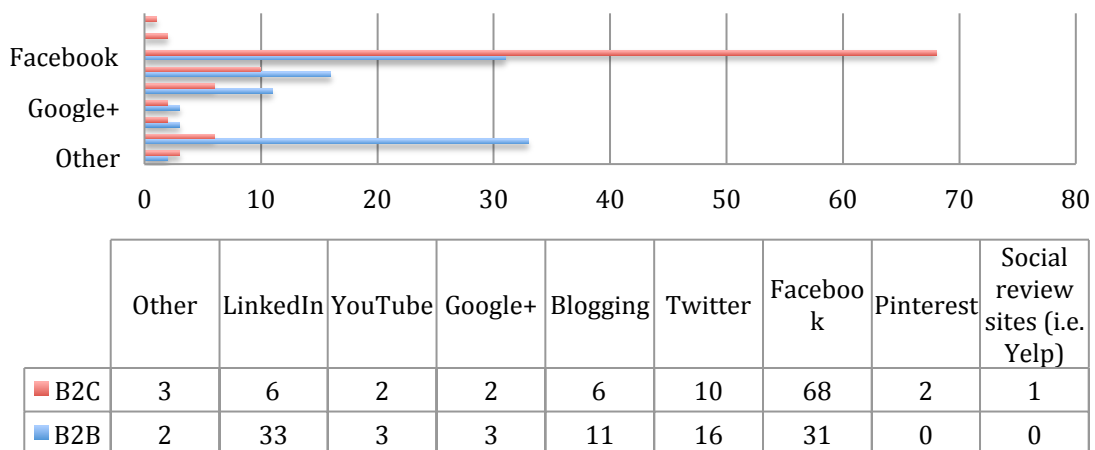
Figure 4:   Commonly used social media in B2B vs. B2C
Source: Social Media Marketing Industry Report (2014)

2.3.4   E-mail marketing

According to Ryan and Jones (2009, p. 134) e-mail marketing is a fusion of marketing savvy and imaginative copy. In its simplest form, it's an e-mail sent to a customer list that usually contains a sales pitch and a 'call to action'. In his opinion e-mail marketing is one of the most powerful elements in marketers digital market-

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[2] *2014 SOCIAL MEDIA MARKETING INDUSTRY REPORT* [online]. 2014 [cit. 2015-02-18]. Available from: http://www.socialmediaexaminer.com/SocialMediaMarketingIndustryReport2014.pdf

ing toolbox. It lets marketer communicate easily with your customers on a personal level through a universally accepted digital medium.

According to Chaffey (2010, p. 520), when devising plans for e-mail marketing communications, marketers need to plan for:

- **Outbound e-mail marketing**, where e-mail campaigns are used as a form of direct marketing to encourage trial and purchases and as part of a CRM dialogue;

- **Inbound e-mail marketing**, where e-mails from customers such as support enquiries are managed. These are often managed today in conjunction with chat and co-browsing sessions.

According to De Pelsmacker (2013, p. 506), the type of e-mails according to e-mail marketing is:

- **Direct e-mail,** as in case of traditional direct marketing, direct e-mail marketing is mostly used to send promotional offer and push the customer into particular action.

- **Retention e-mail,** are sent in order to strengthen the brand attitude and experience. The most popular of retention e-mail is the e-newsletter. It may contain advertisements and they usually offer the added value in form of informative content.

- **Ads in e-mails of third parties,** where instead of creating of own newsletters advertisers can buy advertising or content space in third party newsletters.

Main strengths of e-mail marketing are that can be used for direct link to web site and can it is push medium, which cannot be ignored in user inbox. On the other hand this type of marketing requires opt-in effectiveness and it is limited on deliverability.

2.3.5   Website itself

"If you do build a great experience, customers tell each other about that. Word of mouth is very powerful." (Jeff Bezos)
According   to   Collins   English   Dictionary   the   website   is:
"A set of interconnected webpages, usually including a homepage, generally locate
d on the same server, and prepared and maintained as a collection
of information by a person, group, or organization."[3]

According to Ryan and Jones (2009, p. 40), website is tool which converts traffic into prospects and/or customers by using digital marketing endeavours. Website should be built towards achieving conversion goals, either directly or indirectly.

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[3] Internet website. *Collins English Dictionary – Complete and Unabridged. S.v.* [online]. [cit. 2015-01-11]. Available from: http://www.thefreedictionary.com/Internet+website

Types of websites

Miletsky (2010, p. 39) states, that marketers have unique opportunities provided by different types of websites, which serve different. Type of website depends on the purpose of the site or the market you want to reach.

According to Miletsky (2010, p. 40), the primary types of websites are:

- **Web portals,** or the sites helping users to locate information, which are scattered on the Web.

- **B2B (Business to Business)** website, which involves one business marketing and selling services and products to other business.

- **B2C (Business to Customer)** website, according to Miletsky (2010, p. 48), is mostly e-commerce site. While some B2B websites has capabilities of e-commerce websites (e.g. warehouse with capability of e-commerce on their website), B2C websites are often used by companies to sell directly to customer.

- **C2C (Consumer to Consumer)** website, involves consumer marketing and selling products directly to other consumer. For example garage sales.

- **Social Networking**, as an interaction of people from various demographic groups and geographic locations via the Internet.

- **Informational**, where purpose of this type of website is to relate content to the users.

- **Entertainment** websites, with content such as online video and online gaming, which priority is to keep the content fresh. As an e-commerce site, which pitches best products on the home page, entertainment websites also needs to seek out better ways to entertain the user.

The importance of trust

According to Chaffey (2013, p. 495), online environment lacks the physical reassurance that customers have while purchasing from a store. This lack of reassurance is compounded also by stories of fraud and security problems. Therefore the customers are looking for cues of trust when they are visiting the website. These cues can include brand familiarity, website design, the type of content or recommendations by other customers.

2.3.6   Website design

Niederst (2012, p. 4) point out, that over the years the term "web design" has become a term for variety of meanings that includes different disciplines, from user experience design, document mark-up to programming.

According to Diffily (2006, p. 21), disciplines involved in website design are applied in sequence and tends to follow a given pattern, however there should be

pointed out, that use of these disciplines and its sequences may be occur in parallel. Generally, the pattern should use following steps:

- Information Architecture
- Interaction Design
- Interface Design
- Navigation Design
- Information Design
- Visual Design.

As stated Diffily (2006, p. 20), there are several ways in which website design can add value to the website. These ways include:

- Facilitating visitor's online experience- e.g. intuitive structure
- Communicating information – e.g. charts and diagrams
- Transmission of brand values – corporate colours
- Creating emotional response – e.g. appropriate use of imagery

Wireframe diagrams

According to Niederst (2012, p. 6), a wireframe diagram " shows the structure of a web page using only outlines for each content type and widget". The purpose of the wireframe diagram how the screen and parts of the website are divided and indicate where functionality and content e.g. search box or form elements, are placed.
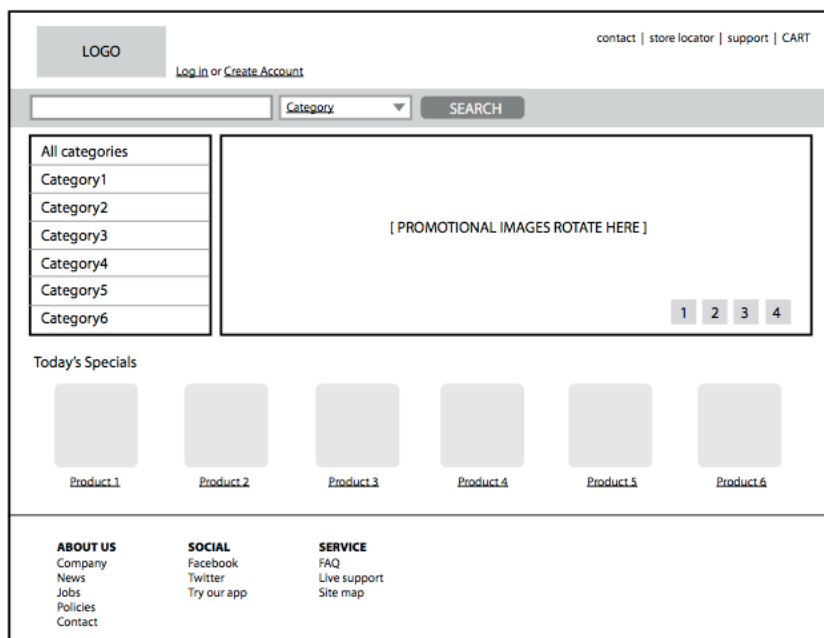
Figure 5:   Wireframe diagram.
Source: Learning Web Design – Fourth edition (2012)

2.4   Tools for analysis

Analytic tools are necessary when it comes to counting effectiveness of the select-ed marketing strategy such as search engine marketing and search engine optimi-zation.

There are two ways methods to analyse traffic on the website:

- **Analysis based on log file**, text file which is stored on server and auto-matically recording the activity on the website.
- **Analysis based on active file,** respectively small program (or part of code), which is placed directly into the program code of specific sites. If the page displays, this will trigger embedded program code together with the page and record the results. Google Analytics uses this method for analysis. (Janouch, 2010, p. 115)

2.4.1   Google Analytics

Google Analytics according to De Pelsmacker (2013, p. 536) is free reporting plat-form or service[4] for analytical service for collecting and analysing data about the traffic and activity of websites where the user can decide which parameters are of interest. This tool allows user to define and analyse his goals. Unlike other analyti-cal tools, Google Analytics can except very detailed statistics of which pages are most popular, how much time the surfer is spending on these pages, in order to create a better experience for the visitor, your prospect or customer.

Google Analytics can be used for analyzing an online advertising campaign. Advertising Analytics is providing detailed insights to know if the advertising pro-gram is working. All digital channels such as search, display, social, affiliate and e-mail can be included to see the effect on conversion rates and return.

In case of online store's site we can measure success of marketing campaign by tracking website of confirmation of the order. With combination with visitor statistics, we can get very interesting data about marketing campaigns and its con-version rates.

