#### **CZECH UNIVERSITY OF LIFE SCIENCES PRAGUE**

**Faculty of Economics and Management** 

**Department of Management** 



# **DIPLOMA THESIS**

# Marketing promotions of organic food products in the Czech Republic

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Academic year 2010/2011

# **DIPLOMA THESIS ASSIGNMENT**

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specialization of the study: Economics and Management

In accordance with the Study and Examination Regulations of the Czech University of Life Sciences Prague, Article 17, the Head of the Department assigns the following diploma thesis to

Thesis title:

Marketing promotions of organic food products in the Czech Republic

# The structure of the diploma thesis:

- 1. Introduction
- 2. Objectives of thesis and methodology
- 3. Literature overview
- 4. Case study of a marketing promotion
- 5. Analysis of results and recommendations
- 6. Conclusions
- 7. Bibliography
- 8. Supplements

The proposed extent of the thesis: 50 - 60 pages

Bibliography:

Futrel, Charles, fundamentals of selling, 3rd edition, Boston. ISBN: 0-256-07957-9

Stanton, WJ and Etzel MJ and Walker BJ, fundamentals of Marketing, 9th edition, ISBN: 0-07-060952-7

Kotler, Philip, Marketing and Management, 7th edition, Victoria publishing, ISBN: 80-85605-08-2

Kotler, Philip and Armstrong, Gary, marketing, 1st edition, Praha:Grada Publishing as. 855pp. ISBN:80-247-0513-3

The Diploma Thesis Supervisor: Richard Selby, Ph.D.

Deadline of the diploma thesis submission: April 2011

In Prague: 28th February 2011

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Declaration	
I declare that I have worked on my promotions of organic food products in the Cze used only the sources mentioned at the end of	ech Republic" by myself and I have
Prague, the 8 <sup>th</sup> April 2011	Bc. Petra Formanová

# Acknowledgment I would like to thank Ing. Richard Selby for being my supervisor and helping me with the thesis by giving me useful and valuable advices. I would also like to thank Mr. Jan Zeman, the owner and director of Zemanka Bio-bakery, for his time and the helpful information he has supplied me with.

# Marketing a propagace biopotravin v České republice

Marketing promotions of organic food products in the Czech Republic

#### Souhrn

Tato diplomová práce s názvem "Marketingová propagace biopotravin v České republice" se zabývá aktuálním tématem reklamy biopotravin s využitím nástrojů marketingu. Cílem této práce je analyzovat jak reklama a propagace ovlivňuje postoj zákazníka k nákupu biopotravin v České Republice. Cílem práce jsou zároveň užitečná doporučení pro Bio-pekárnu Zemanka, která se týkají zlepšení propagace jejich bio produktů.

Pojmy z oblasti marketingové propagace a bio výrobků, jako jsou například ekologické zemědělství, biopotraviny, marketingový mix a marketingový výzkum, jsou popsány v teoretické části. Praktická část této diplomové práce se skládá z konkrétního příkladu propagace biopotravin a marketingového výzkumu, provedeného na základě strukturovaného dotazníku.

Závěr obsahuje zhodnocení dat získaných výzkumem, které jsou dále použity jako základ k doporučení pro Bio-pekárnu Zemanka. Zjištěná data Bio-pekárna použije pro zlepšení marketingové propagace svých výrobků.

#### Klíčová slova:

Ekologické zemědělství, bio-potraviny, propagace, reklama, marketingový mix, marketingový výzkum

#### Summary

This diploma thesis carrying the name "Marketing promotions of organic food products in the Czech Republic" deals with the current topic of organic food promotions using marketing tools. The objective of this thesis is to analyze how advertisement and promotion influences customer's attitude towards buying organic food products in the Czech Republic. A part of the objective are also useful recommendations for Zemanka Bio-bakery regarding improvement of their organic food promotions.

The terms connected with both marketing promotions and organic products, which are for instance organic farming, organic food products, marketing mix and marketing research, are described in the theoretical part. The practical part of this diploma thesis consists of a particular example of an organic food promotion and marketing research conducted on the basis of a structured questionnaire.

The conclusion includes evaluation of the data obtained by the research, which are further used as a base for the recommendations given to Zemanka Biobakery. The Bio-bakery will use the gained data for the improvement of marketing promotions of their products.

#### **Key words:**

Organic farming, organic food products, promotion, advertisement, marketing mix, marketing research

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#### 1. Introduction

We live in a modern world and face new challenges every day. To keep up with the fast lifestyle we need to supply ourselves with quality food which contains all necessary nutrients. That is one of the reasons why people buy and eat organic food products. Organic products tend to be healthier and tastier than conventional food products and also contain a high number of nutrients.

Since the term "organic" has slowly but surely become very popular among people all around the world, it can be said that this diploma thesis, which deals with the theme of organic food and its marketing promotion, actually refers to a very up to date topic. What is more, organic products have a bright future.

Marketing plays a very significant role in terms of economic and social development. Such development has been recently facing continuous changes among the consumers and their attitudes towards organic products. Nowadays, special attention is paid mainly to consumers in order to satisfy their wants and needs. Since the consumers are becoming more sensitive regarding their requirements, it is not an easy mission to fulfill. However, with the help of the right marketing promotions even the most demanding consumers can become satisfied. And satisfaction among consumers means success on the market.

Promotion is one of the marketing tools used to present a product in a certain way. More than one firm's success (if not of all) is dependent on marketing promotions, therefore it is essential to choose the most suitable form of promotion for the given firm. By the promotion the company also gains its image. That is why choosing the right promotional method is so important. However, even the best marketing promotions may need some improvement and that is exactly what this diploma thesis is about.

The thesis focuses on three main topics. Firstly the firm Zemanka Biobakery and its products are introduced. As many other organic companies also Zemanka Bio-bakery uses the tools of marketing promotion. A closer look is then taken at what types of promotions the company uses and whether they have been successful or not. This part serves as a particular example of a marketing promotion of organic food products.

Secondly a survey was conducted in order to analyze consumers' attitude towards the advertisement and promotion of organic food products in the Czech Republic. Since the data were gathered not only in the Czech Republic but also in Germany, this part of the thesis contains a comparison of the results and depicts the differences among Czech and German consumers.

The last and probably the most important part of the thesis is based on the outcomes of the research and refers to the analysis of results and recommendations. Also a discussion concerning each of the hypotheses is included in the last sections of the thesis. Hopefully the recommendations will lead to an improvement and innovation of Zemanka Bio-bakery's current marketing promotions and make the company well known and popular among the Czech consumers.

#### 2. Objectives of thesis and methodology

#### 2.1. Objectives of the thesis

This diploma thesis deals with several objectives – one main objective and three partial objectives. The *main objective* is to analyze the overall trend of marketing promotions of organic food products in the Czech Republic and give Zemanka Bio-bakery recommendations in terms of promoting and advertising their products.

- The *first of the partial objectives* is to analyze a specific marketing promotion of Zemanka Bio-bakery.
- The second partial objective is to analyze the situation of marketing promotions of organic food products in the Czech Republic and investigate whether consumers are influenced by them when buying organic products.
- The third and last partial objective is to compare the marketing promotions
  of organic food products in the Czech Republic and Germany.

