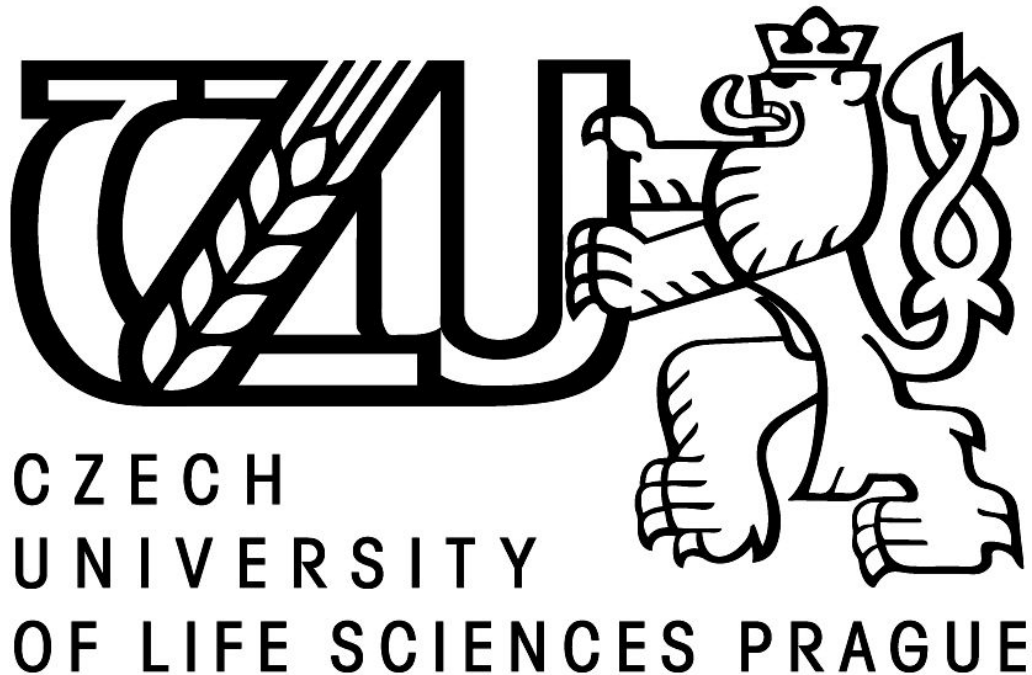


CZECH UNIVERSITY OF LIFE SCIENCES PRAGUE

Faculty of Economics and Management

Department of Economics



Abstract of Diploma Thesis

Topic: Evaluation of consumer behavior on a case study of a selected  
e-business (weddeco.cz)

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## **ABSTRACT**

This diploma thesis is focused on analysis of consumer behaviour of a particular online store with wedding decorations located in the Czech Republic, which was established in the beginning of December 2015.

Firstly, there are explained basic terms connected with consumer behaviour and with marketing. The history of marketing and its development are described as well as the influence of modern technologies. Next, there are explained terms related to Internet marketing since the store is online only and uses only Internet marketing (both paid and free advertising) to attract new customers. There are summarised researches regarding Internet marketing and consumer behaviour by other authors as well.

In practical part is analysed consumer behaviour and then using linear regression is analysed a relationship between following variables; the dependence of orders and consumers' behaviour on various factors such as the source website of the order, and the date in month of the order. Data are collected and therefore analysed for the time period from January until December 2016.

**Keywords:** consumer behaviour, marketing, Internet marketing, case study

## **OBJECTIVES**

The goal of the theoretical part is to determine and explain the main terms related to consumer behaviour, marketing, and Internet marketing. Next, the e-commerce situation on the Czech market is described and compared for years from 2012 until 2016. Lastly, there is described the wedding market in the Czech Republic.

The goal of the practical part is to analyse customer behaviour using collected data from an online store located in the Czech Republic, and to analyse relationship between order total and independent variables using linear regression (binary, polynomial independent variables). To be exact, the goal is to analyse the order total dependency on various factors.

## **METHODOLOGY**

The literature review was done using the methods of synthesis, extraction, induction and deduction. There were described the main terms connected with marketing and consumer behaviour. There was described the behaviour of consumers of a particular Czech online store by comparing the collected data. Using multiple regression there were analysed relationships between independent and dependent variables.

## **CONCLUSION**

The Internet has changed the way businesses work, and has had a great impact on trade in general. The role of a consumer has changed as well, consumers have more power, they can easily compare products range of more businesses online, and they can find reviews by other consumers on selected businesses easily. The consumers' position on the market has improved even more with formation of social media, the communication between a consumer and a business has changed significantly.

The formation of an electronic business has opened the market for more new subjects; it made it much easier to start a business with lower costs. There is no need to have multiple systems to control the stocks and register received orders, there are tools where all of this is combined. There are many possibilities on the market for establishment of an e-business or e-commerce, it is possible to rent an e-business system, to have a custom-made e-business system, or to use and modify an existing template for quite low acquisition costs.

A wedding is for most people a very important day in their life, and it can be quite costly. The costs per a wedding usually vary from 1,000 CZK up to many thousands CZK, depending on the selected decoration and number of guests. Since people expect such ceremony to be only once in their lives, they tend to spend reasonable amount of money when organizing their wedding, and buying decorations.

The e-business WEDDECO.cz was established in December 2015, and it offers wedding decorations in the Czech Republic. The total costs of the e-business were below 50,000 CZK, and the total revenues in year 2016 were approx. 55,000 CZK. The data used for the purpose of consumer behaviour analysis are collected for time period from 1st January 2016 until 31st December 2016. There were 182 orders received in this time period in total, the number

of purchased products in total was 1,060. The most frequent source of orders was Google.com (41%), next was a social medium Facebook (18%), on the third position is Direct Access, which represents a consumer who went from his or her browser directly to the WEDDECO.cz website. The consumers of this e-business were mainly from Prague region (30%), and South Moravia Region (13%), where the second largest Czech city Brno is located. The majority of consumers (59%) chose to pay on delivery, the rest of orders was paid by a bank account transfer (41%); there is no possibility to pay by a credit/debit card yet. The most favourite delivery method was delivery by the Czech Post, which corresponds with the statistics for the Czech Republic in general. The mean of monthly revenues was 4,500 CZK; however, the seasonality of weddings must be taken into account. The average order total was 314.4 CZK, the median is 255.5 CZK.

There was analysed a relationship between the order total (revenues from an order) and day in month, month, variables source of order: Facebook, Google, Seznam, Heureka + Srovnání cen, and Direct Access. Using linear regression, there was determined that there is not a relationship between those variables, and that the order total is not dependent on any of these variables.

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