



BRNO UNIVERSITY OF TECHNOLOGY

VYSOKÉ UČENÍ TECHNICKÉ V BRNĚ

FACULTY OF BUSINESS AND MANAGEMENT

FAKULTA PODNIKATELSKÁ

INSTITUTE OF MANAGEMENT

ÚSTAV MANAGEMENTU

MARKETING MIX OF THE SELECTED COMPANY

MARKETINGOVÝ MIX VYBRANÉHO PODNIKU

BACHELOR'S THESIS

BAKALÁŘSKÁ PRÁCE

AUTHOR

AUTOR PRÁCE

Jan Horký

SUPERVISOR

VEDOUCÍ PRÁCE

Ing. František Milichovský, Ph.D., MBA, DiS.

BRNO 2023

Assignment Bachelor's Thesis

Department: Institute of Management
Student: **Jan Horký**
Supervisor: **Ing. František Milichovský, Ph.D., MBA, DiS.**
Academic year: 2022/23
Study programme: Entrepreneurship and Small Business Development

Pursuant to Act no. 111/1998 Coll. concerning universities as amended and to the BUT Study Rules, the degree programme supervisor has assigned to you a Bachelor's Thesis entitled:

Marketing Mix of the Selected Company

Characteristics of thesis dilemmas:

Introduction
Problem definition and the objective of the thesis
Theoretical base of the thesis
Problem analysis and current situation
Own solutions proposals, benefits of solutions
Conclusion
List of used literature
Attachments (as needed)

Objectives which should be achieve:

The goal of this bachelor's thesis is a proposal for improvement of the current marketing mix of the selected company, based on the conducted analyses.

Basic sources of information:

FORET, M. 2008. Marketing pro začátečníky. Brno: ComputerPress. ISBN 978-80-251-1942-6.

HANNAGAN, Tim J. 1996. Marketing pro neziskový sektor. Praha: Management Press. ISBN 80-85943-07-7.

HORNER, S. and SWARBROOK, J. 1996. Cestovní ruch, ubytování a stravování, využití volného času: Aplikovaný marketing služeb. Praha: Grada Publishing. ISBN 80-247-0202-9.

KOTLER, P. et al. 2007. Moderní marketing: 4. evropské vydání. Praha: GradaPublishing. ISBN 978-80-247-1545-2.

KOTLER, P. and G. ARMSTRONG 2011. Principles of marketing. Harlow: PearsonEducation. ISBN 978-01-329-9726-3.

VYSEKALOVÁ, Jitka a kol. 2006. Marketing: pro střední školy a vyšší odborné školy. Praha: Fortuna. ISBN 80-7168-979-3.

Deadline for submission Bachelor's Thesis is given by the Schedule of the Academic year 2022/23

In Brno dated 5.2.2023

L. S.

doc. Ing. Robert Zich, Ph.D.
Branch supervisor

doc. Ing. Vojtěch Bartoš, Ph.D.
Dean

Abstract

This bachelor's thesis focuses on the analysis of the current marketing mix of Forky's. The theoretical part of the work deals with the basic concepts of marketing and marketing mix, which are subsequently applied to the selected company in the analytical part. The practical part also contains a proposal for improving the current marketing mix and a proposal for streamlining promotion, with the aim of consolidating the market position and gaining new customers.

Abstrakt

Bakalářská práce se zaměřuje na analýzu současného marketingového mixu společnosti Forky's. Teoretická část práce pojednává o základních pojmech marketingu a marketingového mixu, které jsou následně v analytické části použity na vybraném podniku. Praktická část dále obsahuje návrh na zlepšení aktuálního marketingového mixu a především návrh na zefektivnění propagace, s cílem upevnění pozice na trhu a získání nových zákazníků.

Keywords

Marketing, Marketing Mix, 4P, Product, Price, Place, Promotion, Franchise

Klíčová slova

Marketing, marketingový mix, 4P, produkt, cena, propagace, distribuce, franšíza

Affidavit

I declare that the present bachelor project is an original work that I have written myself.
I declare that the citations of the sources used are complete, that I have not infringed upon any copyright (pursuant to Act. no 121/2000 Coll.).

Brno dated 15th May 2023

Jan Horký

Acknowledgement

I would like to thank the supervisor of my bachelor thesis, Mr. Ing. František Milichovský Ph.D., MBA, DiS., for consultations and valuable knowledge that supported me in the preparation of this thesis. At the same time, I thank Mr. Lubomír Vidlička and Mr. Max Deschner for providing information and support during the processing of the analytical part of this work.

Bibliographic citation

HORKÝ, Jan. *Marketing Mix of the Selected Company* [online]. Brno, 2023 [cit. 2023-05-08]. Available at: <https://www.vutbr.cz/studenti/zav-prace/detail/152306>. Bachelor's Thesis. Brno University of Technology, Fakulta podnikatelská, Ústav managementu. Supervisor Ing. František Milichovský, Ph.D., MBA, DiS.

Introduction.....	11
1 Problem definition, goal of the thesis and methodology	12
1.1 Problem definition.....	12
1.2 Goal of the thesis.....	12
1.3 Methodology used.....	12
2 Theoretical background	13
2.1 Marketing.....	13
2.1.1 Marketing definition	13
2.2 Marketing environment.....	14
2.2.1 Microenvironment	14
2.2.2 Macroenvironment.....	16
2.3 Marketing mix (4P).....	18
2.3.1 Product.....	19
2.3.1.1 Product levels.....	19
2.3.1.2 Product's life-cycle	20
2.3.2 Services.....	22
2.3.3 Price	23
2.3.4 Place.....	24
2.3.5 Promotion.....	25
2.3.5.1 Advertising.....	26
2.3.5.2 Public relations	27
2.3.5.3 Personal selling.....	27
2.3.5.4 Sales promotion	28
2.3.5.5 Direct marketing	28
2.3.6 Different types of marketing mix.....	29
2.3.6.1 Franchise	30
2.4 Market segmentation.....	31

2.5	Description of selected research methods used throughout the process	33
2.5.1	The Porter's 5 forces model.....	33
2.5.2	The SLEPTE framework - macroenvironment trends	35
2.5.3	SWOT analysis	36
2.5.3.1	Internal factors	37
2.5.3.2	External factors	37
2.5.3.3	SWOT strategies	38
2.6	Specific food lifestyles and diets overview	39
3	Analysis of the current situation	42
3.1	Introduction of the Company	42
3.2	Scope of Business (The Forky's brand).....	42
3.3	Organisational Structure	43
3.4	Marketing Mix of the franchise	44
3.4.1	Product.....	44
3.4.1.1	Food and drinks served in the Forky's restaurant.....	44
3.4.1.2	Products sold on the e-shop	46
3.4.2	Price	49
3.4.3	Place.....	51
3.4.3.1	Forky's restaurant, Brno	53
3.4.4	Promotion.....	55
3.5	Customer segments	59
3.6	Attractivity and competition analysis via the Porter's 5 Forces model	61
3.6.1	Current competitor rivalry	61
3.6.2	Threat of substitution	63
3.6.3	Bargaining power of buyers.....	63
3.6.4	Bargaining power of suppliers.....	64
3.6.5	Threat of new entry.....	64

3.6.6 Partial elaboration of the competition analysis.....	65
3.7 External analysis completed via SLEPTE framework.....	65
3.7.1 Social	65
3.7.2 Legal	65
3.7.3 Economic	66
3.7.4 Political	66
3.7.5 Technological.....	67
3.7.6 Ecological	67
3.7.7 Partial conclusion of the macroenvironment analysis	68
3.8 Mystery shopping	68
3.9 SWOT Analysis	69
3.9.1 Strengths	69
3.9.2 Weaknesses	70
3.9.3 Opportunities	70
3.9.4 Threats	71
3.9.5 Summary of the results from the SWOT framework.....	71
4 Proposal and Suggestions	73
4.1 Product.....	73
4.2 Price	74
4.3 Place.....	74
4.3.1 Proposal n. 1	75
4.4 Promotion.....	76
4.4.1 Proposal n.2	77
4.4.2 Proposal n.3	78
4.4.3 Proposal n.4	79
4.4.5 Other recommendations	80
4.5 Summary and costing of proposals.....	81

CONCLUSION.....	83
REFERENCES	84
LIST OF USED PICTURES.....	87
LIST OF USED FIGURES.....	88
LIST OF USED TABLES	89
LIST OF ATTACHMENTS.....	90
ATTACHMENTS	91

Introduction

In today's difficult times of the current energy crisis and constantly changing trends, the field of marketing and mainly the ability to orientate and adapt in it are absolutely crucial for entrepreneurs, especially in the gastronomic sector. This industry sector is now becoming a comprehensive and complex service full of data and new technologies, for example, nowadays so much-needed connection to delivery services, cash register systems and kitchen process control applications.

The essence of this bachelor's thesis is the development of an optimization (proposition of an improvement) of the marketing mix of selected company with the purpose of helping the company to acquire new customers and thereby strengthen its position on the market in these difficult times. The selected company is Forky's. This is a food franchise that focuses exclusively on vegan food. The brand's philosophy is based on veganism and its resulting lifestyle. The main beliefs of the company therefore include the need to protect animals, the environment and contribution to physical and mental health and well-being.

This bachelor's thesis is further divided into three main parts, that being theoretical, analytical and the last part – the proposal. In the theoretical part I devoted myself to the explanation of the found grounds of the marketing, marketing mix and types of analysis and methods, which are taken from professional publications dealing with definitions and terms needed to process the practical (analytical) part of the thesis.

In the analytical part I tried to process the current state of the company as appropriately as possible using mystery shopping, and conducting market analyses (SLEPTE, Porter's five forces, SWOT), supplemented by information from interviews with the company's internal employees.

In the last part of the proposal I dealt with a proposition of an adjustment of the current marketing mix that the company could implement with the aim of improving the overall operation of the company and its effectiveness in terms of marketing communication.

1 Problem definition, goal of the thesis and methodology

In this chapter I would like to address the main purpose of this thesis, which I want to fulfill. Simultaneously I would like to point out the methodology and process of elaboration parts, which will be used in this thesis.

1.1 Problem definition

Nowadays, a high percentage of businesses in the gastronomy sector have to deal with a number of difficult problems, which include, in particular, the energy crisis and the lack of personnel (employees). For these reasons, it is essential that not only financial management, but especially the elements of the marketing mix itself are constantly optimised and prepared for change or innovation.

1.2 Goal of the thesis

As a goal of my bachelor thesis I did set a complete analysis of the marketing mix of a specific company – Forky’s and eventually a creation of a proposition for improvement of this already existing marketing mix, in order to increase the number of customers and the effectiveness of promotion activities.

1.3 Methodology used

As the first of the three main chapters, the theoretical part is presented, where, based on publicly available sources (professional literature), I broke down the basic terms used in this thesis: marketing, marketing mix, types of analysis and all other necessary terms, their processing and evaluation.

Following on from the mentioned first chapter, an analytical part is presented, where I implemented the gained knowledge in practice at the selected company. After a short introduction about the company itself, its history, functioning and psychology I am devoting this part for current marketing mix utilisation. Furthermore, the interpretations of performed analyses follow, where I evaluated the current situation with the focus on the elements of these analyses individually, based on conducted mystery shopping and an interview with the company’s internal employees.

In the last but definitely not least part of the proposition I pitch a proposal for improvement of the current marketing mix of the Forky’s company.

2 Theoretical background

In the theoretical part, I devoted myself exclusively to explaining the basics of elements of marketing itself, the marketing mix, and analyses used. For the needs of this thesis I used the basic concept of marketing mix consisting of four tools (4P): Product, Price, Place, Promotion. In the analytical part I will follow up on theoretical knowledge, for which I will use the works of various authors, as well as publicly available resources.

2.1 Marketing

Primarily it is necessary to clarify the term marketing, because nowadays everyone can imagine something different. Most people probably think of advertising under this term, i.e. billboards, TV commercials, flyers and sales promotion campaigns. Sales and advertisement are indeed an integral functions of marketing, but they are only two of its functions and often not the most important ones. Nowadays, we know that the ability to sell is no longer the most important thing, but the satisfaction of customer's needs is the most crucial aspect, since the sale itself is only the final phase of previously applied marketing. Marketing represents actions that need to be taken in order to identify the customer's need, its scope and intensity and then deciding whether an opportunity to profit (sell) has arisen. It is constantly present throughout the life-cycle of the product with the effort to attract new customers and retain the already existing ones, it improves the appearance and performance of the product, learns from sales results and tries to repeat the success (Kotler, et al. 2007).

2.1.1 Marketing definition

Since each author looks at the essence of marketing in his own unique way and style, there are countless definitions that describe its basic functions.

Example of possible definition:

„Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large.“ (American Marketing Association, 2022)

2.2 Marketing environment

One of the main basic marketing steps is marketing environment analysis. Generally it can be divided into two parts: micro and macroenvironment. It consists of the forces around the company, which directly or indirectly affect the company's functioning and ability to satisfy the customer and are more or less connected to each other (Kotler, et al. 2007).

2.2.1 Microenvironment

Also referred to as a company's internal environment, consists of factors which can partially or significantly influence the business activities. A company (or an entrepreneur) is dependent on them to a certain extent. There is an advantage however, unlike the macroenvironment, the subject can actively change and work on these factors itself (Foret, 2008).

Factors of the microenvironment: (Kotler, Armstrong 2011; Foret 2008)

- Company
- Customers
- Suppliers
- Competitors
- Marketing Intermediaries
- General Public (Kotler, Armstrong 2011)

1/ The Company

The internal environment of a firm or a company is usually structured with the usage of many groups within (departments) – groups such as top management, purchasing, operative, research and development, finance and accounting. All of these groups have to work closely together, along with marketing managers, with the mission of helping the customer and satisfying his needs always present in the mind. Proper functioning of the company strongly depends on right cooperation of these individual departments (Kotler, Armstrong 2011).

2/ Customers

Surely the most important part of the company's microenvironment. Serving the customers and creating a relationship with them is the goal of the entire network. There are five types of customer markets, from which the company might target any (or multiple). Each segment has its own unique specifications and properties, that's why a proper analysis should be conducted every time.

The five customer segments:

- Business market
- Consumer market
- Government market
- Reseller market
- International market (Kotler, Armstrong 2011)

3/ Suppliers

Relationships with the suppliers play a crucial role in satisfying customer's needs, simply because of the fact that production of the company's product (or service) is dependent on them. It is also necessary to take the availability and price evolution into account. Such an event like a rising supply cost could cause a price increase which could be harmful for the company's sales volume (Kotler, Armstrong 2011).

4/ Competitors

Focusing purely on customer satisfaction is never enough. It is inevitable to be understood with the tactics of the competition and to have a general overview of their actions. From that the differentiation and adaptations can be made to create a strategic advantage and increase the market share of a company. There is no such thing as an ideal competitive marketing strategy for all businesses, each and every one should consider its size and positioning in comparison to its competitors (Kotler, Armstrong 2011).

5/ Marketing Intermediaries

The main responsibility of marketing Intermediaries for a certain company is to help with realisation of the business operations. Primarily We are talking about wholesalers and retailers (resellers), financial providers services (banks, insurance companies), marketing agencies (promotion) and distribution companies (transportation and storage) (Kotler, Armstrong 2011).

6/ General Public

Focusing on relationships with the public is also beneficial to some extent. The reason is that these in-groups (interest groups) can have a potential interest in the company's actions and therefore an impact on the ability to achieve goals of this subject. These groups We can also call a **public** and we identify seven types of them, that being:

- Financial publics
- Media publics
- General publics
- Local publics
- Citizen-action publics
- Internal publics
- Government publics (Kotler, Armstrong 2011)

2.2.2 Macroenvironment

Also referred to as a global macroenvironment consists of six factors which are affecting the company from the outside. They have an influence on the company's operations, even though in comparison to the microenvironment, the company cannot control or change them in any way. The best approach is to be very familiar with all of these to the extent, so that the company could immediately and fluently adapt and react to them (Foret, 2008).

Six factors of the macroenvironment:

- The Demographic Environment
- The Economic Environment
- The Technological Environment

- The Natural Environment
- The Political Environment
- The Social Environment (Kotler, Armstrong, 2011)

1/ The Demographic Environment

This force includes population and its characteristics. As examples we could list the population growth, migration, ageing of the population, the birth and mortality rate, the level of education or the employment (Foret, 2008).

Changes in the demographic field result in the changes in markets, therefore it is very important to have a proper knowledge about the ongoing trends, nowadays mainly the changing age structure of the population (Kotler, Armstrong, 2011).

2/ The Economic Environment

Includes factors which are affecting the consumer purchasing power and spending patterns, such as interest rates, resources and their availability, economic differences at the country level and the economical development of countries and inflation (Foret; Kotler).

3/ The Technological Environment

The analysis of the technological environment characterises the speeding pace of innovations in every field of the world's infrastructure. Manufacturing, travelling, data collecting, internet availability, robotics and more are all evolving at a very high rate. This may be the most rapidly changing and most impactful force of our times (Foret, 2008).

4/ The Natural Environment

The natural environment force includes conditions such as extraction of raw materials which results in the devastation of the environment itself, pollution, waste processing and global warming. The environmental concerns are steadily increasing over the past decades and it has become a global issue. Many cities around the world are dealing with the water and especially air pollution these days, which reached dangerous levels in

some parts of the world. The increasing costs of energy can be recognized almost everywhere (Kotler, et al. 2007)

5/ The Political Environment

Marketing decisions are influenced by the political situation in a specific country. This influence of the political environment can result in restriction of some of the business activities. Phenomena such as legislation (laws for protecting both sides entrepreneur/consumer), government institution activities and political parties are included (Foret, 2008).

6/ The Social Environment

Consist mainly of the linguistic and religious values of different subcultures. These values are influencing the local market specificities, which are manifested in a certain country. The preservation of these values is still a strong thing, although the homogenization brought by the mass media (internet and television) (Foret, 2008).