### 2.2. Methodology of the thesis

The diploma thesis is divided into two parts. The first part is represented by *literature overview* where theoretical knowledge and basic definitions regarding organic farming, organic food products, marketing and promotion are explained and analyzed. These external secondary data were obtained from the analysis of professional literature, magazines and internet sources which are listed in an alphabetical order in the chapter 7 (Bibliography). Also some internal secondary data were obtained directly from the Zemanka Bio-bakery.

The second part of the thesis is called *practical part* and deals with my own work and research. The beginning of the practical part is addressed to an example of an organic bakery's sales promotion. The rest of the practical part focuses on a marketing promotion research. After formulating the problem of the

research several hypotheses were set and later in the chapter 5 (Analysis of the results and recommendation) confirmed or denied.

The research itself was done in a quantitative manner. It includes primary data and was conducted on the basis of an observation and a survey that utilized a self-administered questionnaire. The observation was done during the sales promotion of Zemanka Bio-bakery and served as an additional source of data. The main research method however was questioning conducted by structured questionnaires. The questionnaires were carried out electronically among a random sample from February 25<sup>th</sup> to March 25<sup>th</sup> 2011. Close-ended, open-ended as well as filter questions were a part of the questionnaire. Altogether 212 usable questionnaires were collected both in the Czech Republic and Germany, which is, however, an unrepresentative sample.

The processing of the questionnaires and analysis of the results was done with the help of MS Office Excel and its statistical-mathematical functions. This was followed by giving recommendations in terms of promotion activities. In the chapter 6 (Conclusion) the results are summarized and the achievement of set goals evaluated.

#### 3. Literature overview

#### 3.1. Organic farming

Many people consider "organic" as the old-fashioned way of farming. However, most of the world's deserts are the product of old-fashioned farming methods. Organic farming is far gentler to the environment compared to the methods of farming used in the past; what is more, organic farming is based on the key assumption of sustainability.

Organic farming refers to ecologically-based production systems used to produce food. It can be defined by the proactive, ecological management strategies that maintain and enhance soil fertility, prevent soil erosion, promote and enhance biological diversity, and minimize risk to human and animal health and natural resources.1

Very simply said, organic farming is the process how to produce food (especially fruits, vegetables, grains, dairy products and meat) naturally. It means that this type of farming does not use any chemical fertilizers, synthetic pesticides, spray insecticides, herbicides or genetically modified organisms (GMO) to promote the growth of crops.

The growth of and interest in organic agriculture has emerged due to various problems encountered (health problems owing to pesticides, hormones, environmental problems brought on by pesticides, decreasing biodiversity, threatened food security) which researchers hope to solve.<sup>2</sup>

"Organic agriculture is one among the broad spectrum of methodologies which are supportive of the environment." Organic farmers are keen on protecting the earth's resources and therefore their practices are designed to encourage soil and water conservation and reduce pollution. Organic farming assumes that the soil is a living entity and that success must come from nurturing and encouraging its life. As a result of the effort referring to the minimal impact on environment, they produce safe and healthy food.

<sup>&</sup>lt;sup>1</sup> TREADWELL, Danielle, et al. What is Organic Farming? [online]
<sup>2</sup> BAOURAKIS, George. *Marketing Trends for Organic Food in th 21st Century*. p.67

<sup>&</sup>lt;sup>3</sup> Codex Alimentarius Commission. Organically Produced Foods. p.2

#### 3.1.1. Organic vs. conventional farming

If we compare organic and conventional farming, we see that there are fundamental differences. Each farmer uses diverse farming techniques - for example instead of using chemical weed-killers, the organic farmer would rather conduct sophisticated crop rotations and spread mulch or animal manure to keep the weeds away.

Both farming styles are very specific and use various farming techniques. Here is the list of some of their basic differences:

#### Organic farming

- not using chemical fertilizers, instead applying natural fertilizers, such as manure or compost
- using beneficial insects and birds, mating disruption or traps to reduce pests and disease
- not using GMO
- preventing from soil loss and erosion
- crop rotation, till, hand weed or mulch to manage weeds
- supporting a range of crops, not only a single species
- giving animals organic feed, a balanced diet, clean housing and allowing them access to the outdoors (helps minimize diseases)

#### Conventional farming

- applying chemical fertilizers to improve the growth of the plants
- using synthetic pesticides and spray insecticides to reduce pests and diseases
- using chemical herbicides to manage weeds
- giving animals antibiotics, growth hormones and medications to prevent disease and support growth<sup>5</sup>

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<sup>4</sup> http://www.living-organic.net/organic-farming.html

<sup>&</sup>lt;sup>5</sup> BRÄNDLI, Christian. *Preisgestaltung von Bioprodukten im Lebensmittelhandel*, p.5

According to Lehmann (2000) the main advantages of organic farming are:

- <u>Protection of the environment</u> not using the chemicals during the cultivation techniques
- <u>Economic advantages</u> the organic products are sold at a higher price than the price of conventional ones
- <u>Protection of producers' and consumers' health</u> since organic products
  are products with no pesticide residues, all their nutritional substances are
  preserved and therefore have a high nutritional value

Conventional farming does not ignore the basics of organic farming. Soil structure and dynamics, fertility, drainage, and crop rotation are all considered. But when it comes to an economically viable short cut that can free the farmer from the need to work in harmony with the laws of nature, the conventional farmer will probably take it. What is more, conventional farmers look at organically produced foods as a more or less attractive niche.

Organic farming is, as mentioned before, an environmentally friendly form of agriculture, which has been spreading rapidly in recent years. "The interest in organic farming has developed due to several problems conventional farming faces, such as increased production cost, limited support of agricultural products, chemical residues and environmental degradation." It seems, that over the years organic farming has turned into a promising and profitable alternative agricultural practice no matter what the conventional farmers think.

In most cases organic farming is more expensive than conventional farming. It is not due to the farming cost (it influences only about 1/3 of the product's cost) but mainly because of the other elements of the organic food system, especially the high cost of the main organic raw material. However, it is also necessary to consider other costs associated with marketing and processing of organic products. The level of production and the need to maintain organic products not contaminated by non-organic components increases the costs of the organic processing industry.

"The difference between conventional farming and organic farming is like

<sup>&</sup>lt;sup>6</sup> BAOURAKIS, George. Marketing Trends for Organic Food in th 21st Century p.68

the difference between war and peace. Conventional farmers wage war on nature, winning from her what they can, using their armoury of chemicals to keep her at bay while they take as much as they can get. Organic farmers attempt to apply a creative process of conflict resolution whereby nature volunteers her bounty in return for a balancing contribution towards her well-being."7

#### 3.2. Organic products

The term **organic** (can be also substituted by the terms ecological, biological or biodynamic) is a labelling term that denotes products that have been produced in accordance with organic production standards and certified by a duly constituted certification body or authority<sup>8</sup>. It also means that the product has been produced without using any toxins and is made out of eco-friendly materials.

The first appearance of organic products was recorded in the 1920's in northern Europe involving a variety of alternative agriculture methods, but it was not until the 80's that the organic agriculture was finally accepted and international standards were set. Denmark is the country which can be considered as a frontrunner in organic development.

The time when conventional farmers started converting to organic production is regarded as the beginning of the organic industry. It was a great risk which eventually transformed into a lifestyle of many people.