2.4.2   SEO Analysers

Site and SEO Analyser is an optimisation tool for websites. Marketers often use such toools in order to analyse website and generate a multi-point audit sorted by category (accessibility, design, texts, multimedia and networking). The analysis report is made of more than 50 criteria based on the optimisation of your server configuration, HTML tagging, text content, multimedia content, internal and exter-nal networking and page popularity. SEO analysis allows not only to check the per-formance of your site but also to improve the visibility of the website for search

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[4] Software as a service (SaaS) is a software licensing and delivery model in which software is li-censed on a subscription basis and is centrally hosted. (MENKEN I., 2012)

engines. In this way there is possibility to favour natural ranking of the site and increase the potential number of visitors to your website. [5]

2.5   Target market strategies

Target market strategies according to Chaffey (2013, p. 437), is analysis of new and existing markets to understand needs and potential in order to develop strategy to satisfy these markets to maximize revenue. The key part of target market strategy is segmentation; respectively, "Identification of different groups within a target market in order to develop different product offerings and communications for the groups."

Chaffey (2013, p. 234) further states, that target market strategy involves four stages:

- **Segmentation** – identify customer needs and segment market
- **Target marketing** – evaluate and select target segments
- **Positioning** – identify proposition for each segment
- **Planning** – deploy resources to achieve plan

The range of targeting approaches used for online acquisition depends on established segmentation. Internet marketing is more cost-effective to deliver targeted messages comparing to traditional media. For segmentation is possible to use several targeting variables:

- **Relationship with company –** existing customers, new customers, lapsed customer
- **Demographic segmentation –** in this case we can divide segments into:
- **B2B –** company size, industry of company
- **B2C –** age, sex, geographic location, social group
- **Psychographic or attitudinal segmentation –** attitudes to risk and value when buying, e.g. early adopter, price conscious or brand loyal
- **Value –** assessment of current, present or future value
- **Lifecycle stage –** initial registered customer, number of products purchased, categories which customer purchased
- **Behaviour –** how customer behave:
  - o Search term entered into search engine
  - o Responsiveness to different types of offers (promotion)
  - o Responsiveness to campaigns in different channels (channel preference)

[5] *Site Analyzer* [online]. [cit. 2015-01-19]. Available from: http://www.site-analyzer.com/

     o   Purchase history in product categories

2.5.1 Differences between B2B and B2C

Chaffey (2013, p. 493) refers, that major differences in buyer behaviour are particularly between B2B and B2C markets and these differences should be accommodated in e-marketing communications. The main differences are as following.

Market structure

One of the main differences between B2B and B2C is the number of the buyers. According to Kotler (1997, p. 143), business-to-business tent to be fewer but larger buyers. As Chaffey (2013, p. 495) points out, that as for B2B sector means fewer buyers, the existence of suppliers tends to be well known, therefore the efforts to promote the website using method such as banner advertising is less important than for business-to-costumer. In case of B2B promote can be done by post or e-mail.

Nature of the buying unit

More complex process of decision-making is usually done in the case of business purchases while they typically involve more people in process. The implication, according to Chaffey is that content of the website should be devised according to the different members of the buying unit who can visit the website.

Type of purchase

While companies offering business-to-business services have low-volume, high-value orders, the other companies will have probably low-value and high-volume orders. From B2B point of view, the Internet is not likely to be involved, since there are usually involved special contracts or financing agreements. However, Chaffey points out that in case of e-commerce transactions the Internet offers several benefits:

- Easy for purchaser to assess whether item is in stock
- Order can be completed at any time of day or night
- Re-buys or repeat orders are easy to specify
- Delivery can be tracked online
- Purchasing history can be reviewed

Based on these benefits, the website design should contain options for re-buy or allow buyer to return to complete a partially complete order.

Type of buying decision

The buying decision for B2B products or services is typically more complicated and more length than in case of B2C, as business-to-business buying process typi-

cally involves more people the decision making process is more complex and complicated.

2.6   Assessing marketing communications effectiveness

According to Chaffey (2013 p. 408) a campaign will be successful if it meets its objectives of acquiring site visitors and customers while the cost of achieving this, is not too high. Having a campaign budget, which is necessary constraint of campaigns, usually imposes this cost of achieving. However it is essential to have specific objectives for the cost of acquiring visitor to the website using different referrers, such as SEM combined with the cost of achieving the outcomes during their visit. This type of cost is known as cost per acquisition (CPA). Depending on market and context of the website, cost per acquisition may refer to different outcomes. Typical cost targets include:

- Cost per acquisition – of a visitor
- Cost per acquisition – of a lead
- Cost per acquisition – of a sale.

2.6.1   Measures to control communications expenditure

Volume or number of visitors

As a measure of effectiveness is used number of page views or unique visits, since it is opportunities to communicate with individuals. More sophisticated measure is reach (%) or online audience share. This is possible only by using panel or audience data tools such as www.hitwise.com

Quality or conversion rates to action

This metric shows how many visitors from different sources take specific marketing outcomes on the website such as sale, lead or subscription to the newsletter. Together with this metric is important also bounce rate, which is percentage of visitors, who leave immediately after entering the website after viewing only one page. Bounce rate is also known as single-page visits.

Cost (cost per click) or cost per action

The cost per click is cost of visitor acquisition by using particular online marketing tool such as PPC. On the other hand, we can calculate more specific cost, which is cost per action, respectively cost of visitor combined with conversion to outcomes.

Return on investment (ROI)

According to Zarrella (2010, p. 207), return on investment as the most important thing that marketer can measure is how much money the marketer's efforts are contributing to the business.

Chaffey (2013, p. 503) implies that there are different forms of ROI, which depends on how profitability is calculated.

Source: E-Business And E-Commerce Management (2013)

$$ROI = \frac{profit \quad generated \quad from \quad referrer}{Amount \quad spent \quad on \quad advertising \quad with \quad referrer}$$

Branding metrics

According to Chaffey (2013, p. 502), this type of metric tends to be relevant only in case of sponsorship or interactive advertising. It is the same as an offline advertising metrics such as brand awareness or brand favorability.

Lifetime-value based ROI

The value of customer acquisition is not based only on initial purchase, but also on lifetime value associated with the customer. This type of metric is used to get realistic allowable cost per sale from various marketing communication tools, which are needed to get return over specific time period.

3 Methodology

By writing this thesis, I proceeded in several steps. First of all, I revised all findings of printed literature that was available and also available Internet sources. These acquired information I used when writing a literature review and by use of my knowledge gained during the study and during writing theoretical I will proceed practical part.

The main goals of thesis are to describe available marketing tools for Internet marketing communication, then analyse current marketing communication of the company Dovimex, s.r.o., in this case it is online store zwaveproduct.eu and then propose suitable Internet marketing communication strategy.

In my bachelor thesis I am focusing on the operations of company Dovimex, s.r.o., particularly on its online store zwaveproduct.eu. This business is engaged in selling wireless smart home appliances in foreign markets within European Union via the Internet.

Information, documents and figures, I obtained by studying literature and Internet publications. I also used in-house materials of company Dovimex, s.r.o. analytical data from zwaveproduct.eu obtained by Google Analytics and competing online stores.

3.1 Methodology of analytical part

After theoretical consideration of various instruments of Internet marketing and its effectiveness, I will analyse the formation and scope of Internet business of zwaveproduct.eu and I will analyse previous status of the webpage and for this purpose I will use following metrics:

- **Website analysis by using SEO Analyser** – in this part I will analyse factors, which have impact on search engine optimization and the resulting traffic.

- **Web design analysis** – based on the used habits related to web design, I will analyse web design of website and I will propose changes, which will be used in updated version of the webpage.

- **Audience analysis** – I will create market segmentation for selected product and I will analyse current audience, whether traffic on the web page meets conditions of target market.

- **Measurement of traffic on the website** – based on analysis of search engine optimization and because I will use in practice some of the marketing communication tools, I will analyse the traffic on the website.

- **Competition analysis rate –** in order to better know the market I will analyse the biggest competitors and I will try to point out on the weaknesses of their marketing strategy.

- **SWOT analysis –** based on the results from analysis I will make analysis of internal strengths and weaknesses and also external factors in form of opportunities and threats.

3.2   Methodology of proposal part

Based on the analysis of current status of the website and the information obtained in theoretical part, I will propose design of the website by suggesting changes related to the web design. After that I will create wireframe diagram and suggest the best option for website design for purchase by calculating costs of selected options. Website design will be applied in practice.

I will also try to suggest suitable marketing communication in order to meet the marketing goals of the company.

After application of selected marketing proposal, I will analyse new status of the website related to the defined marketing goals such as conversion rates and traffic on the website. After that, I will make simple analysis, what impact had applied marketing strategy.

As a methodology for evaluating results and subsequent interpretation of the data analysis was used measurement of website traffic and return on investment. As a method of measurement website traffic was chosen option of using the active file, therefore the results will be processed by Google Analytics. For the purpose of the study was not studied the behaviour of visitors to the online store of the company as of achieving the desired results of the information is not relevant, therefore there are presented exclusively numbers of visits and subsequent conversion.

4 Analytical part

4.1 Characteristics of the company

Figure 6:   Logo of Dovimex, s.r.o.
Source: Dovimex logo [online]. [cit. 2015-01-13]. Available from:
http://www.itbydleni.eu/logo/logo.jpg

Dovimex, s.r.o., is limited company, founded at 22.12.2005 and based in Horní Lideč. The scope of the business is production, trade and services and warehouse services.

Dovimex, s.r.o., offers mainly professional solutions in the field of efficient lighting technologies specializing on the industrial sector. The second division of the company is automation of lighting and home automation, respectively wireless smart home appliances based on Z-Wave wireless technology. Priority of Dovimex, s.r.o., company is to offer to their clients high quality products and services at an affordable price. They present themselves as the innovators in the field of high quality lighting fixtures and wireless smart home solutions.

Company is divided in two divisions:

- Industrial lighting in connection with automation of lighting technologies

- Smart Home Automation – wireless home automation. Company named this division as SMARTIFY.

Field of wireless smart home automation is relatively unknown and unextended within Czech republic. Therefore the headquarters of the company decided to create online store focused on foreign markets within European Union. As the key selling channel was chosen an online store. The company created ecommerce website with domain name zwaveproduct.eu, and another two websites supporting brand awareness getsmartify.eu and smartify.sk.