2.3 Marketing mix (4P)

There is no doubt that the marketing mix is the company's most important marketing instrument of them all. Organisation uses it for the purpose of reaching its marketing goals and it can be (should be) changed throughout the process. It consists of everything that is turned into use on the market, on the customers and simultaneously it determines the company's success. This tool is composed of four elements: Product, Price, Place and Promotion.

While constructing the marketing mix, emphasis should be placed on the connections between the mutual elements. The success relies on the right „ratio“, „mixing“ or combination with regard to target customers (Foret, 2008).

„The marketing mix is the set of tactical marketing tools that the firm blends to produce the response it wants in the target market. The many possibilities can be collected into four groups of variables—the four Ps“ (Kotler, Armstrong, 2011, p. 51).

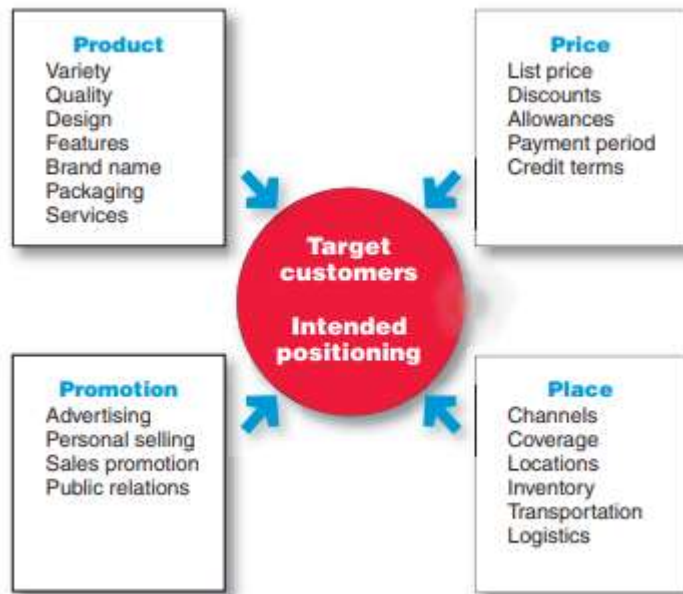


Figure 1: Marketing mix deconstruction (4P)
Source: Kotler, Armstrong, 2011, p. 52)

2.3.1 Product

Product stands for the combination of the goods and services that the company is offering to the market. The Product has a key status with connection to the marketing mix, simply because of the fact that other components of the marketing mix can be further developed only after a specific product (service) is defined. It involves creating and introducing new products that are attractive to customers.

2.3.1.1 Product levels

In marketing, we distinguish three basic product levels, namely the core product, the real (own) product and the extended product (Horner, Swarbrook, 1996).

The Core Product

The core of the product represents the main benefit, the value that the product is able to provide to customers. It is the benefit that helps solve their problems and it is what makes them buy the product.

The Real (Own) Product

Usually, customers are more used to watch and to be aware of the real (own) product. At this level, the first phenomena is its quality, which is one of the main tools for building a position on the market. It represents a complex category and can generally be said to be the ability to perform the required functions. Quality includes such aspects of the product as durability, reliability, accuracy, functionality, controllability, etc. From a marketing point of view, the quality of a product is as it is perceived and evaluated by the customer. It also includes features like design, quality, packaging and branding (Foret, 2008).

The Extended Product

The last but definitely not least level is the extended Product, so-called augmenting factors of the product that provide the customer a certain perceived advantage. These are usually services related to the purchase of the product, such as shipping, installation and consulting. To these we can also include services such as: warranty, service/maintenance or credit (Kotler, et al. 2007).

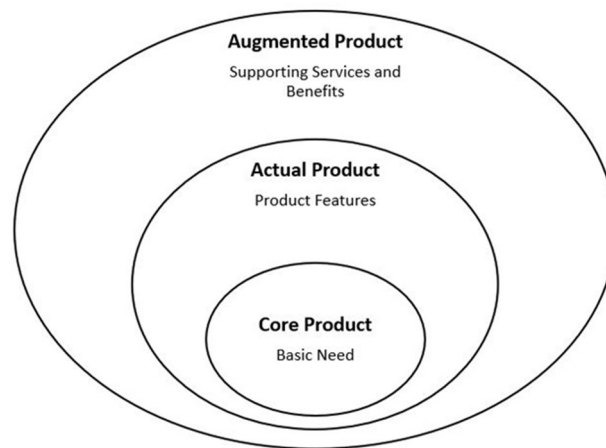


Figure 2: The three product levels
(Source: Greatideasforteachingmarketing.com)

2.3.1.2 Product's life-cycle

A Product life cycle refers to the amount of time a certain product goes from the introduction until being „taken off the shelves, in other words removed from the market. It is usually broken down into four or, as in this case, five stages (1/-5/).

1/ Product development

At this stage, somewhat large costs are naturally expected, because the company has to spend finance for product development, production itself, preparation and promotion. This stage does not generate any profit as a rule.

2/ Market Introduction

It is a phase of slow demand growth after the introduction of the product to the market. Demand may grow slowly due to the fact that consumers are not yet very familiar with this new product. Other situations can be when this new product is meant to replace the older one, but at the same time consumers do not have the urgent need to to exchange.

In this stage the marketing strategy should focus on a wider range of promotion activities with the aim of spreading awareness of the product, leading to the attraction of new customers (Vysekalová, 2006; Foret, 2008).

3/ Growth

The product has been accepted by the consumer market. It is possible to introduce serial production due to the increasing demand which is connected with increase in revenue. In this stage competition generally awakens, coming into the „prepared“ market with a similar product, usually for a cheaper price.

This might result in activities like improving the features of the product and tuning the brand message to differentiate from the competition. The company is likely still investing huge into the advertising of the product, trying to attract new and repeat orders with already existing customers (Hannagan, 1996).

4/ Maturity

Moving into the maturity of the product, the growth has slowed down rapidly, as the product has been accepted by the majority of potential customers. However even though the growth is not on the same level as it was, it is a stage where the company usually registers the biggest amount of sales and the product starts to be more efficient. Costs of marketing campaigns and production drop down significantly and the company still makes profit. It is crucial to secure a lead position on the market in this phase, because

the competitive battle is in its peak. Seeking space where the competition failed to sufficiently satisfy its customers and emphasising the advantages of the company's product are some of the approaches which can be taken (Vysekalová, 2006).

5/ Decline

The demand for the product is falling sharply, this may be caused by technological progress or by new trend and changing fashion. Old products are replaced by new, many times even better ones. Investments in promotion (advertising) no longer make any sense, perhaps except sales promotion. The product should be withdrawn from the market, sold out, or exported to less developed and demanding markets. This stage might be reached after many years, but also in a short period of time, which depends on the product's nature (Hannagan, 1996; Foret, 2008).

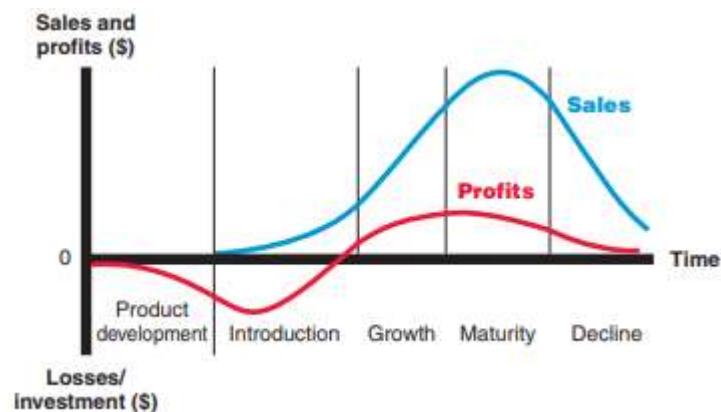


Figure 3: Visualisation of a product's life cycle
(Source: Kotler, Armstrong, 2011, p. 273)

2.3.2 Services

Services are separately identifiable, primarily intangible activities that provide satisfaction of needs. They do not necessarily have to be associated with the sale of a product or other service, and their production may or may not require the use of tangible goods. If the use is necessary, however, there is no transfer of ownership of these intangible goods. Services are an important part of many business sectors, including banking, insurance, tourism, healthcare, transportation and many others (Vašítková 2014; Kotler et al. 2007)

Classification of services

As a basic classification could be used the sectoral classification of services, which divides the services to three sectors: tertiary, quarternary and quinternary.

- **Tertiary** services are characterized as the ones which have been performed home in the past. We include catering services, accommodation, dry cleaners and laundries, hairdressers and barbershops, cosmetic services and others.
- **Quarternary** services can be interpreted as services that make the division of labor easier and more efficient. We can include communication services, transport, trade, financial services and administration.
- **Quinternary** services can be understood as services that in some way improve their recipients. These include education, healthcare and recreation (Vašítková, 2014).

2.3.3 Price

As the price we can understand the company's demand for the product (or service) offered to the customers. Most often, it takes the form of a certain amount of monetary units, or the volume of other products. If the product represents a certain value for the customer, it is necessary to come up with a counter-value accordingly, for the exchange. Price focuses on setting the right price for a product or service in general. It should be set at a level where customers perceive the value it offers relative to its cost. Therefore, the price is an expression of the consideration for which the seller is willing to exchange the product (Foret, 2008).

With its numerical expression, the price creates an impression that it is determined as exact, unquestionable and immutable. On the contrary, we must work with the price along the way. Sometimes, it is determined without regard to the other parts of the marketing mix, or it is even forgotten to take into account the course of the product's life-cycle. The following are **five pricing methods** used in the modern marketing: (Foret 2008; Kotler, Armstrong 2011)

- Cost-Based Pricing: One of the most frequently used methods of determining the price, mainly because of its simplicity and availability of underlying data. It

calculates the costs of production and distribution of the product using calculation procedures.



Figure 4: Cost-based pricing procedure
(Source: Kotler, Armstrong, 2011, p. 292)

- Demand-oriented Pricing: Is based on the estimated volume of sales depending on the different price levels and, in particular, on the effect that the price change will have on the demand size.
- Competition-oriented Pricing: If the company has products, which can be compared to the products of a competition it can also consider a comparable price. This method is used especially when entering new foreign markets.
- Customer Value-Based Pricing: The key to the pricing here is not the seller's cost, but the buyer's perception of the value of the product. Therefore the price cannot be set after designing the product and marketing program, but beforehand, along with all the marketing mix attributes.
- Pricing according to the company's marketing goals: According to what the company wants to achieve on the market. If it wants to maximise the volume of sales and market share it will rather set a lower, generally acceptable price level. On the other hand, if the primary goal is to maximise profit, it will on the contrary raise the prices to the highest, generally acceptable price level (Kotler, Armstrong 2011; Foret, 2008).

2.3.4 Place

From a marketing point of view a place determines how and where the product will be made available for purchase. The process of distributing a product to the place where it is sold to the customer. In these „global“ ages, distribution represents a very demanding, but also an effective part of the marketing mix. For that purpose, distribution channels are built, to help overcome the time, space and ownership barriers. The whole concept of distribution is understood more comprehensively than just movement of the goods from one place to another. As we can see in the following overview, it is only the first of its three steps: (Kotler, Armstrong 2011)

- **Physical distribution**, which includes the transportation of goods, their storage and inventory management in such a way, that sellers are always able to meet demand requirements.
- **A change in ownership relationships** where an exchange allows buyers to use the items or services they need or want.
- **The supporting and accompanying activities** like: marketing research organisation, ensuring the promotion of goods, consulting, loan providing, etc.

A **distribution chain/network** can be formed by up to three subjects, that being:

- Producers (primary producers, processors, mining industry)
- Distributors (retail, wholesale, sales agents)
- Supporting organisations (marketing research and advertising agencies, insurance companies, banks, law firms) (Foret, 2008)

2.3.5 Promotion

The last, but very visible part of the marketing mix is promotion, also addressed as marketing communication. That is why when someone says marketing, people usually visualise some kind of an advertisement, which is the most known form of promotion. Company uses promotion to communicate customer value and to build relationships with customers. Promotion is the process of communicating with potential customers to raise awareness of the product or service, build interest in it and influence their buying decisions. Nowadays, the main problem of a company is not the production, but the sales, so it plays an equally important role, especially with the current globalisation of markets and large competition (Kotler, Armstrong 2011; Foret, 2008).

Examples of promotional activities include **advertising, public relations, personal selling, sales promotion and direct marketing.**



Figure 5: The promotion tools mix
(Source: Kotler, Armstrong 2011, p.413)

2.3.5.1 Advertising

Is a part of the communication mix, which we all know very well, because we come across different types of it daily in our lives. Therefore it is probably the most realised one since we all have it in our sight so often.

Advertising is the oldest and most-known tool of promotion. As a **paid, non-personal and one-way form of communication**, it is essentially always a message processed with a purpose (to sell a product) that the company addresses to existing and potential customers. It is usually displayed through various means of communication (media) (Kotler, et al. 2007).

The advertisement should be:

- specific and understandable
- impressive
- trustworthy (authoritative)
- correctly timed (Hannagan, 1996)

Multiple types of advertising are distinguished, taking into account the media of communication it uses. This is how it can be divided into print (newspapers and

magazines), radio and television, outdoor advertising (billboards, buildings, public transport stations), mobile advertising (transportation vehicles).

For the main advantages and potential of the advertising could be listed the product getting a legitimate character and therefore social acceptance, the company itself is thanks to the advertisement presented like a successful and with strong financial stand and the consumer can compare with the competition (Hannagan, 1996; Foret, 2008).

2.3.5.2 Public relations

The main task of public relations (PR) is the creation of positive relations and communication with the public – building a good name for the company. Communication with the public has two main basic levels, namely: communication with the internal environment (internal) and communication with the external environment (external).

By the internal, the so-called „inward direction“ the company tries to influence its own employees in such a way that they have a positive relationship with it, identify with its interests and goals and so they always speak only positively about the company, whether as part of the performance of work duties, but also privately and in public.

By the external, the so-called „outward direction“ the company tries to build good relations with its surroundings, that being local residents, control and administrative authorities, various organisations (social, cultural, sport, press, television, etc.) (Foret, 2008).

Public relations include activities such as interviews provided for publishing in newspapers, company's donations for charitable purposes, participation at public conferences and sponsoring a social event. When in the field of public relations the activities are performed correctly, it contributes to building and maintaining a good image of the company.

2.3.5.3 Personal selling

Is another very sufficient tool of the communication mix. It is based on the power of personal, immediate face-to-face contact with the customer. In this case, it is all about the seller's personality and abilities. The level of professionalism, knowledge of the

product as well as psychological effect on customers, general behaviour and trustworthy appearance. For the main advantages of the personal selling we could list:

- Direct, personal contact with the customer, with the option to react immediately
- The use and application of psychological methods of influencing customers and the art of directing their needs and requirements (Foret, 2008; Kotler et al. 2007)

2.3.5.4 Sales promotion

Sales promotion can be understood as a short-term incentive of the business with the aim of increasing sales and reaching customers in an unconventional way. In other words, the company is trying to make the product more attractive and affordable for customers, therefore it can be financially demanding, because the company is giving out „something“ for free. The main forms of sales promotion are:

- Shows and events
- Samples, tastings
- Gifts
- Discount coupons, discount packages (2for1)
- Fun events, games and competition (Vysekalová, 2006; Hannagan, 1996; Foret, 2008).

2.3.5.5 Direct marketing

Sometimes also referred as targeted marketing is a tool with great effectiveness due to the two essential facts. First of all, it is the most precise focus on any specific, very clearly defined market segment in advance. Unlike ordinary advertising (TV), direct marketing does not unnecessarily address the general public, but only those customers for whom the offer may be interesting. Secondly it is an interactive tool of marketing communication, which records the response (reaction) of customers, meaning whether and how they responded to the offer. Therefore, it is pretty easy to evaluate the success of the event by comparing the number of customers approached with the number of those who responded or even made a purchase (Kotler, et al. 2007).

In direct marketing specific means of communication are used, such as leaflets dropped into mailboxes, written letter offers (direct mail), telephone marketing, electronic

trading via the internet, mailed catalogues, but also, for example, radio programs which require an immediate audience response to the products offered.

- **Addressed direct marketing** addresses specific persons by name, which are usually obtained from company databases.
- **Unaddressed direct marketing** addresses a certain selected segment of the market, but not a specific person by name (Foret, 2008).

2.3.6 Different types of marketing mix

The traditional 4P marketing mix, which includes product, price, place, and promotion, has been the cornerstone of marketing strategy for many years. However, as the business world evolves, so do the needs of consumers and the strategies of marketers. Therefore, there are other types of marketing mixes that businesses can use to enhance their marketing efforts. I will try to briefly introduce three other types of marketing mix beyond the 4P model.

The first marketing mix is **the 7P model**. The 7P model builds on the traditional 4P model and adds three more elements: people, process, and physical evidence. People refer to the individuals who interact with customers, such as salespeople and customer service representatives. The process refers to the steps involved in delivering a product or service to customers. Finally, physical evidence refers to the tangible elements that customers experience when they interact with a business, such as the quality of the product or the design of the store. By incorporating these additional elements, businesses can create a more holistic marketing strategy that addresses all aspects of the customer experience (Kotler, Kartajaya, Setiawan 2018).

The second explored marketing mix is **the 4C model**. The 4C model is a customer-centric approach that focuses on four key elements: customer needs, cost, convenience, and communication. Customer needs refer to the specific requirements that customers have when making a purchase. Cost refers to the price of the product or service, as well as any additional costs that customers may incur. Convenience refers to the ease of purchasing the product or service, including factors such as location and delivery options. Finally, communication refers to the way in which businesses communicate with their customers, including advertising and social media. By putting the customer at

the center of the marketing strategy, businesses can better understand their needs and preferences, and tailor their marketing efforts accordingly (Kotler, Kartajaya, Setiawan 2018).