#### 3.2.1. Organic food products

"Organic food products are products raised without chemicals and processed without additives."9 All organic food products should only refer to organic production methods and come from an organic farm system. Most of the pros and cons of organic farming have already been said, but let's have a closer look at what the main advantages and disadvantages of organic food products are:

<sup>&</sup>lt;sup>7</sup> WRIGHT, Simon; MCCREA, Diane. *Organic Food Processing & Production* p.3 <sup>8</sup> Codex Alimentarius Commission. *Organically Produced Foods*. p.2

<sup>9</sup> http://encyclopedia2.thefreedictionary.com/Organic+product

#### Advantages of organic food products

- less artificial or synthetic pesticides, herbicides, fertilizer, and hormone residue
- higher concentration of nutrients and phytochemicals (up to 50% more antioxidants)
- environmental advantages, such as enhanced soil fertility, higher biodiversity, and increased water conservation
- better taste
- decreased energy input for production
- higher animal welfare standards

#### Disadvantages of organic food products

- not as productive as food grown by modern methods
- may be fertilized with manure or sewage containing potentially harmful organisms
- may be cross-contaminated with toxins from other farms
- lower crop yield
- have a short shelf life
- they are more expensive
- lack in a good variety
- can have undesirable appearance<sup>10</sup>

Over the past decade, the demand for organic food products has increased rapidly. The main reason for it is that people throughout the world, especially those with a high standard of living, seem to prefer food which is produced and processed by natural methods. What is very important is the consumer satisfaction. The consumers are becoming more and more sensitive when it comes to their nutrition. The customer satisfaction is also beginning to play a significant role.

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<sup>&</sup>lt;sup>10</sup> RATH, Christian. *Erfolgsfaktoren bei Bio-Produkten*. p.9

#### 3.2.2. Certification and labelling

#### Certification

Certification of organic products is a necessary process for producers of organic food and other organic agricultural products. It was developed to maintain two different requirements. "Firstly to provide an identifiable label for organic food and secondly to assure consumers that food bearing such a label is truly organic throughout the journey "from plough to plate."<sup>11</sup> However, every country has different certification requirements. Commonly certification involves a set of production standards for growing, processing, storage, packaging and also transportation of the product.

Certification of food may be, as appropriate, based on a range of inspection activities which may include continuous on-line inspection, auditing of quality assurance systems and examination of finished products. These activities are used to verify the labelling of the organically produced foods.

According to Blake (Blake 1990) the certification process contains three principles which need to be fulfilled in order to claim that the food is organically produced:

- I. The setting of organic production and processing standards
- II. Verification that these standards are being followed
- III. Approval of processors and the issue of an organic licence permitting the use of the organic label on specified products

There is a growing worldwide demand for organic food products and therefore certification of these products is needed in order to assure their quality and also prevent any kind of fraud. Both consumers and producers rely on the certification. For consumers it is a guarantee of chemical free products, which is in some way similar to saying the product contains low fat or is 100% whole wheat. For producers certification means that the suppliers of organic products are approved for use in certified operations.

<sup>&</sup>lt;sup>11</sup> WRIGHT, Simon; MCCREA, Diane. Organic Food Processing & Production. p.41

#### Labelling

"The term **labelling** means any written, printed or graphic matter that is present on the label, accompanies the food, or is displayed near the food, including that for the purpose of promoting its sale or disposal."<sup>12</sup>

The status of legislative governing the production and labelling of organic foods in different countries around the world varies widely. The majority of countries have no legislation and no program developing such a framework whatsoever, whereas others are actively developing legislation. The absence of legislation does not imply that organic production is less strict or that the market development is necessarily impaired. In countries where there is no specific organic food legislation, the market is usually regulated by other labelling laws.

Products of farms in transition to organic production methods may only be labelled as "transition to organic" after twelve months of production using organic methods.

There are only three categories of goods which can carry indications of organic status, based on the proportions of organically produced ingredients:

- When 100% of the ingredients of agricultural origin are organic, it means it is entirely organic and the product packages carry this information.
- II. A product can also be considered organic or organically produced if 95% or more of agricultural ingredients have been produced organically.
- III. If between 70-95% of the agricultural ingredients have been produced organically, the term "organic" can be used in the listed ingredients but not in the sales description (the percentage of organic ingredients must be specified).

Products not falling into either of these three categories (that means if they contain less than 70% of ingredients which have been produced organically) are not considered organic and due to this fact are not permitted to carry any

<sup>&</sup>lt;sup>12</sup> Codex Alimentarius Commission. Organically Produced Foods. p.6

indications of the organic status of the ingredients in the products name, list of ingredients or sales literature. <sup>13</sup>

Organic products produced in the Czech Republic must be labelled with the *national logo* as well as with the new *European logo*. Imported organic products do not have to carry the national logo.

#### 3.2.2.1. National labelling

Figure 1. National logo



Source: http://www.bioplanet.cz/strana/180/

The Czech national logo (also called "Organic-zebra") with the "Product of Organic Farming" sign and a number of controlling organization (CZ-KEZ-01, CZ-ABCERT-02 or CZ-BIOKONT-03) serves as a nation- wide safeguarding mark for organic food products in the Czech Republic. <sup>14</sup> It is imposed by the controlling organizations which are accredited by the Ministry of Agriculture. The first controlling organization (KEZ – Organic Farming Control) was appointed in 1999. In 2006 another two organizations were nominated (ABCERT AG and BIOKONT CZ, LLC – Organic Inspection and Certification). The controlling organizations are in charge of the inspection and certification of organic food products and also keep an eye on law-abiding and correct usage of the logo. The whole process is done under the shield of the Ministry of Agriculture.

Labelling of organic products with the national logo is possible to use only in accordance with the Act No 242/2000 Coll. on organic farming.

<sup>14</sup> http://eagri.cz/public/web/mze/zemedelstvi/ekologicke-zemedelstvi/loga-a-znaceni/

<sup>&</sup>lt;sup>13</sup> RATH, Christian. Erfolgsfaktoren bei Bio-Produkten p.14

#### 3.2.2.2. EU labelling

Figure 2. European Union logo



Source: http://ec.europa.eu/agriculture/organic/eu-policy/logo\_en

"The EU organic logo and those of EU Member States are used to supplement the labelling and increase the visibility of organic food and drink for consumers."<sup>15</sup>

From 1<sup>st</sup> July 2010 there is a new European logo a so-called "Euro-leaf". It is a work of a German design student Dušan Milenković and illustrates a green rectangle with twelve stars which are organized in a shape of a leaf. Due to the changes regarding the new regulation the logo has to be placed on all prepackaged organic food products produced in the European Union. Newly, the package also has to contain the country of origin and list of ingredients. However, placing the logo on imported products is optional.

"Council Regulation (EEC) No 2092/91 of 24 June 1991 on organic production was drawn up in 1991. It was recently revised with Council Regulation (EC) No 834/2007 of 28 June 2007 on organic production and labelling of organic products, which came into force on January 1, 2009 and is repealing the former Regulation (EEC) No 2092/91."<sup>16</sup>

#### 3.2.3. Processing, manufacturing and packaging

The integrity of the organic products must be maintained throughout the processing phase. Any operator processing, manufacturing or packaging a food

<sup>&</sup>lt;sup>15</sup> http://ec.europa.eu/agriculture/organic/consumer-confidence/logo-labelling\_en

<sup>16</sup> http://www.organic-europe.net/europe\_eu/eu-regulation-on-organic-farming.asp

product composed wholly or partly of organic ingredients and marketed in such a way that there is a reference to organic production must be, as mentioned above, registered with an approved certification body.