4.2 Introduction to the selected product

While company Dovimex, s.r.o., is involved in selling more categories of products, the selected product is rather field of products. These are products of wireless smart home utilities. Selected product - wireless smart home appliances, allow user to control lights, heating, alarm system and any other electrical devices in users' home wirelessly by smartphone, or automatically by gateway. These products are used in the installation of smart homes and work on Z-Wave wireless protocol.

Their main advantage comparing to another products in this field are, that it is wireless solution, so there is significant reduction in installation cost, while the user do not have to install new electrical wiring.

4.3   Introduction to the website

Website zwaveproduct.eu was created in April 2014 based on open source ecommerce software Prestashop. The essential goal of the website is to offer selected products. This segment is relatively new on the market and unknown in Czech republic. Therefore the website is developed in English language and is focused on foreign markets.

Since establishment, the website was not promoted on the Internet and it was only added to listing of search engines. There has never been made any analysis, which could improve the conversion rates and customer engagement. Website was implemented by internal workforce of Dovimex, s.r.o., and was not maintained until September 2014.

Because the products are relatively unknown, and they use cutting-edge technology, the life cycle of the product from marketing point of view is between introduction and growth stage. Therefore the website is focused mainly on innovators and early adopters, who are less conservative, more risk-oriented and they are willing to accept pricey products in exchange for earlier access to the given products.

4.4   Marketing strategy of the company

The marketing strategy of Dovimex, s.r.o., company do not developed any marketing strategy yet, although company uses simple marketing model. Until now, company was focused mostly on B2B sector; therefore did not need attract huge amount of customers, but rather looking for stronger business partners.

The main source of the customers is online presentation of the company, which is formed by several websites serving as a presentation of companys' products. These websites are:

- Prumyslova-svitidla.cz
- Smartify.sk
- Led-a.cz

The second marketing tool, which is used, is e-mail marketing. The company sends promotional e-mails to its business partners in order to promote new products, or to inform about discounts and other promotions.

Companys' websites have never been SEO optimized by any professional agency. They gained their SEO rank due to the quality and related content. The websites also have never been promoted on the Internet by paid advertisements and company never used any Internet marketing tools yet.

While division SMARTIFY for smart home appliances is not oriented only on B2B sector, but also to B2C sector, there arose the need to develop Internet marketing strategy in order to attract end users, not only business partners.

4.5 Analysis of Internet marketing communication

Companies today have numerous of options when it comes to marketing their products and services online. In order to develop successful marketing campaign, there is need to move online marketing from fragmented to prioritized and more relevant marketing. Company Dovimex, s.r.o., until now did not carry out market segmentation. Therefore I tried to understand searcher personas and perform market segmentation. In order to create successful marketing strategy, it is necessary to know the information about customers and their behaviour. Therefore I would like to do one of the essential part of the marketing strategy- marketing research in order to propose Internet marketing communication strategy for selected website and its product.

4.5.1   Market segmentation

As was mentioned before, marketed products from the marketing point of view are in introduction and growth life-cycle stage, they are not well known within domestic market in Czech republic. Therefore company decided to expand to other countries in European Union and United States.

From the **geographic** point of view, there is need to look for more developed countries, with bigger economies and higher standard of living. Therefore the main target markets are:

- Germany
- United Kingdom
- Netherlands
- Denmark
- Belgium
- Sweden
- France
- United States

From the **demographic and socioeconomic** point of view, we can say, that target customer is middle aged person, with higher income, who owns property such a house or office and is interested in new technologies. Considering the education, because the website sells only products itself without option of installation, the target customer should have electrician background or be able to install electric devices into electrical network.

From the **psychographic** point of view, target customer has interest in new technologies, willing to try new products. Customer, who is looking for new expe-

rience, has value for the time and support growth of new product categories. Target customers, who are problem-solving personalities.

Considering **product-related segmentation**, we can say, that products are for customers looking for time and energy saving appliances for their households in case B2C customers; and offices and industrial buildings in case of B2B customers.

4.5.2 Goals

Marketing communication mix is used to achieve objectives set by company. By creating website zwaveproduct.eu, company Dovimex, s.r.o., follow up several marketing goals. These goals are divided into two categories, in direction to customer and in direction from customer. The main goals in direction to the customer are:

- **Inform** – increase brand awareness and increase awareness about products. Also as source of information about products for B2B partners.
- **Induce action** – in this case induce purchase of the items.

First goal is to inform the potential customers about the ability of wireless home automation solution and give them as much information as possible about this technology. Second goal of the website is to induce action, which in this case means to induce purchase by customer through online store.

In direction from the customer, the goal is:

- **To obtain new information** about demands and needs of customers - by doing statistics about purchased items, which creates possibility of getting information about what type or category of smart home appliances are customers interested the most (e.g. heating control, lighting control).

4.5.3 Environment for communication

As an environment for marketing communication was selected ecommerce solution, which gives the best opportunity to achieve goals of marketing communication on the Internet, particularly to promote marketed products and also to induce action in form of purchase. This type of environment is possible to use also as a product catalogue, while it contain all necessary information about products. Companys' plan in the future is to create blog connected to the website in order to inform about new products, their functionality and compatibility, which as expected, should increase search engine optimization because of relevant quality content and also customer trust in online store.

4.5.4 Marketing communication tools

Up to now, company did not use any Internet marketing communication tool in order to attract customers. Only marketing communication tool in order to increase sales is the use of discounts and promotions, which includes coupons and

percent-off deals. However, because of almost zero traffic on the website, this type of marketing tool had no impact on sales.

4.6 Analysis of the website

Current website was created by internal workforce at Dovimex, s.r.o. Goal of the website is to promote and sell products related to wireless home automation and also as a catalogue of the products for potential B2B customers. Analysed period is from April 1st , 2014 until April 26nd, 2015.

Since introduction of the website on the Internet at April 2014, website passed by following milestones:

- April 2014 – a little bigger traffic due to work on the website by internal workforce of Dovimex, s.r.o.

- September 2014 – my analysis of the website from web design point of view. Suggestions for web design updates and catalogue changes.

- December 2014 – web design update and catalogue update

- February 2015 – e-mail marketing applied

- April 2015 – social media marketing applied

4.6.1   Traffic analysis

In order to see the popularity of the website and also behaviour of the visitors, there is need make traffic analysis. There are many ways to analyse the traffic on the website. In this case for monitoring of traffic will be used analysis based on active file, respectively by using Google Analytics, there is obvious, that the project is in the initial phase of development and the website has almost zero traffic.

During April 2014 there was still maintenance work, so the traffic was a little bit higher, than during next following months. Website visits approximately 3-5 visitors per day. This amount of visitors is not enough to create profit. It was therefore necessary to find channels through which traffic will grow and sales will increase. I analysed website during September 2014 up to October 2014, and therefore, there is slightly increase in traffic during my analysis. At January 2015, there was made website design update. After design update was applied e-mail marketing focused on company's B2B partners.
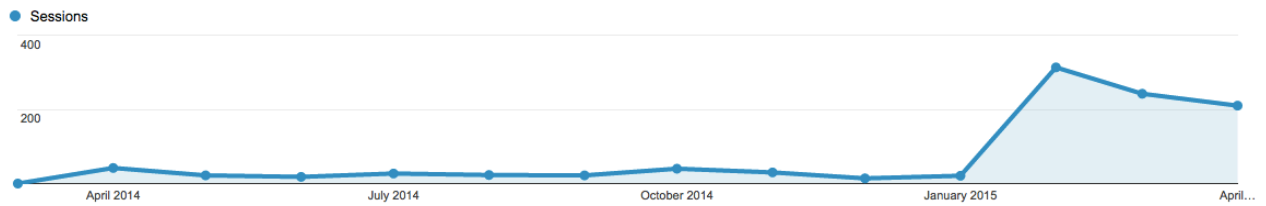
Figure 7:   Figure 1: Traffic on website: zwaveproduct.eu from January 1st, 2015 until April 26th,2015
Source: Google Analytics

Considering the language of the website, because of innovative marketed products we can expect, that target customer will search for this kind of products in English language and not only within native language. On the other hand, if target customers find online store with relevant products within their domestic market, it is very likely that they give priority to domestic online store.

4.6.2   Customer analysis

Based on the data collected by e-commerce system on which website zwave-product.eu is based, there is possibility to analyse information about registered customers who provided information during registration process. Most of these customers were registered while purchasing products.

Based on information of real customers, we can assume common characteristics of potential customers, who are interested in marketed products. Obtained common characteristics can be used for better targeting of marketing tools and also for analysis, whether common characteristics meet target market selected by company.
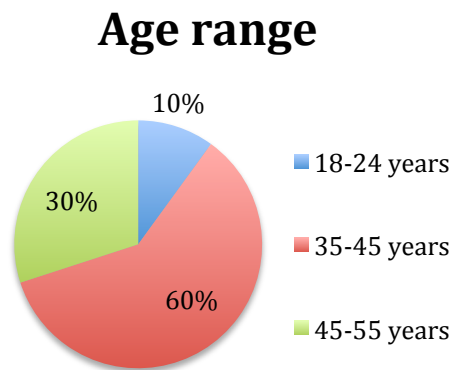

Figure 8:   Age range statistics
Source: www.zwaveproduct.eu

Average age of the customers who already purchased marketed products is 39 years. As is obvious from the figure above, the most customers are in age between 35-45 years. This means, that age of real customers meets characteristics of targeted customers.
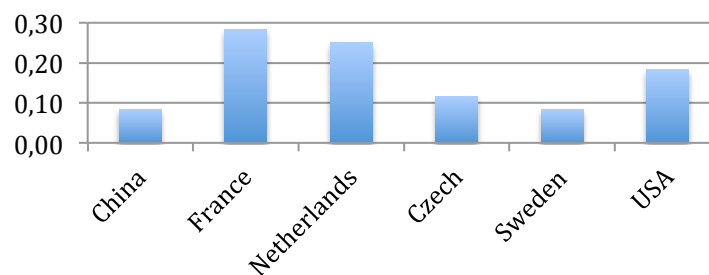
Country distribution of customers

Figure 9:   Country distribution of customers
Source: Analytical data from www.zwaveproduct.eu (2015)

As is obvious from the figure above, not all target markets are covered. Use of English language did not automatically lead to reach of all target markets. Naturally, it led to maximal reach of English native speaking market- United States, however as shown, there are missing countries Denmark, Belgium and Germany. Real customers mostly came from European Union and then from United States. Target market from the geographic point of view, meets the characteristics of registered customers.