The third examined marketing mix is **the 4E model**. The 4E model focuses on four key elements: experience, exchange, evangelism, and everyplace. Experience refers to the way in which customers interact with a brand, including factors such as the quality of the product and the level of customer service. Exchange refers to the value that customers receive in exchange for their money. Evangelism refers to the way in which customers spread the word about a brand, such as through word-of-mouth marketing or social media. Finally, everyplace refers to the many different channels through which customers can interact with a brand, including brick-and-mortar stores, online marketplaces, and social media platforms. By incorporating these four elements, businesses can create a more comprehensive marketing strategy that takes into account the many different ways in which customers interact with their brand.

In conclusion, while the 4P model has long been a staple of marketing strategy, there are many other types of marketing mix that businesses can use to enhance their marketing efforts. The 7P model, the 4C model, and the 4E model all offer unique perspectives on the customer experience and can help businesses create more effective marketing strategies. By understanding the different elements of each model and adapting their marketing strategies accordingly, businesses can better connect with their customers and achieve their marketing goals (Kotler, Kartajaya, Setiawan 2018).

2.3.6.1 Franchise

Specific method of distribution and overall business is franchising. Widespread especially in the USA, where it is used by almost a third of the entire retail network. Here in our country, it is mainly found in the gastronomy sector (restaurants and fast food). Franchising is mainly a new way of cooperation – partnership. The two subjects (independent business entities) – the franchisor and the franchisee come together. The franchisor provides his business concept to the franchisee for a certain type of a fee. The whole principle is built upon transferring **the right to use the know-how and image** of a certain established brand/company under its trademark.

In a classical form of franchising, the one time **entry fee** is usually being paid. In the duration of the franchise agreement, there are also **operating fees** being paid, which can range approx. from 1% to 16% of monthly turnover here in the Czech Republic. The last type of fee in many cases is the **contribution to the franchise promotion** and other marketing activities (Foret, 2008).

2.4 Market segmentation

Market segmentation is the process of splitting/dividing the target market (customers and potential customers) into different, clearly defined groups or segments of consumers with common priorities and characteristics. Each segment has its own specific customer behaviours, allowing companies to target a specific segments with certain products and services. In this way, companies can better plan their marketing campaigns and increase their sales efficiency and success. The basic classification divides the possible process of segmentation into four kinds: Geographic, Demographic, Psychographic and Behavioral (McDonald & Dunbar, 2012).

- **Geographic segmentation:** The customer base is divided based on geographic factors, such as cities, regions and areas. This can be useful for businesses that offer goods or services that are suitable for only a certain place or a region.
- **Demographic segmentation:** Customers are segmented based on demographic factors such as age, gender, income, education, occupation and the like. This division allows companies to better understand the preferences and behaviour of customers based on their demographic characteristics.
- **Psychographic segmentation:** The segmentation process here is based on the lifestyle of the customers, their personality, interest and values. Deep understanding of the purchasing motivation allows companies to decide what kind of advertising and marketing might be effective (McDonald & Dunbar, 2012).
- **Behavioral segmentation:** The key for dividing this segment is based on customers and their behaviour towards products or services. It includes measures such as usage patterns, brand affiliation and purchasing habits. It allows the companies to better understand what kind of products and services might be

suitable for a given segment and in connection, what type of advertising could be effective.

Market segmentation is an important tool for companies to better understand customer behavior and preferences. Dividing the market into specific segments helps the business to better plan its marketing campaign and target specific customer groups with certain products and services. Properly executed market segmentation can be very useful for any company in achieving increasing sales and market success (McDonald & Dunbar, 2012).

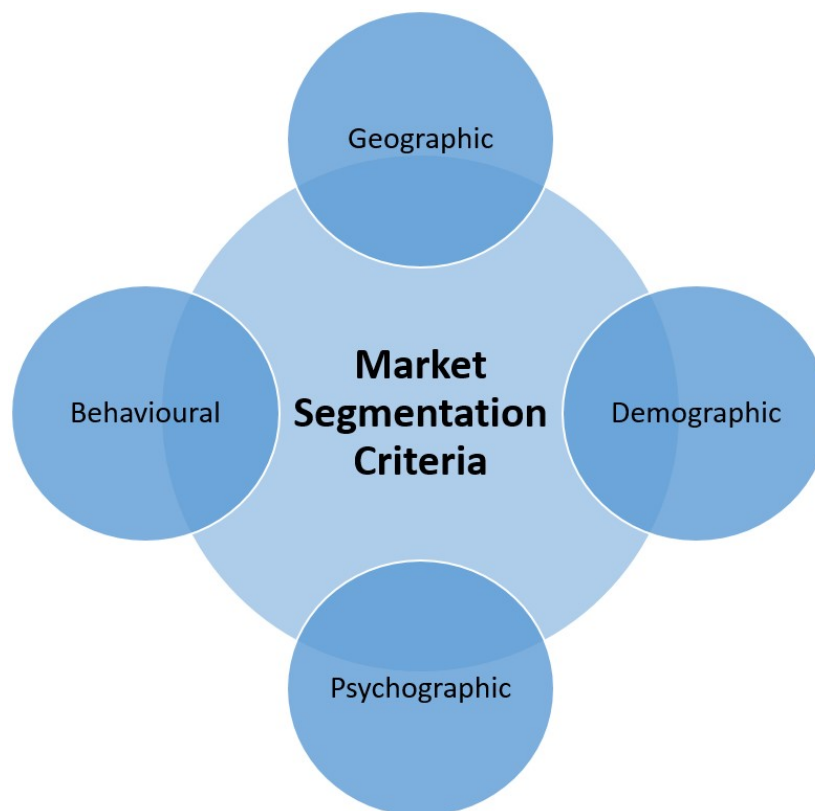


Figure 6: Market segmentation - the four basic segments
(Source: marketing-insider.eu, 2023)

2.5 Description of selected research methods used throughout the process

This part will be addressed to the methodology which was used for the analysis of the current situation. All analytical tools for the microenvironment and macroenvironment will be explained.

2.5.1 The Porter's 5 forces model

Porter's Five Forces model is a framework used to analyze the competitive dynamics of an industry. It was first introduced by Michael E. Porter in his book "Competitive Strategy: Techniques for Analyzing Industries and Competitors" in 1980. The model aims to help businesses understand the various forces that influence the profitability and attractiveness of an industry (Blažková, 2007).

The five forces identified by Porter are:

1. **The Threat of New Entrants:** This force considers the ease with which new companies can enter a particular industry. If entry barriers are low, it increases the likelihood of new entrants and competition, which could lead to lower prices and reduced profits for existing companies. High entry barriers such as capital requirements, economies of scale, brand recognition, and legal or regulatory barriers make it difficult for new entrants to penetrate the market, thus reducing the threat (Porter, 1994).
2. **The Bargaining Power of Suppliers:** This force refers to the strength of the suppliers in the industry. If suppliers have a strong bargaining position, they can increase their prices and reduce the quality of their products or services. In contrast, if suppliers have a weak bargaining position, they may have to reduce their prices or improve the quality of their products or services to stay competitive. The bargaining power of suppliers is influenced by factors such as the number of suppliers in the market, the importance of their products or services to the industry, and the switching costs involved in changing suppliers.
3. **The Bargaining Power of Buyers:** This force considers the strength of the buyers in the industry. If buyers have a strong bargaining position, they can negotiate lower prices, higher quality, and better service from their suppliers. In

contrast, if buyers have a weak bargaining position, they may have to accept higher prices and lower quality products or services. The bargaining power of buyers is influenced by factors such as the number of buyers in the market, the importance of the industry to the buyers, and the availability of substitute products or services (Porter, 1994)

4. **The Threat of Substitution:** This force considers the availability of substitute products or services that can satisfy the same needs as the products or services offered by the industry. If there are many substitute products or services, it reduces the attractiveness of the industry as customers can easily switch to alternatives. In contrast, if there are few or no substitute products or services, the industry is more attractive. Factors that influence the threat of substitutes include the availability of close substitutes, the cost of switching to substitutes, and the relative quality and performance of substitutes.
5. **The Intensity of Competitive Rivalry:** This force considers the level of competition within the industry. If there are many competitors, it increases the intensity of competition, which can lead to lower prices, reduced profits, and increased marketing expenses. In contrast, if there are few competitors, the industry is less competitive and may offer higher prices and greater profitability. Factors that influence the intensity of rivalry include the number of competitors, their size and market share, the level of differentiation among products or services, and the industry growth rate (Porter, 1994).

In conclusion, Porter's Five Forces model is a useful tool for analyzing the competitive dynamics of an industry. By understanding the various forces that influence an industry's profitability and attractiveness, businesses can make better decisions regarding their competitive strategy, pricing, and product development. Each of the five forces has a unique influence on the industry, and it is crucial to consider each force separately to get a complete understanding of the industry (Blažková, 2007).

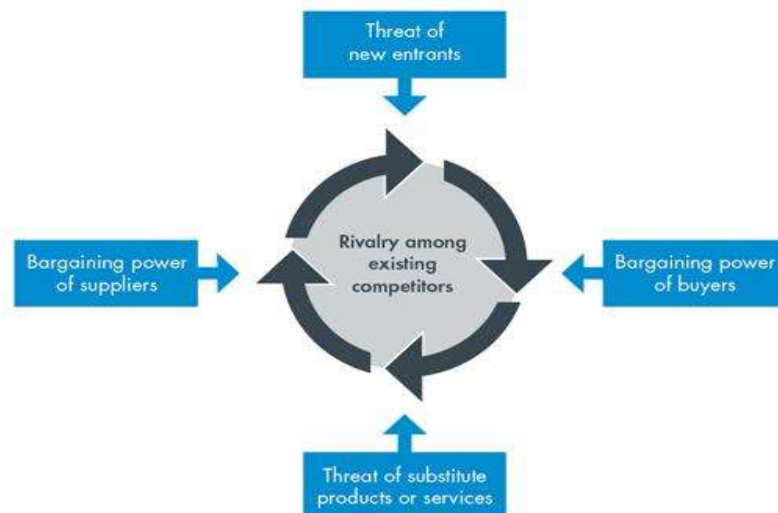


Figure 7: Porter's 5 forces model
(Source: johnsohn.dk, 2022)

2.5.2 The SLEPTE framework - macroenvironment trends

The SLEPTE framework is a tool used to analyze the external macro-environmental factors that can affect an organization's business environment. SLEPTE stands for Political, Economic, Socialcultural, Technological, Environmental, and Legal factors. This framework is an essential tool for companies to identify potential opportunities and threats that could impact their operations (Mallya, 2007).

The Political factor

Refers to the impact of government policies, regulations, and political stability on a company's operations. It is crucial to understand the political environment of the countries where an organization operates to mitigate potential risks. For example, a change in the tax policy could affect a company's profitability.

The Economic factor

Involves analyzing the economic conditions of a country, such as inflation rates, exchange rates, and interest rates. These factors can significantly impact a company's operations and profitability. Companies have to analyze the economic environment to identify potential opportunities and threats.

The Sociocultural factor

Involves the analysis of the social and cultural environment in which an organization operates. It includes factors such as demographics, lifestyle trends, and cultural norms. Companies must understand the sociocultural environment to tailor their products and services to meet customer's needs (Mallya, 2007).

The Technological factor

Monitors the impact of technology on an organization's operations. Technological advancements can create new opportunities for companies or render existing products and services outdated. Companies have to keep trying to stay up-to-date with technological advancements to remain competitive.

The Environmental factor

Focuses on the impact of environmental factors, such as climate change and natural disasters, on a company's operations. Companies must consider the environmental impact of their operations and take steps to minimize their environmental footprint (Mallya, 2007).

The Legal factor

Deals with the impact of legal authorities, such as labor laws and intellectual property rights. Companies must comply with the legal environment in which they operate to avoid potential legal issues.

In conclusion, the PESTEL framework is a valuable tool for companies to analyze the external macro-environmental factors that could impact their operations. By understanding all of the above mentioned factors, companies can identify potential opportunities and threats and make the right decisions (Mallya, 2007).

2.5.3 SWOT analysis

Is a universal analytical tool/technique used for evaluation of internal and external factors affecting the success of an organisation or a specific project (e.g. new product). SWOT analysis is most often used as a situational analysis in the marketing and

strategic management. It stand for Strengths, Weaknesses, Opportunities and Threats (Sarsby, 2016).

2.5.3.1 Internal factors

Are those factors, which an organisation or a business entity have control over, e.g. people, resources, processes. It consists of strengths and weaknesses.

- **Strengths**

We understand the internal factors which contribute to the company's success as strengths. In other words strengths are the things that the organisation does well and therefore has an advantage over other companies. Identifying these strengths and leveraging them is helpful for a company to maintain or even boost its competitive advantage.

- **Weaknesses**

Other internal factors that on the contrary hinder the organisation's success are weaknesses. Things like outdated technology, inadequate strategies and poor leadership could lead to a series of problems, which the company logically wants to avoid. Addressing and working on the weak points can help to overcome these problems and therefore improve the organisation's performance (Sarsby, 2016).

2.5.3.2 External factors

Are those factors, which could affect the organisation from the outside (external environment)

- **Opportunities**

Are understood as the opportunities emerging on the outside of the company, usually connected with the changes on the market and consumer behaviour, advancement in technology or partnerships. Exploiting these opportunities and taking advantage of them can lead to an increase in market share and solidify the position.

- **Threats**

External factors which can negatively impact the company's performance are threats. Quick identification and mitigation of these factors is a crucial part

which the organisation needs to go through very sensibly to avoid potential risks and therefore remain competitive within the industry. These may include economic downturns, new competitors, regulations and market disruptions (Sarsby, 2016).

The evaluation of the analysis starts with prioritizing the identified factors and subsequently developing strategies to address these priorities. One of the methods how this can be done is by assigning a certain score to each factor based on their impact and probability of occurrence. A scorecard or matrix can be used to help with this process.

2.5.3.3 SWOT strategies

After concluding the evaluation and identifying the priorities, the company has a number of options of actions (4) that it can take to exploit this knowledge and factors. These are called the SWOT strategies (Sarsby, 2016).

- **The S-O strategy**

Leveraging strengths to take advantage of opportunities: This strategy focuses on the strengths the company already has and exploits them to take advantage of opportunities on the market. If a company has a strong brand name and excellent relationships with its suppliers, it can use this strengths to exploit market opportunities such as new market segments or new geographies.

- **The W-O strategy**

Seizing opportunities to address weaknesses: This strategy focuses on seizing opportunities for the company to address its weaknesses. For example, if a company has a weak marketing strategy, it can use market opportunities such as new customer segments to improve its marketing plan and improve its performance.

- **The S-T strategy**

Leveraging strengths to mitigate threats: This strategy focuses on leveraging the company's strengths to mitigate threats in the marketplace. If a company is facing a new competitor in the market, it can be perceived as a threat to the firm. An S-T strategy could be aimed at enhancing internal strengths, such as reducing costs and improving the quality of products or services, so that the firm can remain competitive.

– **The W-T strategy**

Mitigating weaknesses and threats: This strategy focuses on addressing the threats that affect the company and reducing them in relation to the weaknesses. A company struggling with a weakness such as lack of market knowledge could register problems in marketing and increasing sales. A usage of a strategy with the aim to address this weakness by focusing on how to eliminate the threats that this deficiency causes could take place.

In conclusion, the SWOT analysis is a useful and powerful tool that can help the organisation evaluate their current situation, identify the factors which are affecting their performance and subsequently develop strategies to address them. Companies that use the analysis as effectively as possible can improve their competitive advantage and therefore achieve long-term success (Sarsby, 2016).

2.6 Specific food lifestyles and diets overview

A food diet refers to the type and quantity of food consumed by an individual or a group. It can vary based on cultural, social, and personal preferences, as well as health conditions. Different food diets can have different impacts on health and the environment.

Veganism is a type of food diet that excludes all animal products, including meat, dairy, eggs, and honey. Vegans consume strictly plant-based foods such as fruits, vegetables, legumes, nuts, and grains. In general, veganism is often chosen for ethical and environmental reasons and also for health concerns. If it is well-planned, this diet can provide all the necessary nutrients, but special attention needs to be paid to ensure adequate intake of protein, and vitamin B12 as well as calcium and iron. (Craig, 2009)

Vegetarianism is another food diet that excludes meat and fish but in contrary to the vegan diet it may include other animal products like dairy and eggs. There are different types of vegetarianism, such as lacto-vegetarian, ovo-vegetarian, and lacto-ovo-vegetarian, depending on if it contains eggs and dairy. (Craig, 2009)

Fruitarianism is a type of food diet that includes only fruits, nuts, seeds, and other plant parts that can be harvested. The condition is that the plant cannot be harmed, so it uses leaves and flowers. This diet is often chosen for spiritual reasons as well as ethical

and health concerns. A fruitarian diet can provide some of the nutrients, but it can also lead to nutrient deficiencies, especially in protein. That is why it needs to be balanced with some dietary supplements. (Melina, Craig, Levin, 2016)

Paleo diet (stands for Paleolithic era) includes foods that humans ate during the historic era, such as fish, meat, seeds, fruits, and vegetables, while excluding modern processed foods. The paleo diet is often chosen for weight loss reasons, but it can be challenging to follow, and scientific evidence to support the benefits of this diet are limited. (Craig, 2009)

Mediterranean diet, mainly chosen for its health benefits, such as reducing the risk of heart diseases, is a food diet that emphasizes whole foods, including fruits, vegetables, whole grains, fish, legumes and mainly olive oil. It is aimed to limit processed foods, especially red meat and saturated fats. (Craig, 2009)

Ketogenic diet is a food diet that is based on high fat, low carbohydrate intake. It aims to shift the body's metabolism from using glucose to using ketones as the primary source of energy. The ketogenic diet is often chosen for weight loss and fighting certain health conditions, such as epilepsy. (Melina, Craig, Levin, 2016)

In conclusion, food diets can vary widely, and each type has its pros and cons. It is essential to choose a food diet that aligns with health goals and personal preferences while also ensuring adequate nutrient intake. Consultation with a dietitian could help people to choose a well-balanced diet suitable for their own purpose and to dodge food intolerance. (Melina, Craig, Levin, 2016)

Food intolerance

Refers to a negative physiological response to certain types of food. It can manifest as a range of symptoms such as abdominal pain, bloating, nausea and diarrhea. Food intolerances are not considered as serious as food allergies (which can be even life-threatening), although they can still have an impact on the quality of life of certain individuals. Most common triggers of food intolerances are lactose and gluten along with food additives. The causes are still not really understood, but the blame is usually put mainly onto metabolism sensitivity, lack of specific enzymes working on digestion

and psychological factors. If an individual wants to manage food intolerance of any kind, the avoidance of trigger foods is crucial, with the possibility of seeking medical advice for the symptoms alleviation (Adolphus, Lawton, C. L. 2018).