#### <u>Processing</u>

"Processing methods should be mechanical, physical or biological (such as fermentation and smoking) and minimize the use of non-agricultural ingredients and additives."<sup>17</sup>

#### <u>Packaging</u>

Packaging materials used for packing organic food products should come from bio-degradable, recycled or recyclable sources, but for example in the Czech Republic it is not compulsory. Each package has to carry an appropriate organic accreditation symbol of the given country. Other symbols such as EU are optional.

Whoever buys organic food which is not packed (usually fruit or vegetable) and is claimed to be organic, has the right to see the proof of its organic certification if he/she asks for it.

Packaging does not only have a protecting function, but also plays an important role in marketing. Due to the visual appearance of the package the potential customer is influenced in terms of buying it or not. More about marketing of organic products will be discussed in the following parts of the literature review.

#### 3.2.4. Storage and transport

Product integrity should be maintained during any storage, transportation or handling by use of the following precaution:

 organic products must be protected at all times from any contact with nonorganic products or materials and substances which are not permitted for use in organic farming

<sup>&</sup>lt;sup>17</sup> Codex Alimentarius Commission. Organically Produced Foods. p.30

#### **Storage**

Incoming raw organic ingredients should have dedicated storage areas. These areas should be appropriately identified and separated from those containing non-organic ingredients by sufficient space or physical barriers to prevent confusion and cross-contamination. For example bulk stores for organic products should be separate from conventional product stores and clearly labelled.

The storage areas should be only cleaned with materials and substances permitted in organic production. Birds and insects should not have access to the storage areas.

#### Transport

The methods of transportation are chosen in order to keep the level of pollution as low as possible.

Transportation must be done in order to prevent the contamination or accidental substitution of the products and to maintain its organic integrity. For the transport of bulk or wholesale loads between a registered and no-registered unit, the regulation requires that the sacks or boxes are sealed. However, this restriction does not apply to the transport between two registered units.

Transport containers for organic products should be cleaned regularly and prior to being loaded using methods and materials allowed in organic production.

#### 3.3. The EU organic food market

"The European market is characterized by fast growth, the entry of major players into the organic marketplace, a wide range of product offerings, and consumers who are familiar with the concept of organics." <sup>18</sup>

Europe has the largest and most developed organic food market in the world with an annual turn-over of 15 billion € during the year 2006. The sales of organic foods are concentrated mainly in the Western Europe. There are four

<sup>&</sup>lt;sup>18</sup> BAOURAKIS, George. Marketing Trends for Organic Food in th 21st Century. p.74

countries (Germany, France, Italy and Great Britain), which have reached 75% of the total turn-over in the past years. Other countries such as Denmark, Sweden and the Netherlands have observed an increase in the annual turn-over as well. Also the number of eco-farms and the area that is being farmed organically has been increasing. In the year 2006 almost 180,000 organic farms were operating on 6.8 million hectares of farmland, which presents 4% of the total agricultural land in the European Union.<sup>19</sup>

#### 3.3.1. The organic food market in the Czech Republic

In the year 2008 the organic consumption in the Czech Republic has reached 1.8 billion CZK (an average of 176 CZK per person), which is an increase of 40% compared to the year 2007 when it was 1.29 billion CZK. Since the year 2005 the annual turn-over has expanded 3.5 times. In the year 2009 almost 400,000 hectares of land were used for organic farming which is 9.38% of the land used for agricultural purposes.<sup>20</sup> Due to all these facts and figures it can be said that the Czech organic market has a growing tendency.

In the Czech Republic consumers buy mainly fresh fruit and vegetables, cereals, bread, dairy products (yoghurts, cheese), eggs, pork and beef meat, vine, dried fruits, spices and baby formulas. Not all of these products are produced in the Czech Republic, nevertheless, the number of national products is continuously increasing. For instance milk, beef meat, bread and spices form a high percentage of domestically-made products. Most of the Czech consumers have purchased the organically produced food in supermarkets or hypermarkets (Plus-Discount, Interspar and Billa), special shops (Country Life) and drug-stores (DM drug-store).

#### 3.3.2. The organic food market in Germany

Germany has the largest organic food market in Europe (and is the 2<sup>nd</sup> largest in the world right after the US) it is therefore necessary to mention this country. It is estimated that organic sales rise in the rate of about 10% annually.

<sup>19</sup> VÁCLAVÍK, Tomáš. Český trh s biopotravinami 2008 : Ročenka, p.9

<sup>&</sup>lt;sup>20</sup> http://www.businessinfo.cz/en/article/czech-republic-business-news/czech-organic-food-market/1001536/56970/

In the previous year (2010) the annual turnover has reached 5.8 billion €, which is approximately the same amount as in the year 2009.<sup>21</sup> It is also a country where the Czech Republic imports the most organic products from.

Germany is divided into regions (Länder). Each region is responsible for implementing regulations and has its own control body.<sup>22</sup> Like all other countries of the European Union Germany is governed by the Council Regulation (EC) No 834/2007 of 28 June 2007 on organic production and labelling of organic products.

There are three main organic labels in Germany. One of the most well known and at the same time the oldest label is Bioland. It is operating in the market since 1971. Then there is Naturland, which was founded in 1982 and belongs to one of the major organic farming associations. The third organic label is relatively new and rather popular among German consumers. It is called Bio Siegel and emerged in 2001.

Figure 3. Bioland logo



http://www.bioferienhof-hartmann.de/03\_selection-dateien/07\_selection-leitbild.html

Figure 4. Naturland logo



http://www.biobackhaus.com/Ueber-Naturland

Figure 5. Bio Siegel logo



http://lifestyle.edelight.de/b/handy-ausbio-plastik-samsung-sgh-e200-eco/

<sup>&</sup>lt;sup>21</sup> http://www.agronavigator.cz/ekozem/default.asp?ids=973&ch=24&typ=1&val=108078

<sup>&</sup>lt;sup>22</sup> WRIGHT, Simon; MCCREA, Diane. Organic Food Processing & Production. p.44

#### 3.4. Marketing

In many specialized marketing publications we can find plenty of definitions dealing with the term "marketing". However, every definition is somehow different due to the complex and multilateral point of views it offers.

"Marketing is a total system of business activities designed to plan, price, promote, and distribute wan-satisfying products to target markets to achieve organizational objectives."23

According to Kotler and Keller "Marketing is mainly about identifying and meeting human and social needs."24

Another definition says that "Marketing is the intermediary between the customer and the business."25

Paul Smith defines marketing as a way of distributing products from the producer to the consumer.<sup>26</sup>

A very concise definition describes marketing as "Putting the right product in the right place, at the right price, at the right time."27

There are two aims marketing is aspiring for. "The first is to attract new customers by highlighting the potential value a good or service offers a consumer. The second aim of marketing is to retain customers by continually meeting and surpassing the customer's satisfaction with the product."28

These are just some of the definitions marketing can be characterized by. Marketing basically means placing on the market, offering for sale and selling a product in a way which attracts and satisfies consumers and at the same time motivates them to purchase the product repeatedly.

If we look around us, we can see that marketing is everywhere and that it represents a certain part of our everyday life. Without marketing it is impossible to run a successful business and what is more, nowadays marketing is the key to success. Whether we like it or not, marketing influences our lives.