Considering the gender of the customers, it was further found, that 100 % of the customers are males. 30 % of customers are B2B customers and 70 % are end users.

In terms of market structure, B2B buyers create considerable number of orders representing 43 % of sales. This means, that company should keep focus their marketing strategies also on B2B market.

Based on the obtained data, it can be concluded, that selected market segments meets the characteristics of customers, who already purchased the products on the website, but because of low traffic of target customers, the sales are not large.

4.7   SEO Analysis

Search engine optimization is one of the most important tools of Internet marketing. As was stated in literature review part, based on research of eye-tracking research of companies Enquiro, Eyetools and Didit, users of search engines are focusing mostly on results in first positions of search result page. However, for measur-

ing effectiveness of the optimization itself, the number of visitors is not enough. It is necessary to monitor other parameters that the site presents. These parameters include keywords through which visitors come, the number of indexed pages in the search engines, the number of inbound links and more. This information are necessary to continually monitor and follow them during updating of content and website itself.

For SEO analysis of website zwaveproduct.eu was used online service SeoSiteCheckup.com for SEO analysis and improving quality of websites. This online service is following many factors, which can have influence on SEO, such as headers, Meta descriptions, sitemaps, Google Analytics active log file, social media activity, and optimization for mobile phones.

Based on the results of SeoSiteCheckup.com, selected website gained score 49/100. There were found 18 important fixes and 24 another checks are satisfying the conditions of search engine optimization. Hereinafter I will try to explain the main errors found by analysis:

- One of the most important error which was unveiled is that website **lack of sitemap file**, which allow search engines index content of the site more thoroughly and quickly. This is one of the main reasons, why ranking in search engines is very low.
- Another problem related to SEO is relatively **slow loading speed**, which is around 6.589 seconds. This time exceeds average loading time, while the average loading time is around 5 seconds.
- Considering social media activities, while search engines use social media activity to determine which pages are most relevant for keyword searches, there were not found any social media activities. The webpage have **no connection to social media** such as Facebook, Google+, Twitter or Pinterest.
- From the SEO point of view is also necessary to have clean, relevant and easy to understand URLs[6]. In this case, the website did not pass URL SEO friendly test, respectively URL and links from inside are not SEO friendly.
- According to the most common **keyword test**, these keywords were found:
  - Cart – 21 times
  - Zwave – 14 times
  - Plug – 13 times
  - Wall – 10 times
  - Dimmer – 10 times

  Keywords test reflects the intended topic of the website, however these keywords are not related properly to the content of the website. Many visitors therefore will leave the website immediately after filling out the term "plug", while this word can be used in various situations. Better-

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[6] URL – Uniform Resource Locator, according to Chaffey (2013), is technical name for web address, respectively web address which locate a web page on a web server.

optimized word would be "z-wave plug". What's more, the keywords are not included in Meta-Title. According to usual search engine algorithms, this can influence the ranking in search engines.

- Ratio of source code of the website compared to the size of the text content is low. Website size, respectively, the size of the source code is 70,11 Kb and content text size is 3,12 Kb. This means, that **code to text ratio** is 4,45 %, which is low and the website should contain more content.
- Lack of the file **robots.txt**. While search engines use programs called robots to search particular website, there is possibility to hide directories which should not be available. Website lacks file called robots.txt, which can protect private content from appearing online and also lower load of the server and by that, increase the speed of the website.

4.8   Competitor analysis

One of the crucial parts of marketing analysis is analysis of competitors. This analysis should help the company to detect strengths and weaknesses of the competitors and therefore opens the opportunity to establish the unique marketing strategy in order to attract the target customers.

For analysis of competitors it is necessary to identify the competitors. For the analysis I will use online service RivalIQ.com. While company Dovimex, s.r.o., did not use any specific marketing strategy I chose three competitors, which are in the market longer and they are key players in selling wireless smart home automation products; in order to see what potential has this kind of product on the market. The selected competitors are:

- www.vesternet.com
- www.smarthome.com
- www.zwaveproducts.com

4.8.1   Social media marketing

Use of social media marketing gives great opportunity for small and medium enterprises to reach more customers. This form of marketing are used mostly for gaining traffic to the website, to increase attention or to increase brand awareness.

This form of the Internet marketing implements various social networks. I selected three social media channels for analysis. Facebook in this case represents social network oriented on B2C sector, respectively for end consumers. LinkedIn represents social network focused on B2B sector and Twitter overall brand awareness.

Company have created only Facebook fan page, when website was created in 2014 and did not create account on any other social media network. While Dovimex, s.r.o., company did not make any promotion of the website, nor the products, the reach of audience is smallest in comparison to its competitors. During the existence, the fan page gained only 5 fans, therefore the website is below the aver-

age. From the size of audience point of view, the key players on the market are vesternet.com and smarthome.com.

Considering the ratio between frequency of posts on Facebook and change in page likes, I can say, that the number of page likes is unrelated to frequency of posts, while Facebook page of smarthome.com gained 1.18 % page likes in last 30 days without new post since March 11th, vesternet.com posted 53 posts and the number of page likes has not changed.
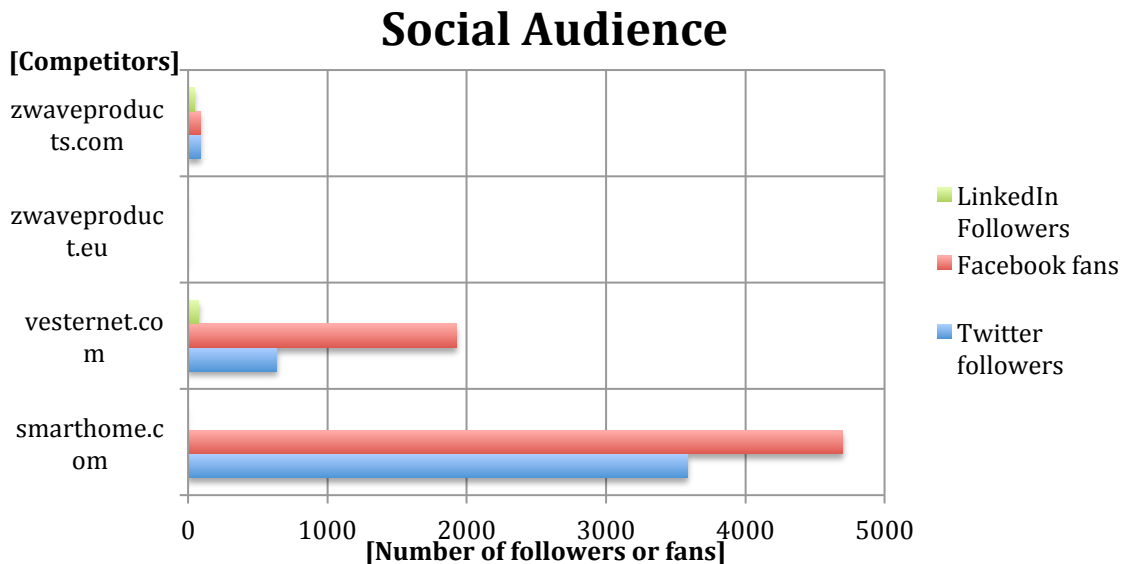

Figure 10: Source: www.rivalq.com

Social network related to B2B sector representing by LinkedIn is not much used by competitors. Only vesternet.com and zwaveproducts.eu are registered and only vesternet.com is active in posting of updates.

4.8.2   Search engine optimisation

Search engine optimisation in competitive environment plays crucial role in engagement of customers. For measuring of websites performance in search engine rankings will be used online service Moz.com.

According to the results the best domain authority, respectively highest search engine ranking has website with the longest history- smarthome.com, second is vesternet.com.

Domain Authority
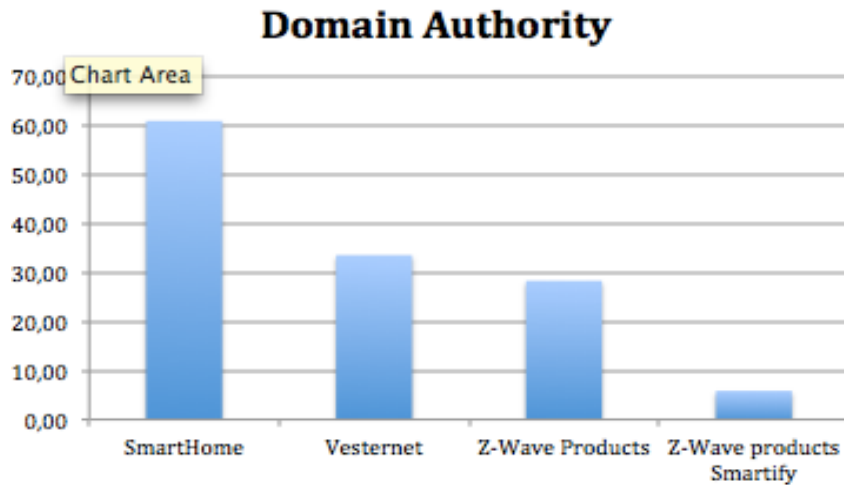
Source: www.moz.com (2015)

Search engine ranking is also influenced by number of external links that point to the specific website. The highest number of external links has smarthome.com, I suppose it is because the website was optimised in the past and has long history.

4.9 SWOT Analysis

SWOT analysis focuses on internal and external factors of given project and it is part of the strategic planning. Internal factors include strengths and weaknesses, respectively factors over which company has a control. Opportunities and threats represent external factors, which influence and affect every company and indicate factors which company cannot control.

Tab. 1   SWOT Analysis - Internal factors

Strengths	Weaknesses
• Cheap labour force • Unique products using new technology with low competition • Option of installation of the products • Fast delivery of the products and worldwide shipping • Experiences in the field of marketed products	• Not user-friendly website • Unsatisfactory optimization of the website • Missing legal information • Low traffic and conversion rate • Out-of-date website design • Loading speed of the website • Weak options of checkout payments

Internal factors

By analysis of internal factors I found out, that the website is hard to use and the website design is out-dated. The marketing of the website is weak, which means low traffic and therefore low conversion rate.