3 Analysis of the current situation

3.1 Introduction of the Company

Basic information

date of registration:	06.01.2015
business name:	Fusionforlife s.r.o.
seating:	Brno
legal form:	company limited
executive:	Lubomír Vidlička (Justice.cz, 2022)

Forky's is a modern bistro-restaurant franchise of the Fusionforlife s.r.o. company, based in the gastronomic sector, where all food is prepared only from purely plant-based ingredients. Not any ingredients of animal origin are used (VEGAN). In some of their establishments they also offer a shelf of vegan specialities from around the world, as well as selected products of the Forky's brand. For the purpose of this thesis I will be focusing on the restaurant on Jakubské náměstí 109/1, Brno.

The company origins have been remotely different, than how is the business looking now. It started with the idea of having a „small VEGAN bistro“, which quickly took turn. The first facility was not far away from the current seating of the company, on Jezuitská street. After a while, the brand got popular and got offer of possibility to franchise in Slovakia, Trnava. There was really not much to think about, and after 3 years of functioning, the company relocated itself to the big facility, in which they still operate now (Jakubské náměstí 1). From then on, the number of wanna-be franchise steadily rised and now they have a total of 12 facilities around the Europe (Vidlička, 2022).

3.2 Scope of Business (The Forky's brand)

The Forky's franchise operates mainly in the restaurant business, focused exclusively on the VEGAN meals, with that being the biggest input in their cash flow. However they are currently thinking about the option of trying to move further into the B2B

sector and rebranding business with different types of products and semi-finished products as well as alcohol and non-alcohol drinks. Everything is put into the „higher-class“ fast food/bistro concept and very professional and minimalistic way and features.

The scope of business:

- Production, trade and services not listed in Annexes 1 to 3 of the Trade Act
- Inn activities
- Sale of fermented alcohol, drinking alcohol and spirits

3.3 Organisational Structure

The company’s organisation is structured as the scheme below.

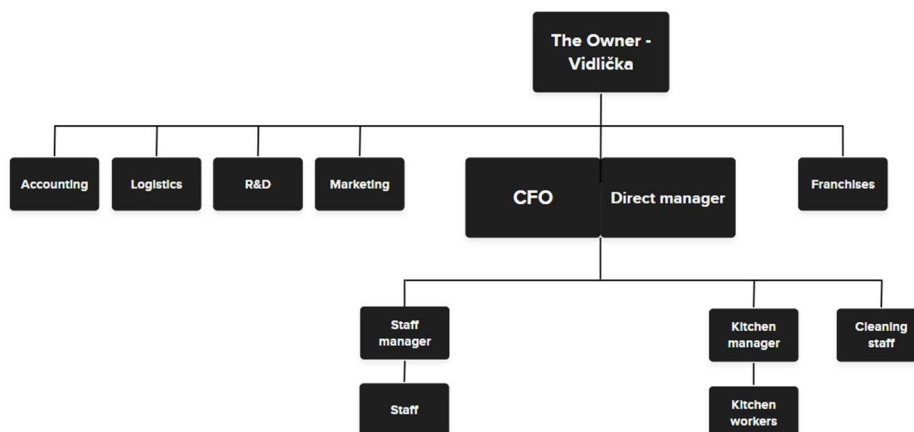


Figure 8: Organisational structure of the company
(Source: Vidlička, 2022)

The business is still classified as small, therefore the style of management is on the personal level and many positions are performed by the same person. Therefore I will just briefly specify the fundamental rules. It has around 20 stable employees and a few part-time job employees.

The Owner, at the same time main executive Lubomír Vidlička is in position of power and has the last words when it comes to any problem the higher management cannot resolve on its own. His right hand is the direct manager, who deals with all the franchises (different for each country) and their needs and is also a chief executive for

the restaurant on Jakubské náměstí 1. He is in touch with another department, that being the CFO, who directs the financially connected departments (Logistics, Accounting, Marketing, R&D). Marketing department is represented by a person, who is also the main salesman. The direct manager is in control of the kitchen people, where the kitchen manager follows his orders, and at the same time directs the kitchen staff. The same procedure applies on the restaurant's staff and cleaning staff (Vidlička, 2022).

3.4 Marketing Mix of the franchise

3.4.1 Product

As previously mentioned the company is focusing on the VEGAN diet and all the products they are offering are plant-based only. I divided this part into the means, that firstly I will state the main scope of business, that being the restaurant and meals served there themselves, which naturally contains the obvious service, which is provided while dining at the restaurant (seating, meal preparation, service attendants, payment, toilets, view and more), but I will be focusing on the offer selection. Following part will be focused solely on the products which are sold on the website e-shop.

3.4.1.1 Food and drinks served in the Forky's restaurant

In this part I will list a few of the meals with descriptions picked randomly by myself, just because I think that the full menu would be unnecessarily exhausting.* For the restaurant's meal production, a vast majority of the ingredients used are supplied from local Czech and South-Moravian producers in order to reduce the cost of delivery, help the local community, but mainly because of the carbon footprint connected with the logistics chain.

** The whole menu will be stated as an attachment in the appendices*

Superbowls

- Gado-Gado – A rich Indonesian vegetable salad with grenaille topped with a spicy peanut sauce
- Balanced Power Plate – Protein quinoa pieces, hummus, za'atar, ajvar, sun-dried tomatoes, pickled cucumber, Greek olives, toasted sourdough bread, mesclun, herbs (Forky's, 2022)

Burgers

- Forkys's Burger – With tomatoes, red onion, pickles, salad and BBQ sauce
- Cheez Burger – Forky's burger with a slice of plant-based „cheddar“
- Nofish Burger – „Fish“ fillet with lemon dill remoulade, baby spinach and cucumber



Picture 1: Forky's Cheez Burger
(Source: forkys.eu, 2022)

Street food

- Shawarma – Middle Eastern shawarma with pickles, light garlic sauce with grenaille, spicy version available with Yemeni s-chug sauce and Arabic peppers
- Strips Wrap – Fried strips in a wrap with tomatoes, salad, red onion and light garlic sauce
- Kebab Wrap – Authentically marinated seitan „kebab“, tomato, cucumber, red onion, red cabbage, sage and satureja sauce (Forky's, 2022)

Kitchen specials

- Malaysian Panang Curry – Chickpeas, mushrooms, peppers, ginger, baby spinach, lime leaves, coriander, tofu, jasmine rice
- Nordsee Grilled Fillet – Grilled „fish“ fillet with remoulade, Viennese potato salad or grenaille
- Fried Schnitzel – Fried plant based alternative to chicken schnitzel with Viennese potato salad or grenaille

Eat with beer or wine

- Nachos – Nachos with guacamole and spicy sauce
- King’s Cashew – Plant based alternative to Camembert from cashew nuts with cranberries and walnuts, mesclun, sourdough bread

Sweets, cakes, baguettes and bagels – according to daily offer

Drinks

- Home-made Lemonade – Lavender, Strawberry, Lilac, Buckthorn
- Kombucha – Jasmine, Lemongrass
- Tea and Coffee
- Beer and Wine
- Destilates and Cocktails (Forky’s, 2022)

All of the Forky’s food facilities are offering a daily menu with the same prices and on the website, people can also find the cheff who is preparing the meals of the day for the restaurant. The daily lunch is served usually from 11.00 till it is sold out.

The prices are always the same:

- Soup of the day for 59 Czk
- Main course of the day for 149 Czk
- Main course + soup for 179 Czk (Forky’s, 2022)

3.4.1.2 Products sold on the e-shop

Franchise recently started their online store with approximately 90 of their plant-based products. Some of them are made by Forky’s itself in their warehouse using industrial machines, but around 70% of them are imported and rebranded. The countries which

have the biggest share are Czech Republic - around 40% of the products, Slovakia - around 40% of the products and Austria and Netherlands combine for around 20% of the products supplied. (Deschner, 2022). I will again list not all of the product for the clearance.

The offer is divided into 16 individual segments, which I adjusted in this manner:

- Meal Bases (Semi-finished product): Burger, Nofish fillet, Nofish sticks, Cutlet, Schnitzel, Meat Loaf, Soya cubes (noodles and medailons)
- Alternatives of: Meat, Fish, Cheese
- Drinks: Beverages, Coffee and Tea
- Vitamins, Dietary supplements, Proteins and Aminoacids: Probiotics (Men, Women), Iron Complex, Vitamin C, Proteins (Different tastes), Essential Aminoacids (Different tastes)
- Delicacy, Nut creams: Mushroom Jerky (Different types), Kimchi, Salmon, Nut creams (Cashew, Hazel, Almond)
- Gift Cards, Gift Boxes, Sales, Discounted packages
- Forkys's Merch products: T-shirts, Caps, Sweatshirts, Shakers and a Cookbook by Viktorie Sapoušková (Forky's store, 2022)

The offer on the e-shop changes over time, but not in a significant way, most of the products stay and approximately two or three products are added every month, the least popular are sometimes eliminated.

When talking about these products, there is a space to talk about other aspects of the product, because unlike the meals prepared in restaurant, these have additional brand and design features.

3.4.1.3 Packaging

When talking about the meals served in the restaurant, which are ordered to-go, the franchise uses strictly bio-plastic, 100% ecological packaging, made from the PLA material. Forky's brand is, as we know, very keen on being sustainable and environment friendly, which is why for all of the packaged meals they use packaging made from the

plant biomass (corn, beets, potatoes, cereals) exclusively, which can be easily decomposable. (forkys.eu, 2022)



Picture 2: Example 1 of the PLA packaging
(Source: forkys.eu, 2022)



Picture 3: Example 2 of the PLA packaging
(Source: forkys.eu, 2022)

For the Semi-finished products and Food alternatives the company uses simple plastic, vacuum-sealed packages, which are all made in black color, with the transparent upper side. The logo is visible on the first side on each package, detailed in black&white with yellow text features. The text is put onto a paper, which is connected tightly to the box. Majority of these products have another „slogan“ screened on the paper part, which says: „Plant-based. Low-carb. Great taste.“ Along with this slogan, a brief description in Czech, Slovak and English language is presented. A picture of the desired finished meal with all the possible sides is covering about 30% of the whole package.

Other products which are paste-like or fluid are placed into a glass jar or a bottle, with a paper label consisting of different colors of text, identifying the different tastes. Same brand features are displayed on all of the bottles. The powder-based products like Proteins are placed into a paper bag (Forky's store, 2022)



Picture 4: Example of packaging on a semi-finished product
(Source: forkys.store, 2022)



Picture 5: Packaging of a sauce placed on the franchise's eshop
(Source: forkys.store, 2022)



Picture 6: Logo of the franchise
(Source: forkys.eu, 2022)

On every single package, but also on the restaurant's menu there are allergens displayed, so everybody knows what the product contains, the rebranded and semi-finished products contain very detailed information of ingredients used for its preparation.

For the products which demand it, there is a need to purchase a cooling filling along the order. No matter how big the order is, the price is still the same – 49 CZK.

3.4.2 Price

With the connection to the previous part, I designed a few tables consisting of the product mentioned above, along with their prices, for the visualisation. The overall prices in the restaurant unfold and depend mainly on the current prices of energy and

price trends among the market competition – dynamic pricing. In contrast, the products sold on the e-shop have a stable margin and depend mainly on the offer of the suppliers and cost of the delivery.

Meals and prices served in the restaurant

Following tables provide a closer look into the simplified menu of the franchise’s offerings and the corresponding prices.

Table 1: Meals and menu prices served in the restaurant

(Source: forkys.eu, 2022)

Product	Price/Menu
Gado-Gado	199 CZK
Balanced Power Plate	199 CZK
Forkys’s Burger	159 CZK/214 CZK
Cheez Burger	169 CZK/224 CZK
Nofish Burger	179 CZK/234 CZK
Shawarma	199 CZK
Strips Wrap	159 CZK/214 CZK
Kebab Wrap	149 CZK/204CZK
Malaysian Panang Curry	199 CZK
Nordsee Grilled Fillet	219 CZK
Fried Schnitzel	219CZK
Nachos	129 CZK
King’s Cashew	179 CZK
Home-made Lemonade	64 CZK
Kombucha	69 CZK

Products sold on the eshop

Table 2: Products sold on the franchise's eshop

(Source: forkys.store, 2022)

Classification	Product/Cooler	Price
Meal Bases (Semi-finished product):	Burger/Cooler	99+49=148 CZK
	Nofish fillet/Cooler	159+49=208 CZK
Alternatives of meat and cheese	Cutlet/Cooler	159+49=208 CZK
	Nutigiano	149 CZK
Drinks	Jasmine Kombucha	65+49=114 CZK
Vitamins, Dietary supplements, Proteins and Aminoacids	Vitamin C (120g)	510 CZK
	Woman Probiotics (150g)	490 CZK
Delicacy, Nut creams	Mushroom jerky - BBQ bird eye	85 CZK
	Crunchy Almonds cream (200g)	119 CZK
Forkys's Merch products	Sweatshirt for men	890 CZK

3.4.3 Place

As previously mentioned, the company functions as a franchise, which brings a lot of space to operate in the place factor of the marketing mix. However, as I stated beforehand, I will focus mainly on the restaurant based on Jakubské náměstí, as the largest restaurant place of them all. Before I denote the next part exclusively to the one restaurant facility, I will briefly introduce the portfolio of franchised restaurants and places, where people can find products of the Forky's origin.

Since its foundation in 2015, the franchise took on a pretty fast run towards a success. After moving their first restaurant in the two storage-facility, things started to move swiftly and interest about the brand and its business model grew from day to day. This resulted in franchising, which started to be popular and the restaurant web of Forky's now consists of 12 facilities. The franchise's biggest customer base is located in the Czech Republic (8 of the 12 dispensaries), but it also has branches in Slovakia and Austria.

Here is the list of currently functioning dispensaries:

Czech Republic

- Restaurants: Brno (2), Praha (2), Ostrava, Liberec
- Food trucks: Brno (2)

Slovakia

- Restaurants: Trnava, Žilina, Bratislava
- In the making: Nitra

Austria

- Restaurants: Vienna

In general, all of these branches have a similar design style, with features of the place tuning to the original concept of the first restaurant. They all focus on meal preparation and in majority of them, a new feature of the cooling box with (Forky's) brand products is realised (except the food-trucks, space wise). With this being said, the branches do not really communicate with each other in any other way, than that share supply chain and a brand (Vidlička, 2022).

Another option is to enjoy some of the products of the company's line, that being a cooperation with some of the healthy food/diet places in Brno. There are currently 2 healthy food shop concepts reselling the products, called „Zdraví s chutí“ and „Škopek není všechno“. I will return to this reality later in the proposal.



Picture 7: Forky's Food Box – Foodtruck
(Source: forkys.eu, 2022)

3.4.3.1 Forky's restaurant, Brno

Now I would like to present the one facility I did choose for the purpose of this thesis, that being the one in Brno city centre - Jakubské náměstí 1.

This two-story restaurant is put into a high-end design with lots of windows to inflect natural light and to highlight the openness and magnificence of the space. Both floors function as a dining area, with the first floor being set into the real „fast-food“ style, in the means that it is without service. Customers can choose a meal from the menu, or from the electronic displays above the cash register, where they will later pay for the food and receive a messenger, which will buzz when the food is ready. The last step is to pick up the food and return the messenger to the staff, continuing back to their table, where they can enjoy the meal. The kitchen is partially visible from the inside, as well as from the outside. On the first story customers can also find a Cafe, Snacks and Sweets Bar and a freezer with products of the Forky's brand (sold on eshop). The second story is organised as full-service, with a pretty, little wooden bar in the middle and nice views of the square lying underneath. There is a possibility of booking a small private „saloon“ which has the capacity for around 8 people.

The overall design of the restaurant is very classy and pleasant with many „luxurious“ features, like an enormous glass chandelier in the middle of everything, adding up on the experience. Dominating colours are black (staff clothes, cutlery) and white, which suits the marble walls and wooden tables and features. There are a lot of metal elements, such as beams and parts of seating. Bar stools are covered in face leather and on every wall, there are visible posters with one of the offered meals (Mystery shopping, 2022).