<sup>&</sup>lt;sup>23</sup> STATON, Wiliam J; ETZEL Michael J; WALKER Bruce J. Fundamentals of Marketing p.5-6

<sup>&</sup>lt;sup>24</sup> KOTLER, Philip; KELLER, Kevin Lane. Marketing Management p.45

<sup>&</sup>lt;sup>25</sup> MOORE, Karl; PAREEK, Niketh. Marketing: The Basics. p.8

<sup>&</sup>lt;sup>26</sup> SMITH, Paul. *Moderní marketing*. p.6

<sup>&</sup>lt;sup>27</sup> http://www.mindtools.com/pages/article/newSTR\_94.htm

<sup>&</sup>lt;sup>28</sup> MOORE, Karl; PAREEK, Niketh. Marketing: The Basics. p.9

#### 3.4.1. Marketing mix

Definition of marketing mix according to Moore and Pareek is "The types of marketing strategies employed to meet organization's objectives." <sup>29</sup>

Marketing mix consists of four marketing tools (decisions) which are used for obtaining the marketing objectives and satisfying customers in the target market. These four marketing decisions are also known as the 4Ps (first used in 1960 by E.J. McCarthy) and are a combination of:

- <u>Product</u> The product is the most important tool of the marketing mix. It is
  a physical object but it can also be a service. Its aim is to satisfy customer's
  wants or needs. The product includes decisions regarding quality, design,
  features, branding, packaging, customer service, warranties and returns.
- <u>Price</u> The price is a value which characterizes the product. The producer
  must decide what price to charge their customers in order to generate and
  maximize revenues. The price includes decisions such as list price,
  discounts, allowances, payment period and credit terms.
- <u>Place</u> The place (also called placement) serves as a marketing channel
  of distribution for getting the product or service from the producer to the
  target customer. Its objective is to increase purchase opportunities for the
  target customers. The placement's decisions include channels, coverage,
  assortments, locations, logistics, service levels and inventory.
- <u>Promotion</u> The promotion concerns any method or action (for example communicating and selling) which brings the product closer to the consumer. The marketing decisions regarding promotion are sales promotion, advertising, sales force, public relations and direct marketing.<sup>30</sup> More about promotion in the following chapter.

<sup>&</sup>lt;sup>29</sup> MOORE, Karl; PAREEK, Niketh. *Marketing : The Basics*. p.23

<sup>&</sup>lt;sup>30</sup> KOTLER, Philip; KELLER, Kevin Lane. Marketing Management p.63

Each of these marketing decisions contains also its own tools, therefore, we have so-called sub-mixes of the 4Ps (product mix, price mix, place mix and promotion mix).

Opinions regarding the 4Ps model missing tools such as People, Process and Physical evidence have been discussed among marketing experts. Also this can be a way to see the 4Ps, but after adding those tools to the marketing process we would no longer be talking about 4Ps, but about 5Ps and 7Ps.

#### 3.4.1.1. Promotion

"Promotion is the element in an organization's marketing mix that serves to inform, persuade, and remind the market of the organization and/or its products." <sup>31</sup>

From the definition above it is obvious that promotion is an important element of the marketing mix which consists of various aspects of marketing communication. It is also a critical ingredient of many marketing strategies and a very useful and effective tool for approaching current and potential consumers. The main objective of a promotion is to attract the attention of prospective consumers, who are most likely to spread the information among other consumers and increase their will to buy the selected item.

Successful promotion builds a good publicity for the firm and at the same time leaves a good impression among consumers.

As mentioned in the previous chapter every element of the marketing mix has its own sub-mix. The sub-mix of promotion is called promotion mix and according to Kotler is a combination of five marketing communication decisions used by marketers to promote a product:

- Sales promotion
- Advertising
- Sales force
- Public relations
- Direct marketing

------STATON William I: ET7EL Michael I: WALKER Bruce I. *Fundame*r

STATON, Wiliam J; ETZEL Michael J; WALKER Bruce J. Fundamentals of Marketing p.410
 STATON, Wiliam J; ETZEL Michael J; WALKER Bruce J. Fundamentals of Marketing p.411

#### Sales Promotion

Kotler's and Keller's definition of sales promotion is "A variety of short-term incentives to encourage trial or purchase of a product or service." 33

According to Kotler there are different types of sales promotion such as consumer promotion, trade promotion and business and sales-force promotion.

It is also possible to divide sales promotion regarding distinctive benefits:

- Communication Due to gaining attention it is easier to lead the consumer to the product or service.
- II. <u>Incentive</u> Incorporation of some concession, inducement, or contribution gives value to the consumer.
- III. <u>Invitation</u> A distinct invitation is included in order to engage in the transaction as soon as possible.<sup>34</sup>

Sales promotions are popular among vendors as well as among consumers. The consumers easily recognize, that sales promotion means some kind of an advantage for them (usually price reduction) therefore they consider sales promotion to be a convenient and advantageous form of promotion. Some examples of sales promotion are:

o coupons

sampling/tasting

contests, gamesand sweepstakes

o premiums and gifts

bar promotion

o fairs and trade shows

o demonstrations

o exhibits

o cash rebates

o road show

o etc.

Another division distinguishes sales promotion into in-store and out-store. For in-store sales promotion tasting and sampling is typical, whereas out-store focuses on the external environment and includes road show and bar promotion.

<sup>33</sup> KOTLER, Philip; KELLER, Kevin Lane. Marketing Management p.512

<sup>&</sup>lt;sup>34</sup> KOTLER, Philip; KELLER, Kevin Lane. Marketing Management p.527

#### **Advertising**

One definition of advertising is "Advertising is the placement of announcements and persuasive message in time or space purchased in any of the mass media by business firms, non-profit organizations, government agencies, and individuals who seek to inform and/or persuade members of a particular target market or audience about their products, service, organizations, or ideas." <sup>35</sup>

The final form of advertising does not include humans or more precisely human force. Even though all advertisement is done by people, in the end the presentations and promotions are non-personal.

It is necessary to create good advertising because only good advertising gives reasons to the customers to buy a product or a service.

The difference between sales promotion and advertising is that advertising gives a certain reason to buy, whereas sales promotion offers an incentive to buy.

Advertising can be long-term or short-term, expensive or cheap. It all depends on what type of advertising we use. Here are some examples:

newspaper

brochures and booklets

magazines and journals

symbols and logos

audiovisual material

o directories

o billboards

o posters and leaflets

o packaging

o display signs

o television

o etc.

#### Sales force

Sales force is an important part of promotion. Unlike advertising sales force is mainly about human capital.

In many marketing publications we can find this term related to "People" which can be considered as another element of marketing mix. However, in

<sup>&</sup>lt;sup>35</sup> MOORE, Karl; PAREEK, Niketh. *Marketing: The Basics*. p.95

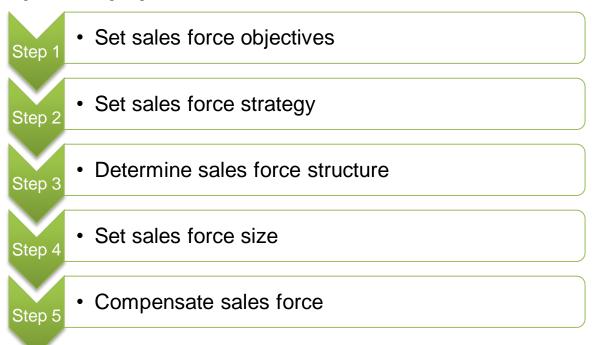
Kotler's publications marketing mix has only four elements and sales force belongs to the promotion section.