In order to eliminate harmful factors the key strategy is WO attacking strategy. By creating new website, we can eliminate most of weaknesses, such as outdated website design, checkout payment options, by implementing new payment gateways and also or to eliminate unsatisfactory optimization of the website.

Tab. 2   SWOT Analysis - External factors

Opportunities	**Threats**
- More customers shifting to online shopping - New ways to encourage repeat visits - More effective marketing tactics - New related products on the market	- Indirect competitors entering the industry to present direct competition - New laws or regulations - Advanced social media engagement of competitors - Growing competition

External factors

Constantly increasing number of related products on the market means opportunity and possibility to extend the range of offered products and create updated offers. More customers shifting to online shopping means opportunity of growing number of potential customers. On the other hand, big companies, which represent indirect competition, such as telecommunication company T-Com, started to focus at home automation sector. Because of big companies on the market which indirectly compete promoted products, company Dovimex, s.r.o., should find its target market and focus their marketing strategies on this customers in order to create stable position on the market.

Leverage of strengths to eliminate the threats, can be done by use of defensive ST strategies, respectively maxi-mini strategy, which will lead to use of experiences in the field of automation in order to create competitive advantage by offering unique products and solutions based on promoted products and experiences to the customers.

Conclusion of analytical part

In this part I briefly introduced company Dovimex, s.r.o., their scope of business and characterized their activities focused on lighting and automation. After that, I introduced selected product, which is marketed by website zwaveproduct.eu.

By analysis of marketing strategy of Dovimex, s.r.o., I found out, there was not developed any marketing strategy yet, although company uses some of marketing tools such as online presentation of company and their products through various websites. Another used marketing tools is e-mail marketing, where company uses their own database of B2B partners. In order to attract also end users in B2C sector, there is need to develop marketing strategy.

While Internet marketing can be much more targeted than offline marketing, by doing analysis of Internet marketing communication, I analysed target market for selected products, in order to suggest the best Internet marketing tools and achieve the highest return on investment.

After analysis of Internet marketing communication, there is need to analyse also current status of the website as a main online marketing tool. For analysis of the website I used Google Analytics service, by which I analysed traffic on the website. I found out, that until the end of the year 2014, there was almost zero traffic, because of any Internet marketing communication. After new web design implementation in beginning of the year 2015, company started to promote the website and the traffic slightly grow.

By analysis of customers which already have made order on the website, I found out, that customers who are interested in products of home automation have the same characteristics as target customers. Therefore we can conclude, that market segmentation is well made and target customers should be interested in promoted products.

By doing SEO analysis, I found factors which should be improved in order to optimize the website for search engines, which can lead to better search results and higher ranking. Considering the result of the SEO analysis – 49 points from 100, is not very satisfying. The main problem factors which can influence the search engine optimization are missing sitemap and robots.txt files. The website is slow to load, which can be caused by many used modules for statistics which are loading with every load of the website. Keyword test contains mostly words, which are related to marketed products, while words plug, wall and dimmer are names of the categories of products; word "cart" is not related to any product and more likely it is result of the mistake in used e-commerce software, while this word is not used in description of categories nor the product description. It is used only in system messages such as "Product was added to your cart". This word should not be indexed. Low code to text ratio, refers lack of the content on the website. Therefore company should increase the amount of content in form of blog posts or more extensive product description.

Results of the competitor analysis are not surprising, while the website zwaveproduct.eu is relatively new and has never been promoted. Therefore the

main competitors are far ahead in terms of search engine optimisation and also more engaged in social media networks.

The main weakness of competitors is in low engagement in B2B sector, which can be opportunity for company Dovimex, s.r.o., while company have huge experiences within B2B.

SWOT analysis revealed strengths and weaknesses of internal factors and opportunities and threats of external factors.

By analysis of internal factors I found out, that the website design was outdated and hard to use, therefore there was a need to create new website design, which is more user-friendly and offers more opportunities to promote the products on the website in form of various banners, discounts information.

Opportunities and threats represent external factors over which company do not have control. The opportunities represent increasing purchasing power within online shopping and also new opportunities in terms of new products. Considering the threats, company should keep eye on the increasing amount of competitors in this sector.

5 Proposal part

Based on the analysis of the current situation of marketing communication, which involves website zwaveproduct.eu., I would like to propose suggestions for marketing communication regarding to the selected Internet marketing tools which were introduced in the theoretical part of my thesis especially regarding to search engine optimization, traffic on the website and conversion rates.

New communication channels via the Internet, gives us new opportunities for marketing communication. Marketing via Internet has become more targeted than ever before. Marketers can increase communication by using advanced technologies such as e-mailing, targeted online advertisements or viral marketing.

5.1 Website design

Web design, as was stated in theoretical part, contains many different disciplines and skills in the production and also maintenance of website. Usually, the term website design means description of design process related to front-end graphic or design of the website. Because this thesis is focused on marketing communication, I will analyse and propose changes for areas of website design which include web graphic design; interface design and user experience design.

5.1.1 Previous logo

While creating website, internal workforce of company Dovimex, s.r.o., used online service to create logo for website. Because the product and whole website represents new technologies, website logo should be modern. This logo was old-fashioned and use of trademark symbol was unnecessary, while the logo wasn't registered.

Figure 11: Previous logo of the website
Source: Previous logo [online]. [cit. 2014-11-12]. Available from: http:// www.zwaveproduct.eu /

5.1.2 Current logo

After consultation with graphic designer, company decided to make a new logo, which will be more accurate and more corresponds with the aim of the website. Logo expresses the connection of intelligent solutions for smart homes. Icon of the house will be used as a favicon of the website.

Figure 12: Current logo of the website
Source: Current logo [online]. [cit. 2015-02-12]. Available from: http:// www.zwaveproduct.eu /

5.1.3   Previous website design

Regarding the website design, I analysed three selected fields:

- Visual design
- Navigation design
- Information design

Previous design was based on default design template of shopping cart platform Prestashop.

Considering **navigation design**, nevertheless the products are divided into categories and subcategories, there is no menu to select specific category of the products. Navigation on the website can be supported by many systems, e.g. search bar, sitemap, side navigation or global navigation. Regarding to the design of the website, there is no global navigation and as the SEO analysis shows, there is lack of sitemap file and therefore there is missing link to sitemap of the website.

In order to increase customers fidelity about the website, there is necessary to present data and information in the way, which is effective and easy to understand. For this purpose serves information design. The current website situation from the **information design** is as follows:

- Use of slider on the main page is attractive, however text carrying important information is hard to read because of impropriate background.
- Absence of contact information on the main page.
- Banners on the right side of the slide show are well designed and easy to understand.
- Missing information regarding to legal notice, containing the billing information and also legal information about company.
- Missing information regarding to delivery conditions.

Considering **visual design**, there is necessary to be as dispassionate as possible. While visual design of the website should match the goals of the website and expectations of visitors and values of the company Dovimex, s.r.o.

While the goal of the website is to sell products based on new technologies, and the users are mostly technical enthusiasts, the visual design should be as modern as possible.
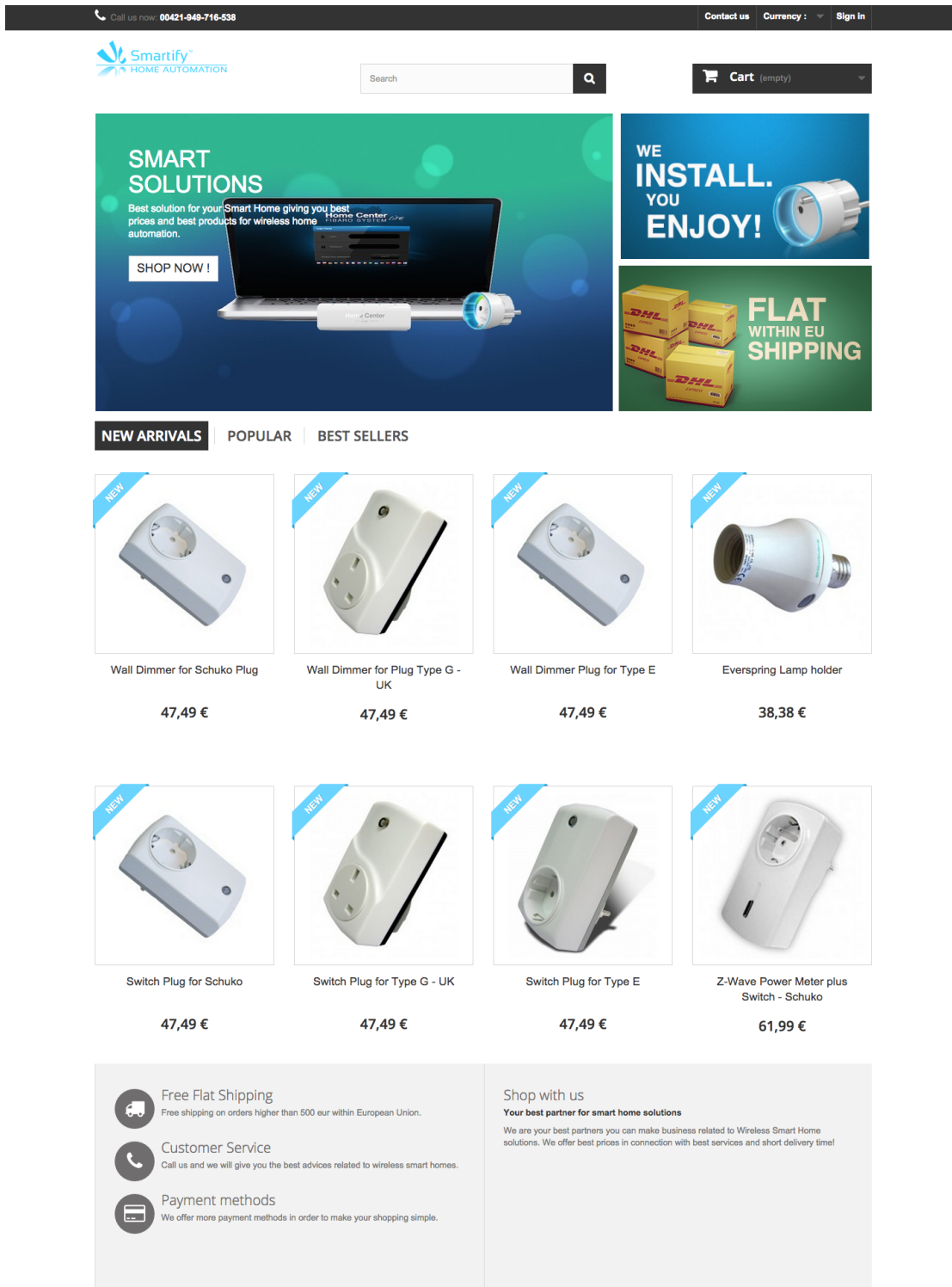
Figure 13: Design of the previous website
Source: www.zwaveproduct.eu (2014)

5.1.4   New website design

Because the amount of the websites on the Internet is enormous, there is need to be unique in order to distinguish from the competition. As was stated in theoretical part, users nowadays firstly scan the content of the website and if they've got interested, they continue to read.