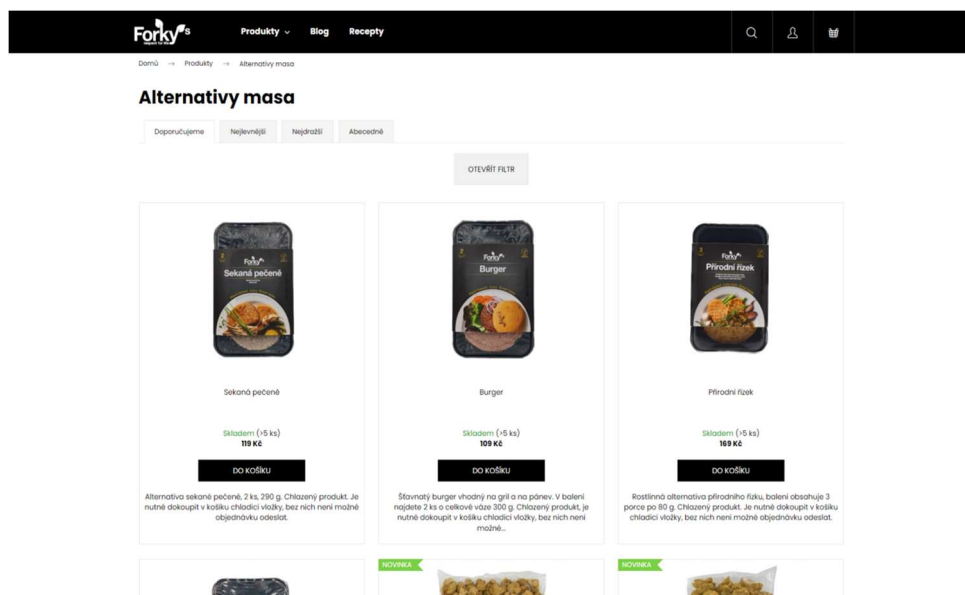
Toilets are on the first floor, next to the bar and they contain everything necessary, like a diaper changing table. Speakers and cameras on the ceiling are covering all directions.



Picture 8: The inside of the 1st floor of the Forky's restaurant on Jakubské náměstí
(Source: forkys.eu, 2022)

Forky Store – eshop

As previously mentioned in the part 3.5.1 Product, another place where people can find the product of Forky's brand is their eshop. The eshop is structured in a very simple way and has its own domain (www.forkys.store), which could be accessed also on the company's website.



Picture 9: Eshop visualisation
(Source: forkys.store, 2022)

Delivery services

The restaurant is currently cooperating with these delivery services:

- DámeJídlo
- Rohlík
- Wolt

The company also recently introduced their own delivery service (Mystery shopping; Forky's).

3.4.4 Promotion

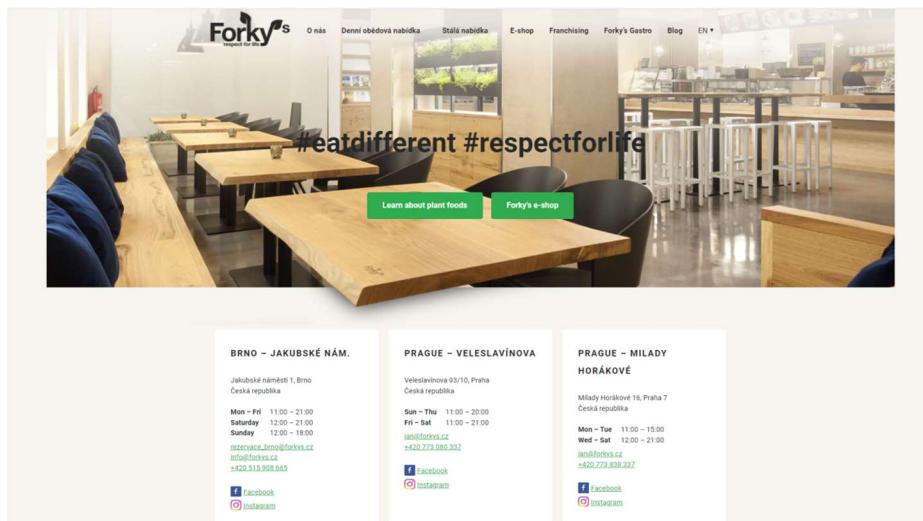
In this manner, the company functions as a whole, producing the marketing campaign across the whole franchise. As stated previously, each franchise contributes to the common marketing budget with approx. 2-3% of the profits.

The company's current concept of marketing communication consists of many tools, however not all of those are effectively used. As a main information channel used by customers to learn about businesses in this field could be listed a word of mouth (reviews) and internet (website and social media). With such a huge competition in gastronomy, these are implemented by almost every company operating on the market. Social media play a big role in this manner, with very good visualisation abilities, they are also very common among the competition. Therefore there exists an urgent need to step-up the game and be visible in other ways.

The television commercials were never really an option, due to the huge amount of costs needed for this type of communication, so the company did not ever use them. However they have been operating slightly on the radio, even quite successfully. A cooperation with one of the biggest radio stations in Europe – Evropa2 (in CZ) was held and the company managed to be present on some of their public events. They also have one paid advertisement on their „Christmas“ product campaign on Frekvence1(Deschner, 2022).

Website

On the front page of their website there is basic information about each branch they own, such as address, contact (email and phone number), opening hours, links to social media (Facebook and Instagram) and their motto: “Respect for life”. On other pages customers can find a few articles about plant-based food, current health and environment concerns. They are describing the advantages of a plant-based diet and its impact on our health and our planet. Then there is a photo of their permanent menu with prices and daily lunch menu which they update every week. There is also a link to the eshop. Forkys has its own recipes portfolio and a blog, which is also displayed on the website.

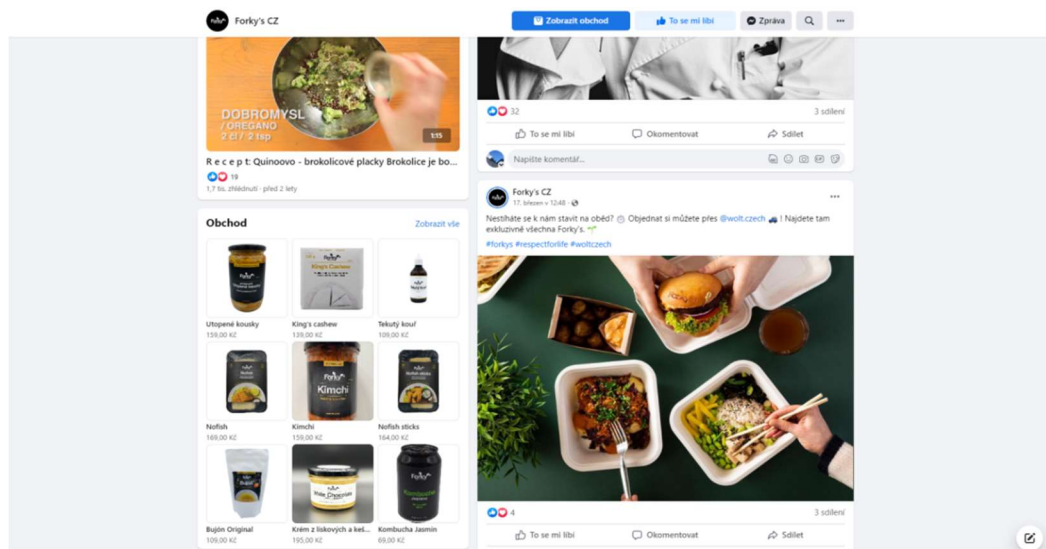


Picture 10: Title page of the company's website
(Source: forkys.eu, 2022)

Facebook

Each country has its own Facebook profile. The Czech Facebook profile is called Forky's CZ. The content is almost the same as the content on their Instagram profile. This profile suits mainly for the blog purposes and for public relations. People are often writing reviews with pictures and the company is trying to answer each and every one of the complaints/good reviews, to help to build a community. More than 13 000 people are interested in this page. The posting frequency depends on the topic, but usually there

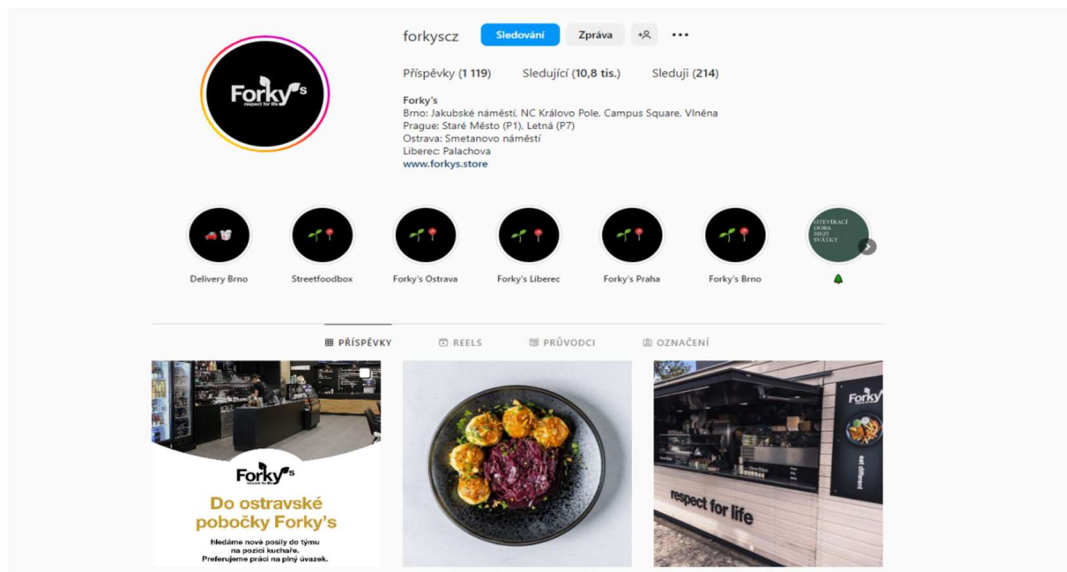
is a new post introduced once in every two days, which functions the same with the Instagram account (Deschner, 2022).



Picture 11: Facebook profile wall
(Source: facebook.com)

Instagram

Similarly to Facebook, each country's branches have their own Instagram profiles. I focused mainly on the profile dedicated to the Czech market called: Forkyscz. They have posted around 1000 posts and they have 11 000 followers. Posts are focusing on topics like, for example, famous personalities who became vegan or had vegan “phase” in their life, along with many pictures of the vegan diet meals. Forkys uses paid promotion on Instagram and they are currently investing in with the possible reach of 30 000 Instagram users. The promotion of posts is also visible to some extent and the recently added a new advertisement recalling the new option of delivery – straight from Forky’s. The posting frequency is the same as on the Facebook account (Deschner, 2022).



Picture 12: Instagram profile wall
(Source: instagram.com)

Youtube

Forkys does not have a paid promotion on YouTube at the moment, but they do have their own channel with vegan recipes called: Forky's Česko. The channel is presented also on the website in the section „Recipes“. There are 34 videos with Czech and English subtitles. These videos are not commented on and each video is around 1-2 minutes long. The channel has around 60 subscribers and about 8 000 views (Deschner, 2022).

Influencer cooperation

I would like to talk about this reality of cooperation with influencers, due to its nowadays rising popularity.

Ben Cristovao - Ben is a 35 years old Czech singer who is a proud member of a vegan community, and he is cooperating with the company to some extent. He has his own restaurant called: Výčep kabelovna and Forky's is partially supplying it. During one of his concerts, in O2 arena Praha, he had a buffet placed near the stage with vegan food for his guests and Forky's was his sponsor. Ben is mostly promoting this company on his Instagram profile.

Shopaholic Nicole - Nicole is 33 years old Czech youtuber who decided to try vegan food and took the opportunity to cooperate with Forky's. She is promoting their products on her Instagram profile, and she mentioned this company in her YouTube video (Deschner, 2022).

Even though it might seem like a lot, I mentioned pretty much all the communication activities of Forky's and for a multi-country-based food franchise, the amount of money invested in these activities is actually pretty low. The company registered a kind of „rocket launch“ in the beginning and did not really focus on the marketing communication, simply because there was no reason to. Now that the times have changed, they need to start thinking differently and adapt to the current situation (Deschner, 2022).

3.5 Customer segments

The customer segmentation of the franchise is mainly based on two variables, that being the lifestyle/diet the customer follows and the chosen delivery method (restaurant/pick-up/delivery). The most important things determining the segments are psychographics, meaning the customer's overall lifestyle, values, personality and interests. Out of this information, the most represented value is the lifestyle, which is very much connected with what people eat. There are three main customer segments.

The first, and also for the franchise the most important one is represented by the customers who follow VEGAN diet and/or lifestyle. Veganism is more of a lifestyle than just a diet, and apart from the health reasons, people follow it because of their own conviction and effort to change the world for the better. Not killing animals and saving the environment are two main reasons why VEGAN lifestyle is so popular nowadays, taking into account the current state of global environment issues, pollution and global warming. The restaurant offers exclusively VEGAN dishes, which means that also vegetarians can sympathize with the dish selection.

This brings us to the second segment, which is represented by customers who follow other diets which have similarities with the VEGAN diet. In these we count vegetarians and people looking for gluten-free and lactose-free dishes. This segment is built on the fact, that not only vegans need these types of meals and that food intolerance is also

common within other communities. To many people the standard Czech diet is not sufficient and they seek other opportunities to dine in.

The third group of customers, which could be ranked as the smallest, is a combination of the people who simply come to the establishment for a good quality food and beverages to enjoy a moment of their free time, or on the contrary, because of calm and hospitable place to work or study, and the people who just simply care for the environment (and see the meaning in the VEGAN philosophy) and like the selection and offerings. Anybody can have a good time with a cup of quality coffee and a range of products served (Vidlička, Deschner, 2022).



Figure 9: Customer segments visualisation
(Source: Own work according to: Vidlička, Deschner, 2022)

3.6 Attractivity and competition analysis via the Porter's 5 Forces model

3.6.1 Current competitor rivalry

It is highly difficult to keep a stable inflow of new customers. High competition among the gastronomy sector is making the restaurant to differentiate strongly in uniqueness, brand awareness, reputation and quality. However, with a generally unique product like VEGAN food meals, the direct competition is currently not the biggest concern. The amount of same restaurant models nearby the company's in Brno is relatively low, taking into account the market positioning (higher-class fast food bistro/restaurant). On the other hand, the indirect competition, which is formed from the neighbouring food institutes and restaurants, precisely on Jakubské náměstí and Náměstí Svobody, is affecting the number of visitors.¹

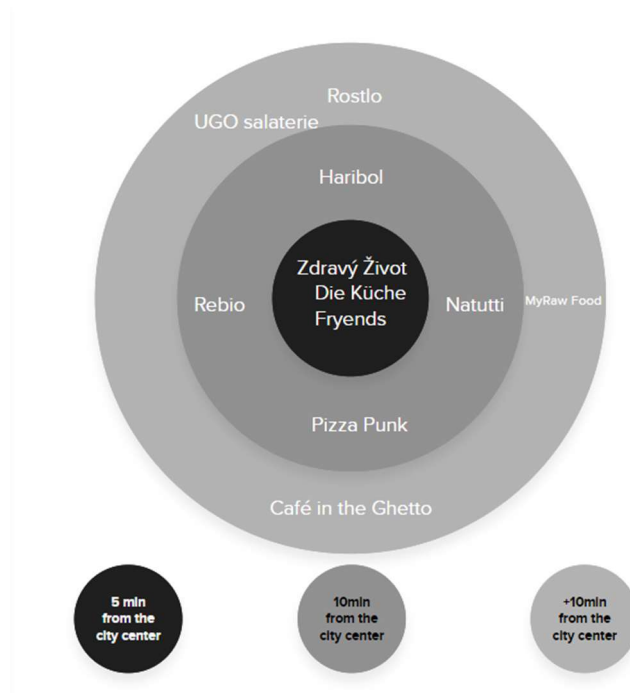
Now I would like to list some competitors of the Forky's branch restaurant on Jakubské náměstí.

Direct competition

As a direct competition I will list three biggest players, which are located nearby the city center, therefore nearby the restaurant. These are the ones, which also focus mainly on the VEGAN diet meals and have a potential to attract the personal visitors of the restaurant. The key for selection the competitors was based on the offer of the restaurants (in this case VEGAN/Vegetarian menu) and the distance from the franchise's restaurant in time.

- Die Küche: Offers a daily lunch menu, followed by an afternoon menu from 2:30 PM, opened daily
- Zdravý Život: Macrobiotic food restaurant offers 3 meals each day, opened in the weekdays
- Fryends: Food „window“, which offers also breakfasts, opened every day except Sunday

¹ Not all the people visiting Forky's follow the VEGAN diet, and it is very crucial to attract these potential customers as much as possible, in order to maintain stability and market share.

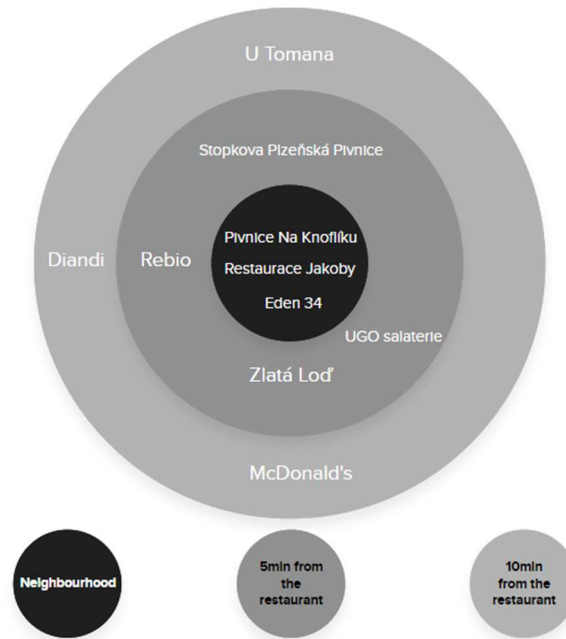


Picture 13: Direct competition visualisation
 (Source: Own work according to: Deschner, 2022, HappyCow.net, 2022)

Indirect competition

As an indirect competition I will list the nearest food facilities in the restaurant's neighbourhood, meaning directly on the Jakubské náměstí, which are definitely attracting customers with especially non-VEGAN diet from the Forky's. The key for selection was similarly to the previous one based on the time distance from the restaurant and the size of the competition restaurants. In this case, it is not focused exclusively on the VEGAN/Vegetarian diet simply because of the fact, that potential customers do not have to follow this diet and therefore tend to be attracted by the same price-point and quality-point restaurants nearby.