It is not easy being a sales person. These people play special roles in the exchange process between a producer and a consumer and have to communicate with both parties. If they want to succeed they have to meet certain requirements. First of all the sales person has to be risk-taker. Secondly he/she must be resourceful and thirdly has to have a well-balanced level of self-confidence.<sup>36</sup>

What is also worth mentioning is that there is a so-called sales force management which covers activities related to the sales force such as analysis, planning, implementation and control.

When designing the sales force we have to follow five steps which are shown in the following diagram:

Figure 6. Designing the sales force



Source: KOTLER, Philip; KELLER, Kevin Lane. Marketing Management p.592, own creation

It may be surprising but on sales forces and sales force additional materials is annually spend more money than on any other promotional method.  $^{37}$ 

<sup>&</sup>lt;sup>36</sup> MOORE, Karl; PAREEK, Niketh. Marketing: The Basics. p.107

<sup>&</sup>lt;sup>37</sup> KOTLER, Philip; KELLER, Kevin Lane. Marketing Management p.591

#### Public relations

One of the definitions of public relations is "A variety of programs designed to promote or protect a company's image or its individual products." 38

When talking about public relations (PR) we talk about one of the primary activities included in promotion. The objective of public relations is to maintain the company's public image. Almost every firm has its PR department which monitors the firm's relations with the public and protects the firm's image and products. Moreover, the activities of PR department help the public to become more familiar with the company. Public relations can be managed by commonly accessible media such as television, magazines, newspaper etc.

According to Kotler the main tools of public relations are:

o press kits

o seminars o annual reports

charitable donationso publications

community relations
 o lobbying

o identity media o company magazine

o speeches

Nowadays more companies are turning to marketing public relations (MPR) which mainly support product promotion and image making.<sup>39</sup>

#### Direct marketing

Direct marketing is one of the fastest growing segments in the marketing industry. With the help of direct marketing it is easier to build direct relationship between seller and selected customer and also to deepen the relationship between buyer and seller. There are no other distribution channels between the buyer and seller, only direct communication and direct response.

There are many advantages considering direct marketing. For example for buyers it presents a quick and convenient way of purchasing what they want. For

<sup>&</sup>lt;sup>38</sup> KOTLER, Philip; KELLER, Kevin Lane. *Marketing Management* p.512

<sup>&</sup>lt;sup>39</sup> KOTLER, Philip; KELLER, Kevin Lane. Marketing Management p.565

sellers it is also beneficial because they easily find out exactly what the buyers want and therefore face minimal risk of distributing or offering a wrong product.

Many forms of the direct marketing are well known. Here is the list of the most used ones:

personal selling

online marketing

telemarketing

o fax mail

o direct-mail marketing

o catalogue marketing

o TV shopping

o etc.

This type of marketing is typical for small to medium-sized firms which have a limited advertising budget and a relatively unknown brand.

#### 3.4.2. Marketing of organic products

Since the market with organic food products is continuously growing, also marketing of these products has developed over time. It is mainly thanks to marketing and the tools it uses that the awareness of organic food brands among consumers has been raising lately, therefore, we need to pay special attention to this kind of marketing.

Marketing of organic products can be included to "Green marketing" (also called "Environmental marketing") which is a relatively new term used for promoting products with minimal impact on the environment. However "Green marketing" has a broader concept and can be applied not only to organic products but also to common consumer goods, industrial goods and services. It may be a bit confusing, especially because the term contains the word "Green" but the truth is that the main objective of this form of marketing is to reduce the negative impact on the environment as much as possible, which is also a quite important aspect when promoting and advertising organic products. <sup>40</sup>

Marketing of organic products is viewed as a significant link between production and consumers. It facilitates the distribution of these products. The main tasks of "organic marketing" are:

<sup>&</sup>lt;sup>40</sup> POLONSKY, Michael Jay. *An Introduction To Green Marketing* [online]. p.2

- to indentify appropriate markets and opportunities for organic food products
- to provide sufficient customer service through the understanding of consumer needs and changes enabling the appropriate adjustments of business strategies
- to support the products which have been produced organically through advertising and sales promotion

By the employment of appropriate marketing strategies the companies can orientate organic production which will result in an influence of the consumers' purchasing behaviour.

When comparing the marketing of organic products and marketing of conventional products it may seem more or less the same. Still, when promoting an organic food product and a conventional product there is an essential difference in the look and information. In the case of organic product the label "organic" should be well visible and there should also be information about its quality included in the promotion materials. The aim of such promotions is to sell an organic product to consumers who want to buy it on purpose because it is organic and not by an accident thinking it is a conventional product. Consumers tend to buy discounted products no matter whether they are organic or not, however, consumers buying discounted organic products purposely are more like to purchase it repeatedly and become regular consumers of organic food.<sup>41</sup>

Retailing of organic products is also an important marketing aspect. In the Czech Republic there are several sale channels offering organic food. Probably the most known are the *specialist shops*. Generally, these shops are small, have a friendly atmosphere and are strongly motivated by organic ideology. Even though specialist shops are small, one can choose from a wide range of products, usually wider than anywhere else.

Organic products can be also purchased in regular *supermarkets*. Due to the increasing demand the supermarkets have become an important sales channel for organic food. Some of the supermarket chains (for example Billa and Albert) even offer their own organic brands which are getting into customers' consciousness through various promotional campaigns.

<sup>&</sup>lt;sup>41</sup> VÁCLAVÍK, Tomáš. Český trh s biopotravinami 2008 : Ročenka, p.44

Then there is the direct marketing of organic food products which includes farm shops, farmers markets, weekly markets or even home delivery. In the past farmers' market was the main way of promoting organically produced food. Nowadays, it is not the main form of marketing, nevertheless, it is still quite popular and has many supporters. To summarize it we can say that direct marketing is an alternative to selling organic products through conventional channels.42

The ideal products for direct marketing are those that do not need much processing and treatment. Such products are for example fruit and vegetables, meat and some dairy products.

## 3.5. Marketing research

A definition of marketing research according to Kotler and Armstrong is "The objectives of marketing research are systematic planning, gathering, analysis and information evaluation which are necessary for successful marketing problems solving."43

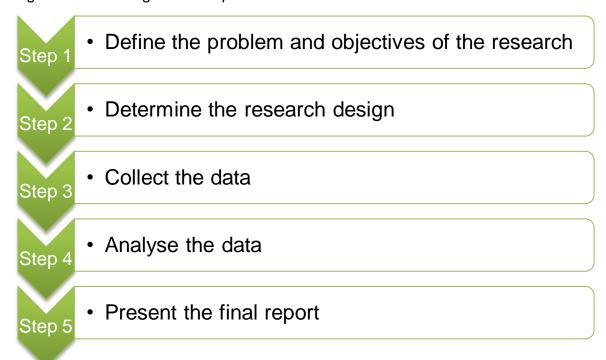
As obvious from the definition above marketing research covers a wide range of activities. These activities are mainly used for finding out what the customer's needs and wants are and also for keeping up with competitor's market strategies. Marketing research can be either consumer-related or business-tobusiness (B2B)-related. In the following chapters the marketing research will be described in more detail.