Therefore I would suggest using graphic design with as much images and banners as possible. Images for increasing of attractiveness of the website and for easy recognition what products website offers. Another important component of the website are banners. While they are easy to read and inform about discounts and another promotions, these should serve as a tool for customer acquisition.

In the selection process of the website design, company have several options. New website design can be:

- Developed by design agency
- Purchased premium design template from design marketplace
- Use default design template of the ecommerce system

In order to reduce costs, I've created simple table to compare the cost ratio of the options and their pros and cons. As a source of design agency prices I used prices from quotation of web design freelancer, in case of purchased template I used prices from design market themeforest.com and in case of default theme the price represents the labour cost of internal workforce of Dovimex, s.r.o., company.

Tab. 3   Comparison of cost ratio of possible purchase opportunities of website designs

	Design by agency	**Premium template**	**Default template**
Slider	yes	yes	yes
Space for banners	yes	yes	no
Extra modules included	no	yes	no
More categories on homepage	yes	yes	yes
Space for special offers	yes	yes	no
Customizability	no	yes	yes
Update and support	yes	yes	no
Price of web design	2 000 CZK	1 432 CZK[7]	0 CZK
Price of implementation	4 000 CZK	1 000 CZK	500 CZK
TOTAL	**6 000 CZK**	**2 432 CZK**	**500 CZK**

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[7] According to the currency rate of Czech National Bank at December 3rd, 2014- 1 USD = 22.39 CZK
Source: http://www.kurzy.cz/kurzy-men/kurzy.asp?A=H&M=6&D=03.12.2014

Table 3 shows the cost ratio of each option. The most expensive option is to hire agency to implement the website design. The main advantage of the agency is in unique design and long-term support. On the other hand, there are any modules included in final price. The cheapest option is to use default template that is included in ecommerce software. This option has any features and added value. Therefore, the best option is to purchase the premium template, while it is less expensive than in case of agency and usually offers various options to custom the design additionally.

Based on knowledge gained during working on theoretical part and knowledge gained during my studies, I firstly proposed wireframe diagram of the website which contains all necessary information with regards to the simplicity. Then, in cooperation with executive chief of Dovimex, s.r.o., we started looking for suitable website design.
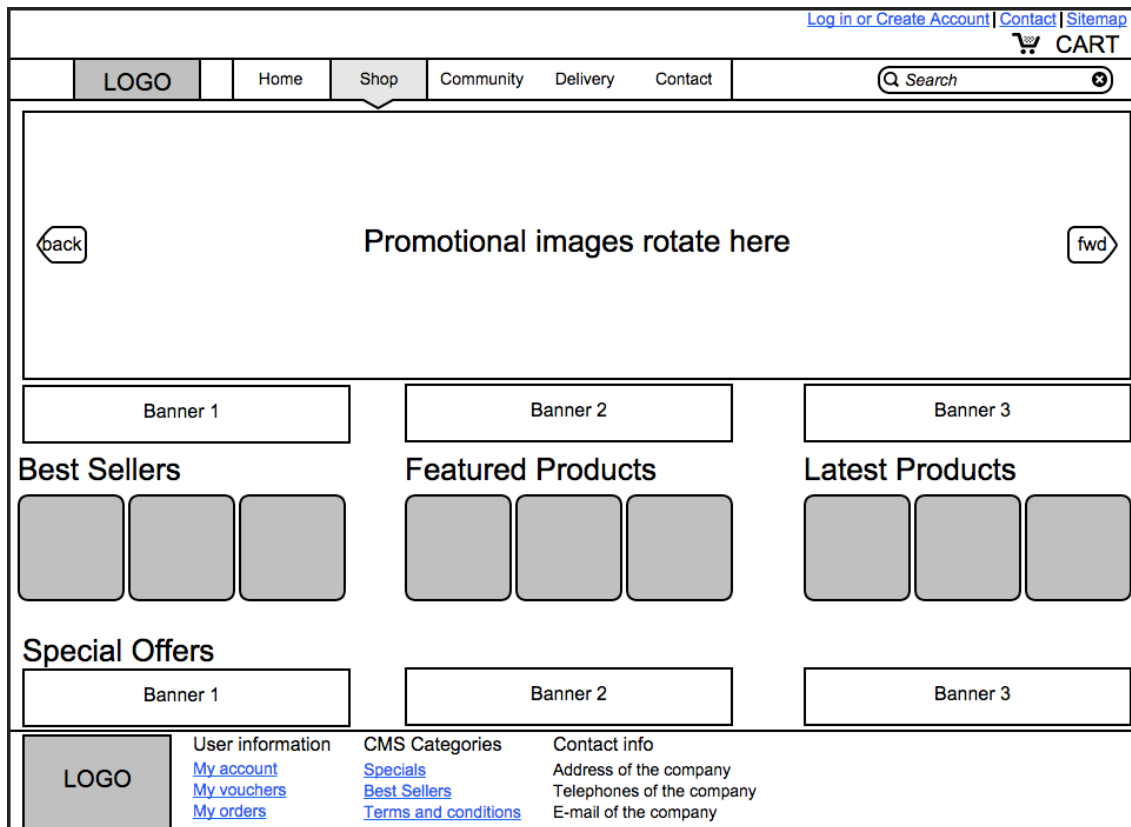

Figure 14: Wireframe diagram of new website

After consideration of web design, we agreed on premium template design, which was subsequently integrated to the previous website. Content of the website was changed simultaneously with design changes.

Figure 15: New website design

Source: www.zwaveproduct.eu (2015)

5.1.5 Other suggestions related to website

Marketing and user experience of visitors of the website are factors that are closely linked with each other. Success of marketing communication depends on both of these factors. That is why there is a need to keep these factors in harmony. In other words, it is useless to attract potential customer on the website by marketing communication, if the potential customer is not able to find the product in which is interested, or the website does not look confidential.

Therefore I would like to suggest some improvements of the website, which can increase confidentiality of the website, or make easier browsing on the website.

- **Readability-** descriptions of the categories are displayed incorrectly. This error is probably caused by wrong website design implementation. While users tend to scan the website through its key parts, there is necessity to display the text in easy readable form.

- **Add more content**- content is very important not only because of search engine optimisation, but also in order to increase confidentiality of the website. The more valuable content the website contains, the more looks confidential

- **Promote the option of installation of purchased products**- company in general, offers option of installation of purchased products to smart homes. This is important advantage in comparison with other competitors, which does not offer such service. This means, that customer, who is not able to install the products by himself, have possibility to have installed products by the company.

- **More payment methods-** website currently offers only money transfer and PayPal options of payment. I would suggest use of payment gateway for payments by card. Another payment method that should be considered is QR code payment. It is relatively new payment method; nevertheless while users are expected to be technical enthusiasts, they probably welcome this method of payment.

- **Use testimonials from existing customers-** while the website is new on the market, there is need to build trust between customers. This can be done also by use of testimonials from existing customers, who had positive experience with the company and products.

5.2   B2B marketing communication

As was stated in chapter 2.5.1., there are difference between B2B and B2C segments. Business marketing requires different approach than conventional marketing focused on end consumers. While speaking about B2B marketing, it is meant by interaction between two businesses.
While B2B and B2C customers have different buying behaviour, there is need to create marketing strategy separately for B2B partners and B2C customers.

5.2.1   E-mail marketing communication

While company Dovimex, s.r.o., was previously focused only on B2B sector in the field of lighting technologies, through the time, they have built internal database of B2B partners.

As for the start of the e-mail marketing communication, I would suggest outbound e-mail marketing, since the number of visitors is not large, the inbound e-mail marketing in this initial phase would have no sense, while there are small amount of clients, which contacts the company in order to obtain more information about products.

While the company has e-mail database of its B2B partners, the best type e-mail in initial phase of the project is direct e-mail, where the business partners can be informed about new division of the company, new products which company offers and also the e-mail can contain push element in order to push customer into purchasing action. On the other hand, since B2B buyers tend to be longer-term buyers, company should develop strategy for e-newsletter, in order to strengthen the brand attitude.

From the cost efficiency point of view, companys' e-mail database of B2B partners is very cost effective. Therefore I would suggest use of this marketing communication tool in order to inform their partners about new division and new product, which company sells. I made proposal of marketing e-mail by using purchased HTML template, which I changed for the purposes of the company.

Suggested marketing e-mail contains:

- Fresh graphic design with product pictures collected from the product photos.
- Brief but interesting description of the products, which should catch the interest of potential customer, with the links to more information about product.
- As a part of promotional e-mail often is information about discounts. In this case company have bulk discounts, therefore message should contain simple pricing tables for discounted packages.
- Discount voucher in order to strengthen business relations and to attract potential customers.

Figure 16: Proposal of marketing e-mail

5.2.2   Social media marketing in B2B

In case of social media marketing within B2B sector the key player is social network LinkedIn. According to the research of Content Marketing Institute, more than 80 % of B2B media leads came from LinkedIn[8] In order to create awareness and improve reputation of the company within business-to-business sector, using different features in LinkedIn, company can increase its visibility and credibility.

Based on the analysis of competitors in previous chapter, there is only one competitor, which is active on LinkedIn network. While the company is also interested in selling selected products to B2B partners; use of this social network can be great opportunity to attract new business customers.