- Pivnice Na Knoflíku
- Element Bar & Restaurant
- Jean Paul's Restaurant
- Restaurace Jakoby
- Eden 34 (Deschner, 2022)



Picture 14: Indirect competition visualisation
 (Source: Own work according to: Deschner, 2022, Happycow.net, 2022)

3.6.2 Threat of substitution

Of course buyers in this industry, like in almost every other one, have the possibility to turn to a substitute product (company), if it sufficiently fulfills their needs. In the case of the VEGAN food market, the change of diets itself among the consumers is not very common. People who dedicate their lifestyle to this diet are usually pretty determined to follow it for a longer period of time, or they follow it for some specific health reasons and from their own conviction. However it can still happen, the most common reason could be price, but Forky's, with their dynamic and also competition-based pricing, has very reasonable price level among the competition (Deschner, 2022).

3.6.3 Bargaining power of buyers

There is not a really high number of VEGAN restaurants immediately close to the company's, so with that being said, the power is not that strong, in the meaning of a dining facility. Nevertheless we need to take into consideration the current delivery services trend. Buyers can choose from almost any of the other VEGAN dispensaries in the Brno city (within the delivery range) and order directly from them, without the

necessity to visit a restaurant itself, which gives them an upper hand and the company needs to differentiate in the product.²

3.6.4 Bargaining power of suppliers

The bargaining power of suppliers in the food industry is dependent on many factors. It can be pretty much unlimited, when a certain ingredient is missing on the current supply stream and a shortage occurs. In that situation, the negotiating leverage turns strongly on the side of the supplier. The restaurant is offering a more or less stable portfolio of meals, where the same ingredients are used every time. The plant-based ingredients within the same quality range usually have a similar price point, depending mainly on the amount ordered. This puts the switching costs into a pretty neutral zone. Overall, the restaurant is trying to keep the same suppliers, if they are sufficient enough, because of the already familiar quality which they can expect and because local production makes logistics easier and cheaper, but they are also steadily looking for new supplier opportunities. The more supplier opportunities, the smaller bargaining power (Deschner, 2022).³

3.6.5 Threat of new entry

No high barriers are present for entering the market, however, especially in these times, brand awareness and recognition along with the company's image reputation is a necessity to survive in the long-run. The company obviously has a patent on the franchise itself, but that does not mean that any other company with a big budget could not do the same thing.⁴

² The approach of the company to this problem is also pretty unique, with the restaurant being put into „fast food“ concept, but with great quality of ingredients.

³ The products on the eshop are mainly supplied as a whole and rebranded. Nevertheless the alternative products competition could to the nature of the VEGAN diet more limited, due to the picked ingredients used in the produciton.

⁴ Forky's, with their very unique value proposition (at the time) was able to build that in manner of few years, however this can take much longer for the possible new entry competitors. Economy of scale does not play that significant role here, because the Forky's franchise is a pretty strong brand and is based in multiple countries, and with the facility of the scale as on Jakubské náměstí, not many businesses can easily compete with that.

3.6.6 Partial elaboration of the competition analysis

The industry barriers are low, which means that competition can arise from unknown places, however the company's establishment on the market is strong, as well as the brand itself, therefore the threat of the new entry is medium. The same goes with the suppliers, no one knows what is going to happen next year, but at the moment, the franchise has a stable supply-chain with acceptable prices and good relationships, and there is always a possibility of change, for which the switching costs are medium. The company needs to pay attention to the happenings on the market. The current indirect competition represents a high power, the direct competition is on a medium-low level. The change of diet or a lifestyle itself amongst the customer base is unlikely, but the vegetarians and other segments can substitute the franchise with different establishment with similar selection, therefore there is a need to put efforts into the continuation of strengthening of the brand recognition and stabilisation within the industry.

3.7 External analysis completed via SLEPTE framework

3.7.1 Social

In these post-pandemic times, many firms had to reconsider the working conditions, due to the fact that many employees prefer a hybrid form (work-from-home) style of the performance. There has been a „boom“ of trends towards healthier and more active lifestyles, which is closely connected to the gastronomy sector and fitness industry and also to the nature of food people consume and its preparation. The food products consumed and their packaging, as well as the way they are marketed change and tend to lean towards the „green“ approach and sustainability. (Vidlička, 2022)

3.7.2 Legal

When talking about the legal aspects, there are really no big surprises in the common-field of gastronomy. The companies operating in this sector have to be aware of many different limitations, such as the food safety regulations and certification for running a restaurant, labour laws (minimum wage, working hours, benefits for employees), tax laws, intellectual property laws and, especially in these years, health and safety regulations, which include the measures for COVID-19. Companies which are not only modifying or preparing the meals but also produce the food themselves have to follow

up the Hazard Analysis Critical Control Points system (HACCP). With effect from 01.01.2023 ends the country's policy for the businesses to report the electronic record of sales (EET), which was a system of online evidence of each individual sale that was sent to the government administration (financnisprava.cz, 2022)

3.7.3 Economic

From the economical point of view, it is sufficient to look at it as in the Czech Republic, but also globally. For example, global crises can have an impact on people's and company's spending/saving behaviour. Overall it can force companies to lay off employees and decrease the investment into development.

Today's ongoing conflict in Eastern Europe has a very big impact on the prices of energy, which is closely connected with running a restaurant. The amount of costs for operation has risen rapidly, which is resulting in an increase in the price per meal in almost every restaurant. Consumers in the economic recession tend to cut unnecessary expenses and save money, which is also affecting the number of customers in the restaurant (people cook at home). The rent prices in Brno city are more or less steadily increasing throughout the years and with this all being said, bigger restaurants need to take this all into consideration, if it is still sufficient to keep the current marketing mix as it is (OECD, 2021).

3.7.4 Political

The most critical factor in the means of political environment affecting a VEGAN restaurant would probably be the trade policies and agreements with the countries, which have an impact on the import and export of VEGAN products. The overall political stability and government changes in the Czech Republic are not so crucial factors, since there is no political party or a movement which would be strictly against the operations of a VEGAN franchise, however attention should be paid to the public attitudes and perception towards it. Regulations and policies put on the food industry itself is something that each business has to face inevitably. Nowadays especially the balance of the national and foreign political situation means a number of threats, but sometimes also opportunities for the company. (vlada.cz, 2022)

3.7.5 Technological

Due to the anti-epidemic measures, which for some period of time paralyzed the normal functioning in the gastronomy sector, a significant number of consumers started to prefer food delivery instead of visiting a restaurant on their own. Therefore a web of delivery services which are cooperating with restaurants is a common thing within larger cities like Brno (Bolt, Wolt, Dáme Jídlo). That certainly does not mean a restaurant could not deliver on its own, but in order to keep up with the competition it has to adapt, because these services are often more popular around people, than an ordinary delivery service directly from the restaurant (Vidlička, 2022).

3.7.6 Ecological

In the past two decades a very big amount of environmental considerations came out, such as carbon footprint, climate change impacts and shortage of natural resources. Due to this fact, some of the people tend to change their lifestyle in order to help to save the Earth's ecosystem. The ongoing problem with plastics and the air pollution, as well as destroying the natural habitats of animals are not an easy task to deal with. Lots of organisations are contributing to the solution of this problem and with the use of donations from like-minded people, they are able to launch programs like ocean cleaning and saving animals. In the means of a production companies or any legal entities producing a product, there exists many norms and restrictions, one of the main ones being careful with creating an unusable waste connected with the production – being as much „green aware“ as possible. (Businessinfo.cz, 2023)⁵

The fact that the Czech Republic lies geographically in space, where every year four seasons occur like clockwork, plays an important role. Because of this, companies which are located, or which are operating in the similar latitude can use this seasonal trend to their advantage (Vidlička, 2022).

⁵ Forky's has a true care about the environment written in its psychology, each franchise has to donate at least 1% of the revenues for a good cause in this matter, and they do not only promote the VEGAN food diet, but also the lifestyle it represents – no animal origin products, from which comes their motto: „respect for life“ and plant-based diet.

3.7.7 Partial conclusion of the macroenvironment analysis

In conclusion, the analysis conducted via the SLEPTE framework highlights various factors impacting the Czech gastronomy field. Several challenges could be faced, as the legal environment can be complex and at the same time the health regulations are pretty demanding. There is still a huge impact of the COVID-19 pandemic, which continues to affect the sector and the businesses need to be prepared for an adaptation and change, as well as for changing consumer behaviours.

A pretty big opportunity lies within the useful ongoing trends of sustainability and healthy diets, which are still on the steady rise. Building a reputation of a company with environmental thinking is, without a doubt, beneficial and can help to strengthen the image seen by the general public. The economy is in recession due to pandemic and Eastern European conflict and it does make the financial management, as well as the process management way more tough. Therefore there is a need to be as flexible and adaptable as possible, in regards to marketing mix. Taking advantage of the different seasons with seasonal products and promoting them may be a wise move in the meaning of sales promotion. A strong emphasis should also be put on the food delivery system optimization.

3.8 Mystery shopping

Is one of the long-time verified market research methods with the main purpose to identify the quality of service of a certain company, with the aim to subsequently initiate an improvement of these services. In practice, specially trained observers act as real customers, accordingly to a previously agreed scenario, monitoring the business and its communication, negotiation skills of individuals on the company's side and observing the overall level of the environment. A detailed record immediately after completion is made. These observers are usually hired directly by the company itself, which hopes to get clear results of the kind of „self-reflection“ (Daugherty, 2009)

I used this method in a bit of a hybrid way, trying to get the most information possible about the business. I was not focused solely on the performance of the staff and the business, but I also used this procedure to analyse the space and environment of the Forky's branch restaurant on Jakubské náměstí 1.

The procedure:

1. The arrival, choosing of a table (different every time), quick analysis of the actions of staff and number of people, temperature, view, surroundings, lighting, seating, materials
2. Picking a meal and drink (different every time) from the menu and ordering process
3. Measuring the time of the meal preparation, taste
4. Questioning the staff – simple questions to see the reaction and approach to customers + knowledge
5. Detailed look around over the place – two stories, toilettes, coffee bar
6. Evaluating the overall experience, the taste and quality of food, service, comfort, customer experience, approachability

For the main source of information I used interviews with the company's Owner, Direct manager and Logistics manager which I conducted personally. The information contained in the analytical part also comes from the mystery shopping conducted by myself. I gained the information based on a total of 4 personal visits and each time I used the same procedure. Another source of information was basic desk research, denoted to mainly the website and e-shop, where I cycled through all the buttons and information it contained. I focused the on user interface and went through everything possible, all the buttons and links. Also went through the social media profiles of Forkys CZ, and other countries as well.

3.9 SWOT Analysis

In this part I will conclude the information gained into the SWOT framework and identify the company's strengths, weaknesses, opportunities and threats. The strengths and weaknesses have an impact on the company internally, in contrast the opportunities and threats are affecting the business externally.

3.9.1 Strengths

For the main strengths of the company I would for sure state, despite being on the market for only 7 years, the very strong establishment on the market and recognition within the VEGAN community. The company's psychology, along with their motto:

„respect for life“ is heavily aligned with the current trends on the market and therefore it can be used to promote the product itself.

Today's franchise functioning is beneficial for the brand due to the fact that Forky's brand is being recognized in different countries and that means, in different places and markets. The restaurant's positioning is not only key for the customer's convenience, but also gives the opportunity to hire more staff, if needed, since it is situated in the city center. Restaurant - Image, Design, Comfortability and Hospitality of this place is playing a big role in the overall quality of experience among the customers and word of mouth promotion.

Various types of cooperation take place like influencer cooperation and radio stations.

3.9.2 Weaknesses

The recognition within the market of indirect competition is not the largest. Restaurants, which are located nearby the franchise's restaurant represent big sharks amongst the customers seeking a simple or traditional meal for lunch or dinner.

Franchise cooperation as a whole, meaning the connectivity of the franchise branches themselves is on a low level. The branches hardly communicate between each other in other means than money and „personalisation“ of the marketing is on the freeze point, since its centralized for the whole franchise.

Till this date there was almost non-existing marketing communication, a small amount of website and social media profile visitors, as well as insufficient paid promotion. No „physical evidence“ on the streets is visible and the recommendation is still based mainly on the online references and word of mouth.

The restaurant is to some level dependent on the suppliers, especially of certain types of ingredients and packages, eventhough the bargaining power of the suppliers is not that high, in these days there is still a risk of rapid change on the market and within the chain itself and there exists a strong need to be able to act quickly if that happens.

3.9.3 Opportunities

The demand for a plant-based products and meals is on the rise, as well as the advancement of the people's mindset to follow a healthy lifestyle. More people tend to

live and eat sustainably and healthy, with the addition of being considerate to the environment. This all sits perfectly into the vision and mission of the Forky's franchise.

A solid opportunity lies within the self presentation and promotion of the brand itself, since the activities on social media and marketing overall are not so well managed and supported. When managed correctly, it could generate a higher number of potential customers attracted and also other benefits.

Introducing new customer segments – B2B market. The B2B market specialisation is taken as an opportunity due to the fact that the franchise started their own production line of some VEGAN products and they are even rebranding different types of food. With these products, they can not only sell them through their eshop, but also try to penetrate a new market of B2B and widen their horizons, as well as their customer base and revenues.

Exploiting the seasons and public holidays into franchises advantage is another step which can be taken. People enjoy thematic content and sales, the franchise can use this to their sales promotion,

3.9.4 Threats

The current economic situation is not pleasant for anyone on the market, while still recovering from the pandemic restrictions and the two years time span, where the revenues were hard to get, the inflation and logistics prices sky rocketed, as well as the prices of energy. The ongoing war conflict in Eastern Europe could result in various problems and shortages in the supply chain, which would mean a big wake up call for a franchise dependent mostly on organic products and bioamass.

Talking about the delivery services which are taking over the gastro delivery service market at the moment, it represents a big competition, especially for a restaurant which tries to enforce their own delivery service.

3.9.5 Summary of the results from the SWOT framework

In this very last section of the second - analytical part of this thesis the information mentioned above will be briefly concluded with the usage of pin point into a table for better visualisation and assesment.

Table 3: The summary of the results - SWOT

(Source: Own work according to Sarsby, 2016)

Strengths	Weaknesses
Strong brand establishment and market recognition within the VEGAN community	Small recognition within the market of indirect competition
The allignment of the vision and psychology of the franchise with the current trends	Low branch connectivity and cooperation as a franchise
Multiple markets (different countries)	Marketing communication/Promotion
Restaurant and its positioning	The dependance on the suppliers and certain types of ingredients to some extent
Various kinds of cooperation	
Opportunities	Threats
Increasing demand for the plant-based meals and products, healthy lifestyle trends	Current economy recession
Self presentation	Current market situation - post-pandemic
The B2B market shift/specialisation	The ongoing war conflict
Seasonal marketing	Delivery service companies trend

4 Proposal and Suggestions

The third and also the last part of this bachelor's thesis is dedicated to the proposal and suggestions for the improvement of the current situation of the company, based on the gained knowledge and information from the previous (analytical) part. I will focus on interpretation through the marketing mix, specifically on the tools „4P“.

As mentioned in the introduction, these suggestions should hopefully help the company to increase the demand for their goods and services, market recognition, better attracting potential customers and overall improve their promotional activities. From the stated information I figured that the biggest opportunity for improvement currently lies in the marketing communication itself and that is why this problem will be given the most space of them all in the proposal part.

4.1 Product

The franchise as a whole offers a pretty much stable portfolio of meals and products, with a few additions being introduced every once in a while. The company's e-shop brings opportunities not just for the consumer market, but also for a B2B sector, which may be more crucial in the future. The offer and the menu is sufficient enough to keep the sales level satisfied and the quality of service in individual branches is maintained properly, therefore I see no urgent need for a change in this field.

With this being said, I would recommend the company to keep the current activities as they are since it does not worsen the company's performance. On the contrary, the sales registered on the eshop are steadily rising and comfort them very well, especially in the times of pandemic restrictions, it helped them to get through without having really bad financial struggles. Since the times are getting better and worse at the same time – pandemic restrictions fell off, but the energy crisis has risen, I would recommend focusing even more on the semi-finished products and the e-shop itself. If the trend goes on, it will have more recognition among existing customers and it will lead to a bigger success. Making most of the online environment should be a real goal for the upcoming years.

Along with what has been said, my other point would be to put emphasis on the seasonal products and subsequently their proper promotion. The functionality of this type of strategy has already been confirmed to some extent. Personally I would recommend creating a stable portfolio of these seasonal products, which would consist of not only seasonal meals, but also cloth pieces, accessories and beverage products.

4.2 Price

Taking into account the information from the analytical part, it is pretty clear that the company sets the price in some kind of dynamic way – competition based pricing, combined with a cost based pricing. From a customer view, the price of meals in the restaurant is very reasonable given the quality and luxury level of the space and food itself. The company takes into account ongoing price trends and pays attention to the operating costs, these days, mainly electricity and rent.

Direct competition with the positioning as Forky's have pretty much the same price level for the vegan meals and dishes, therefore the customers who follow this diet and are familiar with food dispensaries of the same kind can realise this. On the other hand, there is the fact that not every customer of Forky's needs to have the same opinion, due to seemingly cheaper indirect competition in the restaurant's neighbourhood, which could possibly have a repelling effect. Overall there is not really much space for bringing the price down and it is sufficient the way it is now.

One recommendation from my side could be to offer more **seasonal products for a lower price in certain times of the year**, as they already have some seasonal products in their portfolio. There is also an opportunity to make some kind of „lucky hours“ in the restaurant in the daytime, when the customer attendance is lower.