#### 3.5.1. Marketing research process

Every marketing process is different because of the different problems it deals with. In the course of marketing research we can distinguish two main phases. The first phase is called preparation phase and the second implementation phase. These phases are composed of five steps of the marketing research process which are connected and depend on each other. The steps are:

<sup>&</sup>lt;sup>42</sup> WRIGHT, Simon; MCCREA, Diane. *Organic Food Processing & Production*. p.69-71 KOTLER, Philip; ARMSTRONG, Gary. *Marketing*, p.227

Figure 7. Marketing research process



Source: Foret, Miroslav. Marketingový průzkum, p.23, own creation

In the <u>first step</u> we define the problem and set clear objectives of the research. We need to pay special attention to setting the objectives, because they are the core of the research. This and the following step belong to the preparation phase.

Within the <u>second step</u> we should already have a formulation of the researched problem and a preliminary vision of the whole research. This step also includes data sources, methods and techniques of the research and size of the examined sample.

The <u>third step</u> focuses on data collection more precisely on gathering and subsequently on data processing. This step already belongs to the implementation phase.

The <u>fourth step</u> concerns data analysis and data interpretation. It is a very important part of the marketing research process.

The <u>fifth step</u> which is also the last step of the process is presenting the final report. It is an important communication base for managerial decisions.

#### 3.5.2. Definition of the problem and setting objectives

Formulation of the problem is one of the most important and probably hardest parts of the marketing research. The definition should not be too narrow or too comprehensive. If the problem is not defined properly we might face difficulties obtaining the right information and the research could become worthless. The same applies to the objectives. We set the objectives on the basis of the problem. Objectives should exactly define the reason of the research. 44 It is also a good idea to include hypotheses, which are either confirmed or denied by the research.

Marketing research can have one of three basic objectives. Aim of explorative research is to gather preliminary information which should help to define and estimate hypotheses. Aim of the second one, descriptive research, is to expertly describe marketing problems such as situation on the market. Aim of the last research, the *causal research*, is to test hypotheses for the causes and subsequent relationships.<sup>45</sup>

## 3.5.3. Types of marketing research

There are two types of marketing research, *quantitative* and *qualitative*. From the roots of the words it is obvious that one of the researches is based on quality and the other on quantity (involves analysis of numerical data).

#### 3.5.3.1. Quantitative research

"Quantitative research methods are used to draw conclusions based on data collected from a group of customers chosen at random."46 As mentioned before, quantitative research focuses on quantity. It examines a wide range (hundreds and thousands) of respondents in order to obtain a big and representative sample and to construct statistical models. When done properly, quantitative research serves as a future prediction with a fairly high degree of accuracy.

Foret, Miroslav. *Marketingový průzkum*, p.23
 KOTLER, Philip; ARMSTRONG, Gary. *Marketing*, p. 230

<sup>&</sup>lt;sup>46</sup> MOORE, Karl; PAREEK, Niketh. Marketing: The Basics. p.169

Among common techniques of qualitative research belong observation, experiment and questioning (more about these techniques in chapter 3.5.5. Data collection techniques). On one hand these research techniques are usually quite costly, but on the other hand bring clear results in a numerical form.

#### 3.5.3.2 Qualitative research

Qualitative research presents an opposite approach to quantitative research. It focuses mainly on deep understanding of peoples' behaviour, relationships, their causes and dependencies. This type of research uses sophisticated psychological processes when choosing the research methods and analyzing the results. The research is usually done in peoples' consciousness or sub-consciousness, therefore, the interviewers should have an appropriate psychological qualification. The most common techniques used within the qualitative research are:

- Individual in-depth interviews are trying to locate the causes of respondent's certain opinions and behaviour. By the given questions the respondent is encouraged in telling his own story.<sup>47</sup> The whole interview may seem like a normal conversation rather than a formal questioning.
- <u>Focus groups</u> used to find out what the customers' needs are. Usually consist of a group of people (8 to 12 people) guided by a moderator who asks questions and encourages discussion among respondents.<sup>48</sup>

Compared to quantitative research method the qualitative one is cheaper and faster. However, the number of respondents is too small and therefore not representative. It is not unusual to combine these two research methods, moreover, they can supplement each other. The results are then more profound and comprehensive.

Foret, Miroslav. *Marketingový průzkum*, p.14
 MOORE, Karl; PAREEK, Niketh. *Marketing : The Basics*. p.172

#### 3.5.4. Data Sources

When doing a marketing research it is necessary to gather a certain amount of data. Due to the type of a marketing problem we distinguish secondary data or primary data. The researcher can collect either one type of data or both of them at the same time.

#### 3.5.4.1 Secondary data

Secondary data are called secondary not because the data are second-rate as might appear from the name, but because they can be reused and republished. These data contain already existing information and are collected and processed for another purpose than the marketing research problem. <sup>49</sup> The advantages of secondary data are that they save time and reduce data gathering costs. Nevertheless, there are also disadvantages such as not fitting the problem requirements perfectly or out of date information.

The sources of secondary data can be split into *internal* or *external*. Internal means that the data come from within a firm, whereas, external data have been gathered and published by other organizations (in the Czech Republic for example by the Czech Statistical Office).

#### 3.5.4.2. Primary data

Unlike secondary data the primary data present new information collected for a specific purpose or in order to solve a specific marketing research problem. The information obtained by primary data sources has a key importance in the research problem solution and on the top of it can be more significant than the information collected by secondary data sources. However, gathering of primary data is rather costly and does not save as much time. When gathering primary data we have to be particular about their freshness, relevancy, accuracy and independency.

<sup>&</sup>lt;sup>49</sup> KOTLER, Philip; KELLER, Kevin Lane. Marketing Management p.132

The most common methods used for primary data collection are questioning, observation and experiment.

#### 3.5.5. Data collection techniques

Techniques of marketing research serve as a very concrete way of primary data collection. As mentioned in the previous chapter, there are three basic techniques of marketing research, due to which it is possible to identify the behaviour of people and also their opinions, attitudes and motives.<sup>50</sup> In the following chapters we will have a closer look at these techniques.

#### **3.5.5.1. Questioning**

It is fairly obvious that questioning means asking questions. This technique is the most used technique for data collection in the marketing research. It works on the bases of communication between a researcher and a respondent with the help of a questionnaire. Depending on the form of communication questioning splits into four different kinds.

- Written questioning It is used when the questions are rather sensitive and
  the presence of an interviewer could negatively influence the respondent's
  answers. This type of questioning is realized by questionnaires which are
  distributed among respondents. The advantages of written questioning are
  that it is relatively cheap; the respondent can spend as much time on the
  question as he/she wants and the researcher does not influence him/her.
- Personal questioning It is based on direct communication (one on one) with the respondent. The interviewer can also record additional information about the respondent by the way he/she is dressed and by his/her body language. It is the most expensive and time consuming questioning technique. The personal questioning can be arranged (there is an appointment) or intercept (done randomly on a street or in a shopping mall).