Implementation of companys' profile on LinkedIn

First step in order to create company profile on LinkedIn is to write company description. I suggest to define the company description as follows: "*Dovimex company helps its clients to reduce costs by supplying cost effective solution of industrial lighting and wireless automation. Company as one of the leading supplier of industrial lights and wireless Z-Wave automation products operates in Slovak and Czech republic.*
Our key differentiators are:
We import and implement technology to improve our clients' efficiency. We use our experiences in order to meet customer requirements as much as possible.
- We are increasingly providing our clients differentiated business services that combine our consulting, products and business process outsourcing capabilities.
- The world's leading companies producing lights and Z-Wave automation products are our partners. We consider as a duty to strengthen client satisfaction and extends our relationships.
Company mission:
Become a leader in wireless automation and lighting supplier by providing our clients with a solid service and products that saves them both time and money."

Another important information in LinkedIn is field of company specialities. This field helps the company to get found for specific terms. Many marketing agencies equate company specialities as a LinkedIn SEO strategy. I suggest using at least these five specialities:

- Wireless automation
- Smart Homes
- Industrial lighting
- Lighting automation
- Z-Wave automation

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[8] *B2B Research in 2015* [online]. [cit. 2015-04-24]. Available from:
http://contentmarketinginstitute.com/wpcontent/uploads/2014/10/2015_B2B_Research.pdf

In order to increase traffic on the website, there is possibility to add link to the companys' website.

Use of LinkedIn Groups

Another important step in order to increase brand awareness, is to find out, who or where is talking about the company or the marketed products. While company was not involved in this industry before, there is no link to the company within LinkedIn network. Therefore there is a need to find industry related featured groups where the company can deepen engagement in particular sector by higlighting groups. Featuring groups allows company to cross-promote companys' posts. Some of the groups are closed and company needs permision of admin of the group to feature. They usually conain less members, on the other hand the quality of posts is higher. For marketing purposes I would suggest to feature following groups:

- The Smart Home (close) – 291 members
- Home & Building Automation (open) – 6128 members
- Smart Home & Home Automation (open) – 1043 members

Within these groups company should take part in conversation and cross-promote companys' posts. These posts should show professionalism of the company and should always contain added value content. Content should not contain elements of self-promotion.

Target audience within LinkedIn

Target audience settings within LinkedIn create ability to target the information of the posts and advertisements to the right audience. Since company Dovimex, s.r.o., has no followers yet, there is no need to set the target audience for post updates. However in case of advertisement I would propose following suggestions.

The target audience settings should depend on topic of particular post update or advertisement. In initial phase of B2B social marketing implementation there is need to strengthen brand awareness. Along with marketing goals of the company the basic target audience should have following characteristics:

- **Company size** – usual size of target B2B audience should be from 1 up to 200 employees, while bigger companies have usually their own agreements directly with manufacturers.

- **Industry-** the main target group considering the industry is high tech and manufacturing, especially groups: Industrial Automation, Construction and Wireless.

- **Geography-** as was mentioned before, company is focused on markets within EU and United States.

LinkedIn campaign

Because company is new within B2B social networking, in order to accelerate the process of new followers attraction, there is possibility to use sponsored update features. This allows company to reach targeted audience for companys' LinkedIn profile, or to companys' website. While there is possibility to promote not only profile of the company, but also the website of the company, I suggest to divide the campaign into two parts.

In case of social profile advertisement of the company Dovimex, s.r.o., there is possibility to attract mostly leads and build business relationships. I prepared proposal shown in following figure.

Figure 17: Proposal of LinkedIn Ads promoting social profile of the company Dovimex, s.r.o.

In order to strengthen brand awareness, for the picture I suggest to use logo of the company and as a communication of the benefits I suggest to use short description of the company services from which will be clear what company do.

In case of promoting of the website through LinkedIn, company can attract more business-to-business buyers.

Figure 18: Proposal of LinkedIn Ad promoting the website of the company Dovimex,s.r.o.

Estimated reach and expensiveness of campaign

With use of proposed targeting, the estimated number of members that can be reached is more than 187 million LinkedIn members.

There are two options of paying for campaign:

- Cost Per Click (CPC)- the company will pay when someone clicks on the advertisement. The suggested price is 92.79 CZK.

- Cost Per Impression (CPI) – the company will pay for 1000 impressions within social network. The suggested price is 54.9 CZK.[9]

Other suggestions to the campaign

Considering the prices of possible options in case of companys' profile advertisement, I would suggest to use the option cost per impression (CPI), while the suggested variation contains the logo of the company and the main goal of this campaign is to strengthen the brand awareness.

On the other hand, the option of CPC can be used in case of advertisement linked to the website of the company. The higher price can be compensated by possible purchases made on the website.

Due to the relatively high prices, I would suggest in initial phase of the campaign daily budget up to 500 CZK and monitor the LinkedIn page insights and statistics on the website in order to asses the effectiveness of the campaign.

5.3   B2C marketing communication

B2C sales prospects differ from business-to business. In case of B2B purchases are motivated by business goals and budgets, while the B2C these are basic human needs and emotions what drive the purchase. Therefore in case of developing B2C marketing communication strategy, there is a need to use different marketing communication in order to attract the end consumers.

In order to meet companys' marketing goals mentioned in analytical part, there is need to develop marketing communication which will lead to increase of brand awareness and eventual purchase.

In case of B2C marketing communication, where the goal is the engagement of end consumers, who decisions are more impulsive and emotionally based, I would suggest use marketing on social media websites.

5.3.1   Social media marketing in B2C

Social media marketing, as a process of increasing of traffic on the website through social media networks sites, offers option to share information updates and thereby promote their products or services. In this case of marketing communication,

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[9] According to the currency rate of Czech National Bank at February 3rd, 2015- 1 USD = 24.38 CZK
Source: http://www.kurzy.cz/kurzy-men/kurzy.asp?A=H&M=6&D=03.02.2015

the purpose of the social marketing campaign is for business-to-customer community engagement, promotion and customer support.

Regarding to the report referred in literature review part, in case of B2C marketing campaign, I would suggest use Facebook for marketing communication.

Implementation of Facebook page

Facebook page is public business profile valuable tool for communication with customers. The administrator of the page can update the followers, or fans by several ways, such as status updates, photo or video sharing.

As was stated in analytical part, company Dovimex, s.r.o., already created product page on Facebook with the name- Smartify, the name of the division which sells wireless automation products. While company did not promote the page, the base of fans is very low. There are several ways how to promote the companys' products on the Facebook.

Firstly, there is a need to fill out the basic information about company products. The description should contain all necessary information about company products and services. In case of short description I would suggest following:

"SMARTIFY offers Solutions for Wireless Smart Homes- installation, configuration, technical support and help with choosing the right items."

Because Facebook is more personal than social network LinkedIn, there is need to create more end consumer oriented page. In case of profile picture, I would suggest use the logo of the website zwaveproduct.eu, while the company logo bound to another division for industrial lighting technologies. In case of cover photo of the Facebook page, I suggest picture, which will refer to the marketed products.

As for the topic of the Facebook page, there is possible to use only three categories. I would suggest following categories:

- Z-Wave (category of interest) – 412 likes

- Home Automation (category of interest) – 6128 likes

- Smart Home (category of interest) – 40 likes

Target audience within Facebook

In order to reach the right audience, meet the marketing goals of the company and therefore increase traffic and sales, there is need to target the audience. Facebook offers many targeting options. I suggest use these following targeting options.

From the geographic point of view, it is necessary to choose all countries that are stated in market segmentation in analytical part.

Another option for targeting the audience is to choose the interests of the audience. In this case I would choose interests related to the marketed products:

- Home automation
- Light Control System

- Z-Wave

- Automation

Considering the demographic characteristics and possible options to choose in Facebook Advertisement Maker, I would suggest following options.

- Age: from 18 to 55 years

- Gender: all

Facebook campaign

According to the new algorithm of the Facebook updated in January 2015, the content of advertisement that push people to buy products will be shown less in the news feed of people.[10] This means, that the reach of the campaign can be higher, if the company would promote content with added value, e.g. tests of the products, information about news in industry.

While company haven't created any blog or content with significantly added value, I would suggest use two options of promotion on Facebook. First should be focused on engagement of the fans of the Facebook page, which can be great source for future analysis of consumers and also potential customers and second should promote the companys' website in order to increase traffic on the website.

Figure 19: Proposal of the sponsored status in order to promote Facebook page

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[10] *Update to Facebook News Feed* [online]. In: . [cit. 2015-04-25]. Available from: https://www.facebook.com/business/news/update-to-facebook-news-feed

For promotion of the website, I would suggest more catchy description where would be highlighted the good qualities of the products, or feature in which is product better comparing to other products in the field. In case of promoting website, there is option to choose the button on the right bottom. In case of e-commerce website, I suggest use button "Shop Now".
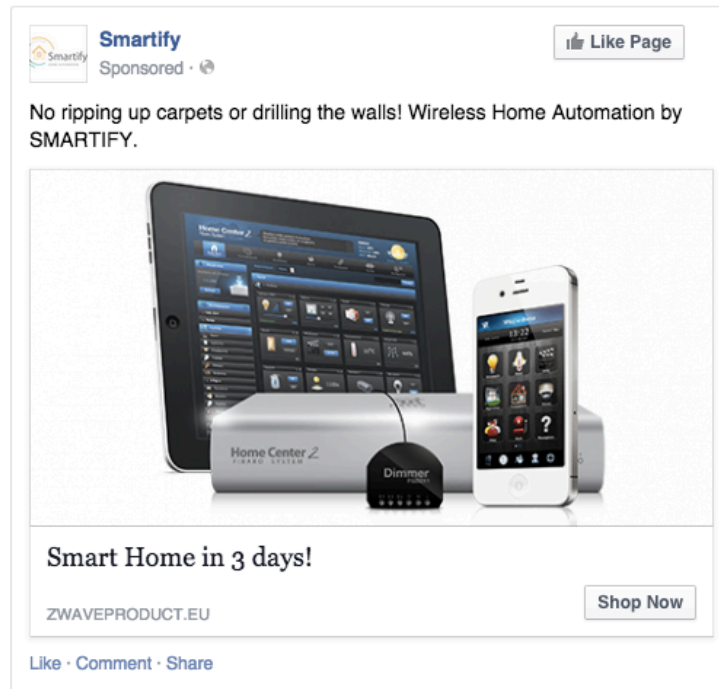

Figure 20: Proposal of the sponsored status in order to promote the website

Assessing marketing communication effectiveness

Facebook campaign for promotion of the website developed in part 5.3.1 of this thesis was applied in time from 24th of April 2015 until 3rd of May 2015. Based on the results I will evaluate effectiveness of campaign.