4.3 Place

In terms of the branch on Jakubské náměstí, there is really not anything to think about at the moment. It is situated in a perfect spot in the city centre and it is a remarkable place to enjoy a lunch break. The way it functions now is a bit expensive, with a lot of lights and cash desks, along with the monitors (4), so if there is a need for savings in terms of operational costs, it can be reconsidered. However this all goes hand in hand with the

brand image, which functions very well. I would not recommend giving up the place or its features if it is completely necessary.

In terms of food delivery, recently they started their own delivery service (cars only). However, most deliveries are still done by intermediaries, such as DámeJídlo and Wolt. Taking into account the conditions and margin which these companies usually have, I would strongly recommend trying to enhance the effort in this field. Competing with these delivery „sharks“ could be very challenging, but also very rewarding. The customers pay a lot more because of the intermediaries for the final product, than they would if the delivery is done by Forky’s and that could have a big impact on the number of orders. My suggestion is to choose a **maximum of two delivery companies, one for the hot meals and one for the semi-finished products sold online**, for a collaboration and try to slowly take their place with the delivery service provided by themselves. Currently they would not have the capacity to deal with all the orders themselves alone, but it would be beneficial to try to reach this point in the future, making the most out of the whole process.

Last but definitely not least is a topic of the eshop and the products placed for sale there online. At the moment the customer has a possibility to either order it for hand-to-hand delivery, or use a dispensary for a pick-up (Zásilkovna). The customers can place the order at any time and have the opportunity to choose a date and time of a delivery, which is very convenient. In this manner, things are managed pretty well and there is not an urgent need for a change.

4.3.1 Proposal n. 1

Table 4: Range of Proposal n.1 within the current marketing mix of the company

	Price	Product	Place	Promotion
Proposal n. 1	X	X	X	X

My recommendation would definitely be to start **focusing also on the B2B market sector**, which would be a very interesting opportunity. Collaboration with food chains and supermarkets situated in the Czech Republic would prepare the ground for presenting the Forky’s brand and the products themselves. The company has already started production of their own goods, not even mentioning the rebranded ones which

are imported and they could place them into shelves of different chains around the industry. Creation of the best-seller package from their range of goods, along with taking into account the needs of a supermarket, shop or a health food store suitable for cooperation, would definitely be a good start. Although it may seem pretty clear and easy, there for sure are going to be obstacles, especially from the supermarket's side, who usually have given quotas for a volume of a product the supplier needs to provide weekly or monthly. This goes mainly to some of the biggest food chains and multinational corporations, e.g. Albert, Billa, Tesco and Lidl. That is why I would recommend to try to find the best possible option among these chains, primarily starting with local (Czech) companies and shops, e.g. Delmart, which is a concept of a „premium supermarket and bistro“ that could work mutually very well with the brand image of Forky's. Other options could be for example Globus, even though these shops are huge (unlike Delmart), the chain is not really that huge in comparison to the other ones in the Czech Republic.

The agreement itself between the sides could vary greatly and **I have no specific financial or volume estimates**, since I have no information about the requirements of the food chains, however I see a huge potential in this sector. The one crucial aspect that the company should be careful about is overtrading.

4.4 Promotion

As stated in the beginning of this part, a lot of attention will be paid to this topic, since the utilisation of the marketing communication is not optimal and there is a room for improvement. The marketing is common for all the branches across the franchise.

The current marketing activities which are applied by the company are the following:

- Personal references
- Social media
- Website (PPC), Blogs
- Influencers
- Radio
- Public relations (social and environmental responsibility)

Taking into account that the marketing was close to non-existent in the previous years, the recognition among the direct competition is strong and the overall effort of the company aims the right way. They try to be active on the internet and social media, which is a very crucial matter of course for the sector as a whole. However, in my opinion, the utilisation is not structured in the most efficient way.

Social media

The current social media platforms which the franchise operates in as a part of the promotion are Facebook and Instagram. My recommendation would be to consider adding another platform, specifically TikTok, which has become such a promotion tool these days, the businesses can't be overlooking it. Companies around the globe are investing their resources for marketing into the platforms, as it is becoming one of the largest players not only as a social media platform, but also as a marketing platform. TikTok user base in Czech republic consists of people between 13-24 years of age, which is a significantly lower number than the Instagram's or Facebook's. As we know from the external environment analysis, young generation tends to emphasise the environmental crisis and global nature issues, which plays into the hands of companies, such as Forky's.

4.4.1 Proposal n.2

Table 5: Range of Proposal n.2 within the current marketing mix of the company

	Product	Price	Place	Promotion
Proposal n.2				X

With this being said, having more social media platforms to place content and personalised advertisement on is definitely a better option for attracting new customers than having less. The content posted on the platforms is the exact same at the moment, which in this case really does make sense, since they are both part of the META universe and majority of the users are connected to either one or both of them. There is however a space for at least a slight differentiation of the content posted on these platforms, since every customer is different. The current company's spending on the social media platforms and website (PPC) promotion combined is around 10000 CZK/month, mainly used on Instagram posts. I think that reconsidering the amount and

relocating the resources would be a smart option, since the Instagram suits really well for the visualisation of the products and meals, but for a 30000 people reach it is a bit too much. My advice would be to try to reconsider the key words and target groups better and try to maintain more or less the same reach (25000-30000), with a lower budget. The other part of a budget + additional amount of 10000 CZK would then go into the newly created TikTok platform account, where the money could have a significantly higher impact combined with the Instagram. Overall I think it might be sufficient to increase the budget to at least 30000 CZK combined, with the construction being 10000 CZK invested in PPC campaign and website promotion, same amount on the TikTok campaign and the last third of the budget would cover the advertisement on META platforms (Facebook, Instagram).

Sales promotion and seasonal deals

In this part, I would like to express my opinion on the possibility of seasonal deals and possible designs of sales promotion activities. This could help to preserve the customer base and attract new customers.

4.4.2 Proposal n.3

Table 6: Range of Proposal n.3 within the current marketing mix of the company

	Product	Price	Place	Promotion
Proposal n.3	X	X		X

Seasonal offer + accessories

My other recommendation would be to take chances on the seasonal change and in connection with this the seasonal offerings. The restaurant, even the whole franchise could introduce a signature seasonal offer for each season of the year, which could take form of a signature meal that goes along with some type of beverage and optional accessories – clothing pieces (T-shirts, sweatshirts, caps), cups, wooden cutlery. The offer has to be thought through properly, as the meals themselves have to fall into the category of highly demanded and steadily sold. In my opinion, the best option to approach these seasonal deals would be to create a menu for each of the four quarters (seasons) of the year – Spring, Summer, Autumn and Winter which would be in a form

of a signature Forky’s dish, a beverage an optional accessory (free or paid, depends on the kind of accessory). For example, in Christmas time there is an opportunity to exploit the tradition and introduce a seasonal offer consisting of: **Forky’s Nofish dish, Jasmine Kombucha beverage and a keychain with franchise’s logo and Santa’s headcap on it.** This would not only target all the potential customers and segments (Czech people as well as foreigners, Vegans and Vegetarians, adults and children,...), but it would also help to build the physical evidence and to promote the sales. The price of this seasonal offer would depend on the scale, but the important thing is that it should create value for the customer as well as for the franchise. This particular design pricing is currently: **169+69+20 = 258 CZK** from which could the executives build up on and edit adequately.

In this manner I would also recommend creating a set of keychains with the franchise’s logo, as another physical evidence and option to go along with the menu. The producing price of the keychains is dependent on the amount of pieces which would the company ensure. Usually, if the order is above 200 pcs, the price would be around 15-25 CZK per piece.

4.4.3 Proposal n.4

Table 7: Range of Proposal n.4 within the current marketing mix of the company

	Product	Price	Place	Promotion
Proposal n.4		X		X

Happy hours

The company could also introduce some kind of „happy hours“ in their individual dispensaries. I can not really tell the best option of realisation in the means of the price because that depends really on the top management. Generally speaking, e.g. ten percent of the original price could be deducted in form of a discount on a given menu for the day, giving the restaurant an opportunity to sell the leftover lunch meals and at the same time giving the customers a opportunity to obtain the desired meal at a lower price. It can be in a form of a menu package (meal+beverage) designed to be eaten in the restaurant, takeaway or both.

The daytime and range of the sale would of course depend on each branch itself, since they are situated in a different place and have different workload range. For the restaurant on Jakubské náměstí 1, the most amount of customers are coming for a lunch or a dinner, that means between the usual time for these activities. The restaurant registers the least amount of customers between the times from 15:00-17:00, which would be ideal to introduce the happy hours.

4.4.5 Other recommendations

Here I listed my other recommendations, which the company could try to broaden the promotion actions and activities. These are more of some kind of „bonuses“, but they would not function as only promotion activities alone, it could be taken as a next step in development of the company’s activities.

Event hosting/participation

The company should, without a doubt, exploit every chance they get to promote their product or at least display it so the public and potential customers can see it. With this being said, the franchise should focus on being present on most environmental seminars, lectures and fairs of any kind somehow associated with their psychology and try to present themselves in the best light. The company could try their luck on events such as Veggie Planet or VeganFest, which are taking place yearly in Brno and Prague. Free food or beverage tastings every once in a while would be an excellent addition to their marketing and their image as a higher-class brand. My recommendation would be to try to create a participation in a few events throughout the year, starting at once every 3 months, with the investments on tastings being 7500 CZK, a total of 30000 CZK a year.

Cooking classes, Podcasts

There is always a possibility to adapt and improve. In these modern days a lot of people tend to learn new things via the internet and educational videos. There may be an opportunity in exploiting this trend by creating some kind of cooking classes online, since the videos of the meals being prepared by the franchise’s recipe are already made (some of them – company’s webiste and Youtube). There is an option of using these

videos and adding a voice message over it to create the content at first, over time it could be made by some of the franchise's chefs as a real „cooking class“.

Another recommendation is to participate on or create own podcast where the franchise representative could be speaking about topics which are taken as pillars to their psychology – ecology, sustainability, carbon footprint, global warming, endangered animals and disappearing wildlife. This type of self presentation, with the possibility to invite experts from the field could create an amazing platform to promote the brand and increase the market recognition. The podcast creation on any platform should be free of charge, however the producing of the content could be quite pricey, in terms of human resources (guest + host need to be paid). In this manner I would not recommend going over 2000 CZK per 10 minute podcast episode. Other costs of production would rise for a proper microphone and headphones (taking into account, that the franchise possesses a functional notebook/laptop). These things are available online in a proper quality for approx. 4000 CZK combined.

4.5 Summary and costing of proposals

In this very last chapter I would like to recap and calculate all of the proposed recommendations which I submitted. Proposals themselves should fulfill the main objective (goal) of the thesis, namely the increase in the number of customers and the effectiveness of promotion activities. It depends solely on the company's executive, whether he applies or implements any of the proposals.

In my opinion, the franchise has a lot of untapped potential in the field of promotion activities and does not take advantage of everything they can. The optimisation and utilisation of social media and online advertising should be a priority on which they can build other marketing campaigns. Slowly pushing into the B2B sector will require a very careful approach, but it could also be very rewarding, taking into account that the company already has its own production line. Overtrading is something that the executives have to think about when expanding, but establishing relationships in terms of cooperation with this sector is a step forward nevertheless. Introducing other promotion activities like the mentioned seasonal offers and lucky hours could help to strengthen their position within the existing customer base and also to attract other potential customers.

Now I would like to point out the summary of costs of the above mentioned proposals and other recommendations, hand in hand with the benefits it can bring for the franchise itself.

Table 8: Summary of costs and benefits of the submitted proposals

(Source: Own work)

	Estimated costs	Benefits
Proposal n.1	Unknown - dependent on the type of cooperation	Sales amount Position strengthening Brand presentation Physical evidence Diversification
Proposal n.2	From the current 10000 to 30000 CZK (20000 CZK additional costs/month)	Promotion campaign options Brand recognition Acquiring new customers Brand awareness
Proposal n.3	Proposed design per menu => 258 CZK 200 Keychains in a price of 25 per piece => 5000 CZK (one-time cost)	Sales promotion Promotion campaign options Physical evidence
Proposal n.4	The price of a menu – 10%	Sales promotion Leftovers allocation
Event hosting/Participation	7500 CZK every 3 months => 2500 CZK/month	Brand legacy and reputation Public relations improvement Targeting interest groups
Cooking classes/Podcasts	Unknown – dependent on the guest + Microphone and headset => 4000 CZK (one-time cost)	Added value Cooperation possibilities Self-presentation

Overall the monthly costs coming from the proposals, which can be clearly identified, would add up to **22500 CZK** (social media and event hosting). The other proposals are dependent on many other variables, mainly on the executives choice. These proposals are not meant to be realised all at once and the timing of implementing them is very crucial. In my opinion, the social media and website promotion activities should be a number one priority for the franchise.

CONCLUSION

Bachelor's thesis with the name Marketing Mix of the Selected Company was focused on a proposal for improvement of the current marketing mix with the help of conducted analyses.

In the theoretical part I described the basic terms of marketing, market environment and the marketing mix. Obtained knowledge from the professional literature formed a base on which I performed an analysis of the company's current marketing mix. The current state was assessed by research interviews with two people of the company operation – the owner and vision holder and the assistant manager for the logistics and marketing activities, as well as desk research and mystery shopping. This is where the basic information about its operation was introduced. Subsequently I performed analyses of the company's market environment (macro, micro), market attractiveness and competition rivarly and with the resulting information formed points in the SWOT framework. Identified factors from the analyses formed a basis on which I purposed the proposals in the fourth final part.

Proposals were partly focused on utilisation of promotion activities, which I believe can deliver higher profits and number of customers. I strongly hope and believe that all the submitted proposals will help the company both in acquiring new customers and in consolidating its position on the market.

REFERENCES

ADOLPHUS, K., & LAWTON, C. L. 2018. *Understanding and managing food intolerance*. Nursing Times, 114(6), 28-32.

American Marketing Association. *Definitions of Marketing*. [online]. ©2022 [cit. 2022-12-21]. Available at: [What is Marketing? — The Definition of Marketing — AMA](#)

BLAŽKOVÁ, M. 2007. *Marketingové řízení a plánování pro malé a střední firmy*. Praha: Grada Publishing. ISBN 978-80-247-1535-3.

Businessinfo.cz. *Povinnost podnikatelů při nakládání s odpady*. [online]. ©1997-2023 [cit. 2023-01-14]. Available at: <https://www.businessinfo.cz/navody>

CRAIG, W. J. 2009. *Health effects of vegan diets*. The American Journal of Clinical Nutrition, 89(5), 1627S-1633S.

DAUGHERTY, K. A. 2009. *Everything You Need to Know about Mystery Shopping*. Xlibris, ISBN 978-14-415-3438-5

DESCHNER, M. *Competition analysis* [oral communication]. Forky's. Jakubské nám. 1, 602 00 Brno-střed. 11.12.2022.

DESCHNER, M. *Suppliers and communication mix of the business* [oral communication]. Forky's. Jakubské nám. 1, 602 00 Brno-střed. 11.12.2022.

Financnisprava.cz. *Zrušení elektronické evidence tržeb*. [online]. [cit. 2023-01-18]. Available at: <https://www.financnisprava.cz/>

FORET, M. 2008. *Marketing pro začátečníky*. Brno: ComputerPress. ISBN 978-80-251-1942-6.

Forky's. *Stálá nabídka Brno–Forky's*. [online]. [cit. 2022-12-21]. Available at: <https://www.forkys.eu/stala-nabidka-2/stala-nabidka-brno/>.

Forky's.eu. [online]. [cit. 2022-12-21]. Available at: <https://www.forkys.eu/>

Forky's.store. *Respectforlife*. [online]. ©2022 [cit. 2022-12-21]. Available at: <https://www.forkys.store/>

Greatideasforteachingmarketing.com. *The three product level model* [online]. ©2023 [cit. 2023-01-05]. Available at: <https://www.greatideasforteachingmarketing.com/using-the-three-product-level-model/>

HANNAGAN, Tim J. 1996. *Marketing pro neziskový sektor*. Praha: Management Press. ISBN 80–85943-07-7.

Happycow.net. *Searchmap - Vegan* [online]. ©1999-2022 [cit. 2022-12-21]. Available at: <https://www.happycow.net/searchmap>

HORNER, S. and SWARBROOK, J. 1996. *Cestovní ruch, ubytování a stravování, využití volného času: Aplikovaný marketing služeb*. Praha: Grada Publishing. ISBN 80-247-0202-9.

Justice.cz. *Aktuality*. [online]. ©2017 [cit. 2022-12-21]. Available at: <https://justice.cz/>

KOTLER, P, et al. 2007. *Moderní marketing: 4. evropské vydání*. Praha: GradaPublishing. ISBN 978-80-247-1545-2.

KOTLER, P. and G. ARMSTRONG 2011. *Principles of marketing*. Harlow: PearsonEducation. ISBN 978-01-329-9726-3.

KOTLER, P., KARTAJAYA, H. & SETIAWAN, I. 2018. *Marketing 4.0: Moving from traditional to digital*. Hoboken, NJ: John Wiley & Sons. ISBN 978-1-119-42870-3.

MALLYA, T. 2007. *Základy strategického řízení a rozhodování*. Prague: Grada Publishing. ISBN 978-80-247-1911-5.

Marketing-insider.eu *Market segmentation criteria* [online]. ©2023 [cit. 2023-01-05]. Available at: <https://marketing-insider.eu/market-segmentation-criteria/>

MCDONALD M. & DUNBAR I. 2012. *Market Segmentation: How to Do It and How to Profit from It, Revised 4th Edition*. Wiley. ISBN 978-1-118-43267-9

MELINA, V., CRAIG, W. J., & LEVIN, S. 2016. *Position of the Academy of Nutrition and Dietetics: Vegetarian diets*. Journal of the Academy of Nutrition and Dietetics, 116(12), 1970-1980.