The goal of this particular marketing communication was to induce action, in this case induce purchase of goods. In the second place the goal was to increase traffic on the website.

Figure 21: Figure 2: Facebook advertisement analysis
Source: Dovimex, s.r.o. analytical data (2015)

During the campaign the amount of people who received impressions of page post, respectively the reach of people within the campaign was 57884. The average number of times the advertisement was served to each person was 1.92. The number of clicks on the advertisement was 141 times, which includes likes of the post, clicks on the website, sharing the advertisement. From this number 137 people clicked on the website.

The average cost paid for each action related with objective, in this case cost of each click on the website zwaveproduct.eu was 6.84 CZK. The maximum bid for each click was set on 126.8 CZK with daily budget 126.8 CZK. The cost of campaign is 950.23 CZK.[11].

Regarding to the effectiveness of marketing communication, the campaign led to increase in traffic on the website of 137 people. Considering the fact, that before the start of the campaign the average amount of visitors per day was 6 (analysed period from April 1st until April 23rd), the proposed marketing communication on Facebook led to increase in traffic for 228.33 %.

Return on investment (ROI)

The crucial information for investor and also for the marketer is, whether the selected marketing communication creates profit or not. The marketing goal was to induce purchase of goods.

Customers who visited the website by clicking on the advertisement on Facebook made orders in total amount 7240 CZK. Company do not provide information about exact profit, however, the estimated margin on products, which include labour cost of the marketer and other costs related to shipping costs of product to the customer, is 15 %. Therefore the profit on these orders is equal to 1086 CZK.

Based on the formula mentioned in literature review, the return on investment can be calculated as follows:

$$ROI = \frac{1086 - 950.23}{950.23} = 0.1428$$

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[11] According to the currency rate of Czech National Bank at April 24th , 2015- 1 USD = 25.36 CZK
Source: http://www.kurzy.cz/kurzy-men/kurzy.asp?A=H&M=6&D=24.04.2015

From the equation above follows, those return on investment in case of Facebook campaign is 14.28 %. This result means that every 100 CZK spent on this particular marketing campaign will lead to profit equal to 14.28 CZK.

Considering the result of the ROI, we can say, that the marketing communication campaign meet the goal of the company to induce the purchase and the spending on the marketing campaign is lower than profit.

Other suggestions to the campaign

Based on the report of Facebook about changed news feed algorithm mentioned in this chapter, there is need to focus more on developing content marketing strategy. Therefore I would suggest to start blog on the website, where would be tests and reviews of the marketed products which should represent the use of the products in real life. This blog posts would contain also link to buy this products.

This blog post would be shared on Facebook page and then promoted by Facebook advertisements. This would lead in increase of credibility of the whole website and also will help to improve SEO ranking, while the website would contain more valuable content.

Another suggestion is to develop Facebook application, in order to engage Facebook fans. This application should calculate potential savings after installation of home automation products.

Further suggestions related to B2B and B2C marketing communications

In order to increase brand awareness within B2B and also B2C, I would suggest using cross-media marketing strategies. In this case share the content with added value e.g. blog posts about products, tips for use of products; across the social media such as Facebook, LinkedIn but also Twitter. In this case Twitter would be great place to share the blog posts.

Further suggestion related to social media sites is along the posts with longer content, use the posts that are not time-consuming but also has valuable content, such as posts " Did you know?".

The key element of marketing communication in order to maintain the contact with followers, fans and customers, in my opinion is in consistently delivered content. I would suggest delivering content as follows:

- At least one status update on Facebook – every 2 days
- Post update with valuable content for customers on LinkedIn and blog - every week
- E-mail marketing – once per month
- Tweet posts with added value – once per week.

The necessary key to succeed with marketing campaign is to analyse results of the selected marketing strategy. I suggest doing that every 2 days in case of social

media. In case of other marketing communication such as e-mail marketing, analysis should be done after application of the selected marketing communication tool.

The important role can play also application of SEO optimisation, which is hard to measure in short-term period, therefore there is need to follow the results consistently.

5.3.2   Search engine marketing

Google AdWords

Online advertising service, in which marketers promote their websites on specific keyword and pay for each click on the advertisement. The cost per click depends on the bidding process of Google AdWords.

In order to improve the ranking within the search result pages of Google, I developed the keyword list, which contains the related words to the marketed products.

Kľúčové slovo	Max. CZK	Kliknutia	Zobr.	Cena	MP	Priem. CZK	Priem. poz.
fibaro shop	200,00 €	0,06	0,97	0,07 €	6,3 %	1,08 €	1,00
z-wave	200,00 €	64,26	6 405,84	87,74 €	1,0 %	1,37 €	1,00
z-wave product	200,00 €	0,00	0,58	0,00 €	0,0 %	–	1,00
z-wave shop	200,00 €	0,68	11,21	0,68 €	6,1 %	1,00 €	1,00
zwave	200,00 €	74,57	9 563,82	152,30 €	0,8 %	2,04 €	1,00
zwave products	200,00 €	0,25	17,59	0,82 €	1,4 %	3,21 €	1,00
Celkove		139,83	16 000,00	241,60 €	0,9 %	1,73 €	1,00

Figure 1:   Estimated CPC for Google AdWords .
Source: Google AdWords [cit. 2015-03-14]

The price for the most relevant keywords is from 2396.17 CZK up to 4159.31 CZK[12] per click. In comparison with the cost per click in Facebook campaign, this method of advertising is too expensive. Therefore I do not suggest use Google AdWords for this marketing communication mix.

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[12] According to the currency rate of Czech National Bank at March 14th , 2015- 1 EUR = 27.31 CZK
Source: http://www.kurzy.cz/kurzy-men/kurzy.asp?A=H&M=6&D=14.3.2015

5.4   Costs assessment

Marketing communication is planned for following two months. I assume that marketing communication on the Internet will be processed by internal workforce of the company and the expected hourly cost on employee is 150 CZK. Another prices I've gained from quotations of the freelancers or the marketing agencies. The following table shows the costs of individual actions needed to be done while creating the proposed marketing communication mix.

Tab. 4   Estimated expenses on proposed marketing campaign

Operation	Quantity	Unit Price (CZK)	Total price (CZK)
Website design			
Design template	1 time	1600	1432
Implementation	1 time	1000	1000
Additional works	3 hours	200	600
SEO			
Basic website code optimisation	1 time	5000	5000
Optimisation for 3 keywords	Every month	4500	9000
Link Building	1 time	3000	3000
Blog posts	10 norm pages	200	2000
E-mail campaign			
E-mail template	1 time	441	441
Labour cost	3 hours	150	300
LinkedIn campaign			
Daily budget	Every day	300	18000
Facebook campaign			
Daily budget	Every day	500	30000
Facebook Application	1 time	7000	7000
Post updates and communication (all campaigns)	2 hours/day	150	18000
Analysis and evaluation of the campaigns	4 hours/month	150	1200
TOTAL (CZK)			**96973**

From the table above, the budget for following two months is 96973 CZK. The highest expenditures are planned for advertising on social media networks, while the ROI analysis shown, that they are profitable. Blog posts will be posted in regular basis every four days.

6 Summary and recommendations

In this bachelor thesis author dealt with Internet marketing communication and its application for selected products, in this case appliances for wireless home automation. Author is describing possibilities of marketing communication that the Internet offers; especially distinguish different types of marketing communication tools on the Internet. Afterwards describes the market that company deal with, in this case B2B and B2C and their different behaviour.

In the next part of the thesis author outlines the scope of business of Dovimex, s.r.o., company, for which this bachelor thesis is processed and also analyses current situation of the company and current situation of used marketing tools in order to find the strengths and weaknesses. Another analysed factors were search engine optimisation, website and its design, competitors and also products were analysed. Author also did market segmentation and set the marketing goals according to the company goals.

Based on the analysis of current situation author pointed out weaknesses of the website and proposed solution for new website design, which was subsequently replaced. Afterwards author proposed the Internet marketing communication channels, which should be used for marketing communication mix. In order to assess effectiveness of proposed campaigns author used social media campaign focusing on B2C, while the assessment of effectiveness of B2B is more difficult and more time consuming because of different buying behaviour. After marketing campaign assessment author also calculated the estimated costs of proposed marketing communication mix for the following two months.

Proposed marketing communication within B2B contains e-mail marketing, while company has its own e-mail list of business partners. In this case author designed the e-mail and outlined suggestions what promotional e-mail should contain. As the second option of B2B Internet marketing, author suggest use of social media- LinkedIn. This suggestion is based on the research, which online marketing tool is used the most for marketing communication in B2B. Author recommends creating companys' profile on LinkedIn. Then join the groups related to company business field and after that, regularly share the post updates related to the business and marketed products. For this purpose author developed suggestions for LinkedIn campaign which are focused on increasing of brand awareness and promotion of companys' profile.

In case of B2C author recommends use of social media, in this case Facebook and this proposed marketing campaign was deployed in real operation. In order to assess the effectiveness, proposed marketing campaign has been running for 10 days. Aim of the campaign was increase of traffic on the website and induction of purchase. For the assessment of effectiveness was used ROI indicator. Another suggested marketing tool was Google AdWords, though as author later found out; this tool is more expensive in comparison with social media advertisements and therefore author rather would not recommend use of Google AdWords.

Estimated costs for proposed marketing communication mix author calculated for following two months. The largest share of cost has Facebook marketing campaign followed by LinkedIn marketing campaign, while as the analysis showed, this marketing tool is profitable. Therefore author recommends use of social media in marketing communication on the Internet.

Internet offers many ways how to engage new customers and maintain relationships with existing ones. Abovementioned information indicates, that use of Internet marketing communication can be effective tool to increase of income and can serve as a inspiration and guidance for creating online marketing communication.

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