Organisation for Economic Co-operation and Development. *Czech Republic - Economic forecast summary*. [online]. [cit. 2022-12-29]. Available at: <https://www.oecd.org/economy/>

PORTER, Michael E. 1994. *Konkurenční strategie: metody pro analýzu odvětví a konkurentů*. 1. vyd. Praha: Victoria Publishing, ISBN 80-856-0511-2.

SARSBY, A. 2016. *SWOT Analysis*. Great Britain: Spectaris Limited. ISBN 0993250424.

URBÁNEK, T. 2010. *Marketing*. Praha: Alfa. ISBN 978-80-87197-17-2.

VAŠTÍKOVÁ, M. 2014. *Marketing služeb – efektivně a moderně, 2., aktualizované a rozšířené vydání*. Praha: Grada Publishing. ISBN 80-247-5037-6.

Vlada.cz. *Rada pro zdraví a životní prostředí*. [online]. ©2009-2023 [cit. 2022-12-21]. Available at: <https://www.vlada.cz/cz/pracovni-a-poradni-organy-vlady/>

VIDLIČKA, L. *Introduction to the company, organisational structure and current macroeconomic situation* [oral communication]. Forky's. Jakubské nám. 1, 602 00 Brno-střed. 11.12. 2022.

VYSEKALOVÁ, Jitka Al, E. 2006. *Marketing: pro střední školy a vyšší odborné školy*. Praha: Fortuna. ISBN 80-7168-979-3.

LIST OF USED PICTURES

Picture 1: Forky's Cheez Burger	45
Picture 3: Example 1 of the PLA packaging.....	48
Picture 4: Example 2 of the PLA packaging.....	48
Picture 5: Example of packaging on a semi-finished product	49
Picture 6: Packaging of a sauce placed on the franchise's eshop.....	49
Picture 7: Logo of the franchise.....	49
Picture 8: Forky's Food Box - Foodtruck	52
Picture 9: The inside of the 1st floor of the Forky's restaurant on Jakubské náměstí.....	54
Picture 10: Eshop visualisation.....	54
Picture 11: Title page of the company's website.....	56
Picture 12: Facebook profile wall	57
Picture 13: Instagram profile wall	58
Picture 14: Direct competition visualisation.....	62
Picture 15: Indirect competition visualisation	63

LIST OF USED FIGURES

Figure 1: Marketing mix deconstruction (4P).....	19
Figure 2: The three product levels	20
Figure 3: Visualisation of a product's life cycle	22
Figure 4: Cost-based pricing procedure.....	24
Figure 5: The promotion tools mix	26
Figure 6: Market segmentation - the four basic segments	32
Figure 7: Porter's 5 forces model.....	35
Figure 8: Organisational structure of the company	43
Figure 9: Customer segments visualisation	60

LIST OF USED TABLES

Table 1: Meals and menu prices served in the restaurant	50
Table 2: Products sold on the franchise's eshop	51
Table 3: The summary of the results - SWOT	72
Table 4: Range of Proposal n.1 within the current marketing mix of the company	75
Table 5: Range of Proposal n.2 within the current marketing mix of the company	77
Table 6: Range of Proposal n.3 within the current marketing mix of the company	78
Table 7: Range of Proposal n.4 within the current marketing mix of the company	79
Table 8: Summary of costs and benefits of the submitted proposals.....	82

LIST OF ATTACHMENTS

Attachment 1 Restaurant's menu - 1st half	91
Attachment 2: Restaurant's menu – 2nd half.....	92

ATTACHMENTS

SUPERBOWLS

GADO-GADO ④ ⑤ ⑥ 199 Kč
Bohatý indonéský zeleninový salát s grenaille přelitý pikantní arašidovou omáčkou
/ A rich Indonesian vegetable salad with grenaille topped with a spicy peanut sauce

TOM KHA „GAI“ ④ ⑥ 199 Kč
Thajská velká zahřívací polévka s Forky's chunky (alternativa kuřecích kousků). Pikantní verze ④ : chilli papričky
/ Thai large warming soup with Forky's chunks (alternative to chicken chunks). Spicy version ④ : chilli peppers

BALANCED POWER PLATE ① ⑩ 199 Kč
Proteinové quinoa kousky, hummus, za'atar, ajvar, sušená rajčata, nakládaná okurka, řecké olivy, opečený kváskový chléb, mesclun, bylinky
/ Protein quinoa pieces, hummus, za'atar, ajvar, sun-dried tomatoes, pickled cucumber, Greek olives, toasted sourdough bread, mesclun, herbs

SUSHI BOWL ④ ⑤ ⑥ 199 Kč
Sushi rýže, marinované tofu, okurka, takuwanro, edamame, mořská řasa wakame, nakládaný zázvor, sezam, cibulka
/ Sushi rice, sesame oil & shoyu marinated tofu, wakame, edamame, takuwanro, cucumber, pickled ginger, sesame seeds, spring onion
+ wasabi 10 Kč

BURGERS

Bohaté na kompletní bílkoviny z luštěnin a obilovin, syté, plné chuti a absolutně bez cholesterolu. Vyberte si výhodné menu s pečenými grenaille (půlené baby brambory ve slupce) a dípem nebo salátkem.
/ Our burgers are rich in proteins from wheat and legumes, full of flavours and free of cholesterol. You can order a single burger or menu with baked grenaille (halved baby potatoes in the skin) with dip or salad.

FORKY'S BURGER ① ⑥ ⑩ 159 Kč / menu 214 Kč
S rajčaty, červenou cibulí, kyselou okurkou, salátem a BBQ omáčkou
/ With tomatoes, red onion, pickles, salad & BBQ sauce

CHEEZ BURGER ① ⑥ ⑩ 169 Kč / menu 224 Kč
Forky's burger s plátkem rostlinného „cheddar“
/ Forky's burger with a slice of plant-based „cheddar“

CHICK'N BURGER ① ⑥ 179 Kč / menu 234 Kč
Smažený řízek s „kuřecí“ příchutí, krupavým salátem, okurkou, červenou cibulkou a fresh mayo
/ Chick'n schnitzel with crispy salad, cucumber, red onion, and fresh mayo

SPICY BURGER ① ⑥ ⑩ 169 Kč / menu 224 Kč
S rajčaty, červenou cibulí, jalapeño papričkami, salátem a spicy omáčkou
/ With tomatoes, red onion, jalapeño peppers & spicy sauce

NOFISH BURGER ① ⑥ 179 Kč / menu 234 Kč
Rostlinná alternativní rybiho filetu s citronové koprovou remuládou, baby špenátem a okurkou
/ „Fish“ fillet with lemon dill remoulade, baby spinach and cucumber

QUEEN BURGER ① ⑥ ⑩ 249 Kč / menu 299 Kč
Grilovaný slavný vysoký 220g karbanátek se salátem, bio kečupem, okurkou, cibulkou, hořčicí a Forky's uzenou slaninou
/ Grilled juicy 220g patt' with salad, organic ketchup, cucumber, mustard, onion and Forky's plant bacon

BEZLEPKOVÁ VERZE / GLUTEN FREE VERSION + 35 Kč
(Forky's burger, Cheeze burger, Spicy burger) ④ ⑤ ⑥
Z šhítake a quinoj s BL houskou
/ Gluten free version made from shiitake & quinoa, gluten free bun
+ extra: vegan čedar / cheddar 15 Kč
+ extra: jalapeños 15 Kč
+ extra: Forky's slanina / Forky's bacon 45 Kč

STREET FOOD

CHICK'N NUGGETS ① ⑥ 179 Kč
Rostlinná alternativna smažených kuřecích nuggetek, grenaille, díp
/ Fried plant-based nuggets (chicken flavoured), grenaille & dip

MINI KARBANÁTKY ④ ⑤ ⑥ 169 Kč
Z čočky a rýže s bramborovým salátem nebo grenaille a dípem
/ Lentil-rice mini patties with potato salad or grenaille and dip

STRIPS WRAP ① ⑥ ⑩ 159 Kč / menu 214 Kč
Cibulka a jemně česnekovou omáčkou
/ Fried strips in a wrap with tomatoes, salad, red onion and light garlic sauce

KEBAB WRAP ① ⑥ ⑩ 149 Kč / menu 204 Kč
Smažené strips ve wrapu s rajčaty, salátem, okurkou, červenou cibulkou a jemně česnekovou omáčkou
/ Authentically marinated seitan „kebab“, tomato, cucumber, red onion, red cabbage, sage & satsuma sauce

INDIAN CHUNKS WRAP ④ ⑤ ⑥ 149 Kč / menu 204 Kč
Rostlinná alternativna stávných kuřecích kousků v indickém koření s krupavou čerstvou zeleninou a curry mayo
/ plantbased alternative juicy chicken pieces in Indian spices with crunchy fresh vegetables and curry mayo

SHAWARMA WRAP ④ ⑤ ⑥ 149 Kč / menu 204 Kč
Blízkovýchodní kořeněná Forky's shawarma s krupavou čerstvou a nakládanou zeleninou s jemně česnekovou omáčkou. Pikantní verze ④ : s jemenskou s-chug omáčkou a ostrými papričkami / Middle Eastern spicy Forky's shawarma with crispy fresh and pickled vegetables with a mild garlic sauce. Spicy version verze ④ : with Yemeni s-chug sauce and hot peppers

GREEK STYLE WRAP ④ ⑤ ⑥ 149 Kč / menu 204 Kč
Proteinové quinoa kousky, hummus, naložené rajčata, olivy, naložené červené cibulka, krupavá okurka, rostlinná alternativna syru feta
/ Protein quinoa pieces, hummus, pickled tomatoes, olives, pickled red onion, crispy cucumber, vegetable alternative to feta cheese

SPECIALITY

BRAMBOROVÉ KNEDLÍKY S UZENÝM ① ⑥ ⑩ 199 Kč
S červeným sladkokyselým zelím vypeková omáčka se smaženou cibulkou
/ Stuffed potato dumplings with red cabbage, demi glace, fried onion

SMAŽENÝ ŘÍZEK / FRIED SCHNITZEL ① ⑥ 219 Kč
Smažený rostlinná alternativna kuřecího řízku s vídeňským bramborovým salátem nebo grenaille
/ Fried plant based alternative to chicken schnitzel with Viennese potato salad or grenaille

NORDSEE GRILLED FILLET ④ ⑤ ⑥ 219 Kč
Grilovaná rostlinná alternativna rybiho filetu s remuládou a vídeňským bramborovým salátem nebo grenaille
/ Grilled „fish“ fillet with remoulade, Viennese potato salad or grenaille

POVIDLOVÉ KNEDLÍČKY / PLUM JAM DUMPLINGS ① 3 ks 99 Kč
s mákem a cukrem / Plum jam dumplings with poppy seeds and sugar

SHAWARMA ④ ⑤ 199 Kč
Blízkovýchodní kořeněná Forky's šawarma s nakládanou zeleninou a jemně česnekovou omáčkou s pečenými grenaille.
Pikantní verze ④ : s jemenskou s-chug omáčkou a arabskými papričkami.
/ Middle Eastern Forky's shawarma with pickles, light garlic sauce with grenaille. Spicy version ④ : with Yemeni s-chug sauce and Arabic peppers.

THAI GREEN CURRY ④ ⑤ ⑥ 199 Kč
Pak choi, cukrový hrášek, limetkové listy, bambusové výhonky, kokosové mléko, cuketa, brokolice, koriandr, tofu, jasmínové rýže
/ Pak choi, sugar snap peas, lime leaves, bamboo shoots, coconut milk, zucchini, broccoli, coriander, tofu, jasmine rice

DEZERTY / SWEETS

Zákusky, makrony a další sladkosti - dle aktuální denní nabídky
/ Desserts, macarons and other sweets - ask for the daily offer

K PIVU A VÍNU / EAT W. BEER OR WINE

NACHOS ④ 129 Kč
Nachos s guacamole a pikantní omáčkou
/ Nachos with guacamole and spicy sauce

ĎÁBELSKÁ TOPINKA / DEVIL'S TOAST ① ⑥ 129 Kč
Krupavý opečený chléb s pikantní směsí
/ Devil's toast - toasted bread with spicy spread

KING'S CASHEW ④ ⑤ 179 Kč
Rostlinná alternativna camembertu z kešu ořechů s bílou plnění s brusinkami a vláskými ořechy, mesclun, kváskový chléb
/ Plant based alternative to Camembert from cashew nuts with cranberries and walnuts, mesclun, sourdough bread

PŘÍLOHY / SIDES

Pečené grenaille (půlené baby brambory ve slupce) ④ 50 Kč
/ baked grenaille (halved baby potatoes in the skin)
Jasminová rýže / jasmine rice ④ 40 Kč
Malý míchaný salát ④ 60 Kč

/ small salad
Forky's slanina / Forky's bacon 45 Kč
Chick'n nugget 1x 15 Kč
Mini karbanátek / Lentil-rice mini patties 1x ④ 15 Kč
DIP: mayo, BBQ, spicy, curry, česnek, kečup ④ ⑥ 30 Kč
DIPs: mayo, BBQ, spicy, curry, garlic, ketchup ④ ⑥ 30 Kč

Dorý, zákusky, bagety a bagely dle denní nabídky
Sweets, cakes, baguettes and bagels according to daily offer

MENU = grenaille / malý míchaný salát v ceně
MEAL DEAL = grenaille / small mixed salad included
④ = Bez lepku (může obsahovat stopy lepku)
⑤ = Gluten free (may contain traces of gluten)

Kuchyně zavírá 30 minut před koncem otevírací doby.
/ Kitchen closes 30 mins before closing time.

SEZNAM ALERGENŮ / LIST OF ALLERGENS

① - lepek / gluten ② - arašidy / peanuts ③ - sójové boby / soy beans
④ - ořechy / nuts ⑤ - celer / celery ⑥ - hořčice / mustard
⑩ - sezam / sesame

Attachment 1 Restaurant's menu - 1st half

NÁPOJE / DRINKS

Nealkoholické
/ Non-alcoholic

nápoje jsou 100% rostlinného původu / 100% plant based

DOMÁCÍ LIMO S KOUSKY OVOCE / HOMEMADE LIMO WITH FRUIT PIECES

Mango / Mango	89 Kč
Jahodová s chilli / Strawberry with chilli	89 Kč

DOMÁCÍ LIMO / HOME-MADE LEMONADE

Levandulová / Lavender limo	79 Kč
Borůvková / Blueberry Limo	79 Kč
Mátová / Mint limo	79 Kč

KOMBUCHA

Kombucha Jasmínová / Jasmine 330 ml	69 Kč
Kombucha Citronová tráva / Lemongrass 330 ml	69 Kč

KÁVA, ČAJ A TEPLÉ NÁPOJE / COFFEE, TEA, HOT DRINKS

Espresso	42 Kč
Espresso Lungo	42 Kč
Espresso Doppio	62 Kč

+ rostlinná alternativa mléka Sproud 
/ plant based milk alternative Sproud

Cappuccino	59 Kč
Café Latte	69 Kč
Flat White	75 Kč
Ledové (iced) Latte Macchiato	69 Kč
Ledové (iced) Americano	69 Kč
Espresso Tonic	62 Kč

Sypaný čaj dle denní nabídky / Loose tea	56 Kč
Čaj z čerstvé máty / Tea from fresh mint	56 Kč
Čaj z čerstvého zázvoru / Tea from fresh ginger	56 Kč

NA OSVĚŽENÍ / FOR REFRESHMENT

Filtrovaná voda / Filtered water	13 Kč
Karafa s filtr. vodou, mátou a citronem / Carafe of filt. water with mint & lemon	60 Kč
Forky's LIMO	32 Kč
Bezinka, Royal Crown, Vinea a Rauch Pomeranč / Elderberry, Royal Crown, Rauch Orange	
Ovocný fresh / Fruit fresh	69 Kč
Pomeranč - Grep / Orange - Grapefruit	
Virgin Mojito	99 Kč
Virgin Colada	99 Kč
Matcha ananas	99 Kč
Mladý ječmen s pomerančových juice / Barley with orange juice	89 Kč

Kč = CZK

NÁPOJE / DRINKS

Alkoholické
/ Alcoholic

nápoje jsou 100% rostlinného původu / 100% plant based

PIVO / BEER

Frankies 11* 0,2 / 0,4l ležák / lager	32 / 49 Kč
Bernard Free Nealko 0,5l lahvové / Non-alcoholic Beer 0,5l bottle	39 Kč

(Obsah alkoholu max.: 0,5 % obj. / Alcohol content max.: 0,5% vol.)

VÍNO / WINE

Vino Rauš 0,1dl / láhev	42 / 279 Kč
- Rulandské bílé - Chardonnay - Rulandské modré / - Pinot Blanc - Chardonnay - Pinot Noir	

KOKTEJLY / COCKTAILS

Aperol Spritz	109 Kč
Bezinkový Spritz / Elderberry Spritz	99 Kč
Mimosa	89 Kč
Gin-Tonic	109 Kč
Růžový Gin-Tonic s plátký růží / Pink Gin-Tonic with rose petals	119 Kč
Mojito	109 Kč
Cuba Libre	109 Kč
Piña Colada	119 Kč

APERITIVY

Martini (Extra dry, Bianco)	69 Kč
Crodino (nealko)	59 Kč

DESTILÁTY / DESTILATES

Grappa	109 Kč
Bombay Sapphire	89 Kč
Grey Goose	99 Kč

RUM

Pyrat	139 Kč
Legendario	89 Kč
Bacardi	79 Kč

WHISKY

Jack Daniels	99 Kč
Jameson Black Barrel	129 Kč
Tullamore	89 Kč

Kč = CZK