<sup>&</sup>lt;sup>50</sup> Foret, Miroslav. *Marketingový průzkum*, p.41

- <u>Telephone questioning</u> This form of questioning is similar to personal questioning, because it also contains a direct communication. However, it lacks personal contact which is its main disadvantage. The interviewer should also be careful about being too personal or having too complex questions. The main advantages are that it is quick and low cost.
- <u>Electronic questioning</u> Electronic questioning, done through internet, is nowadays very popular. It is cheap, quick and the gathered data are easy to evaluate. Some people may however perceive this type of questioning as spamming and bothering.<sup>51</sup>

#### 3.5.5.2. Observation

"Observational methods are techniques that involve the researcher observing the subject in question in its natural setting." This definition more or less explains the observational technique. First of all we need to set who and in which situation to observe. Usually the respondent is unaware that he/she is being observed. This allows observing a subject in a setting where the subject, behaves naturally and does regular activities. The aim of observation is to gather information which cannot be obtained for instance by surveys or focus groups.

#### **3.5.5.3. Experiment**

Experiment is a method how to monitor reactions evoked by prepared and pre-defined situations. It is usually used in a field of science, but also among consumers. In marketing an experiment can mean any change in the marketing mix. For example price change, product innovation etc.

We distinguish experiment in *terrain* and *laboratory* experiment. The one in terrain takes place in natural environment and the tested subject usually does not know about the experiment (for example mystery shopping). The other, laboratory, is done in an artificial environment and the respondents are familiar with it.

<sup>&</sup>lt;sup>51</sup> KOTLER, Philip; KELLER, Kevin Lane. Marketing Management p.141

### 3.5.6. Data analysis

This step is critical in analyzing the market. It is necessary to check the validity of obtained data and exclude incomplete or simply imperfect responds. Because it is impossible to collect data on every person, therefore we work only with samples. These samples are then analyzed and the results interpreted.

Data are usually analyzed by all kind of statistical methods. Nowadays it is also common to encode the data and then analyze them with special computer programs.

#### 3.5.7. Final report and its analysis

This is the last and very important step of the marketing research process. Firstly the researcher analyzes the findings and secondly presents them using not only verbal expressions, but also other supportive material such as graphs, diagrams and tables. The final report, composed of results and recommendations, is then given to the management of the firm which has ordered the research. <sup>53</sup>

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<sup>&</sup>lt;sup>53</sup> KOTLER, Philip; KELLER, Kevin Lane. *Marketing Management* p.143

## 4. Practical part: Case study of a marketing promotion

## 4.1. Characteristics of Zemanka Bio-bakery

Figure 8. The official logo of Zemanka Bio-bakery



Source: http://www.biopekarnazemanka.cz/kontakt.htm

Zemanka Bio-bakery is a small family bakery which focuses only on organic production, concretely on durable bakery products such as organic biscuits and organic crackers. The company was founded in August 2006 by *Hana* and *Jan Zemanovi*. It is located in a little village called Oříkov in central-Bohemian just five kilometers away from Sedlčany town.

The production of Zemanka Bio-bakery is situated in an old communist building in the heart of Oříkov in the building's former eating room and kitchen. All of the produced goods are prepared manually and under strict organic control and certification, which is done by the organization ABCERT. Not only does Zemanka Bio-bakery use certified high-quality organic ingredients, but also avoids using extra white sugar, artificial braced fat, chemical preservatives, artificial colouring and flavouring. Other features of the company are that it uses ecological detergents and recycled packaging material. The company also draws green power from a Czech energetic company ČEZ. As a result of all these production ways and methods Zemanka Bio-bakery produces high quality organic biscuits and crackers, which are not only healthy, but also tasty. Due to its good taste two of the products have won an award in "The best Czech organic food product of the year 2007" and "The most popular Czech organic food product of the year 2008".

It is possible to buy the products either in specialized shops with healthy or organic products, in supermarkets (Albert, Billa, Globus, Interspar, Tesco), in DM drugstores or coffee houses (Oxalis, Coffee Heaven).

Currently Zemanka Bio-bakery offers twelve kinds of biscuits or crackers. The sweet biscuits have a red label and the salty crackers green label. During certain occasions such as Christmas, Valentine's Day or Easter special types of biscuits are being produced. These biscuits are sold only in the time related to the occasion, afterwards their production is stopped. The basic range of products is following:

#### Sweet biscuits

- Whole meal spelt sponge biscuits
- Chocolate coconut biscuits with Fair Trade cacao
- Spelt oaten children's biscuits with almonds and vanilla
- Apple biscuits with cinnamon and cereal
- Apple ducks with spelt flour
- Coconut biscuits with maple syrup
- Muesli rings with honey
- Multigrain chocolate biscuits

#### Salty crackers

- Psyllium crackers
- Spelt crackers with garlic and pumpkin seeds
- Spelt crackers with red pepper and sunflower seeds
- Spelt crackers with sesame and soya sauce

Figure 9. The best Czech organic food product of the year 2007



Source: Biopekárna Zemanka

Figure 10. The most popular Czech organic food product of the year 2008



Source: Biopekárna Zemanka

## 4.2. Marketing promotions of Zemanka Bio-bakery

Since Zemanka Bio-bakery is a small family company, it has a limited marketing budget, their marketing is therefore rather modest.

The marketing tools Zemanka Bio-bakery uses are various. When it comes to *direct marketing* it means mainly online marketing. The company has a website which includes all necessary information and at the same time advertises their products. We can also find an e-shop there. Every time Zemanka Bio-bakery comes up with a new product, the website is the first place where we can learn more about it.

As *public relations* we can consider speeches Mr. Zeman gives every now and then and also publications about organic cooking that Mrs. Zemanová writes.

Due to the fact that the products can be found on the shelves of the major supermarket chains as well as in specialized shops, it is hard to define what the **sales force** is. Sales force includes people and in the supermarkets there are no people who would actually sell the product directly. Unlike in supermarkets in specialized shops the salesmen have certain knowledge of the products they sell and can therefore be considered as a kind of a sales force.

Another marketing tool is *advertising*. This type of promotion is extended in all companies and Zemanka Bio-bakery is not an exception. The company uses mainly leaflets and brochures to attract consumers' attention. From time to time Mr. Zeman can be seen in the television talking about his company and products. That also serves as a form of promotion.

Probably the most efficient marketing tool of Zemanka Bio-bakery is *sales promotion*. There are many fairs and trade shows throughout the year. It is almost an obligation for Zemanka Bio-bakery to attend those which have something in common with organic production, lifestyle, being fit etc. What is more the Zemanka Bio-bakery regularly holds sampling and tasting events which seem to be the best way to present its products. The consumers become familiar with the product's taste immediately and also can decide more easily whether to purchase the product or not. In the following chapter an example of such a sales promotion will be given.

#### 4.2.1. Example of a sales promotion

As said in the previous chapter Zemanka Bio-bakery regularly holds sampling and tasting events (every four to five months). In this chapter one of the tasting events held in the year 2009 is examined and analyzed in order to see whether it was successful or not. Since the working experience in Zemanka Bio-bakery in the field of sampling and tasting, the access to the data was easier. For example during the tasting events in supermarkets it was possible to take notes.

The chosen sales promotion took place in *Albert* and *Billa* supermarket chains around Prague. Altogether there were ten events running in ten days from 2<sup>nd</sup> June 2009 until 26<sup>th</sup> June 2009. Within these tasting events people were offered four different kinds of biscuits or crackers. The more biscuits and crackers people tried the better, which is one of the aims of this kind of a sales promotion. The consumers could also take a free leaflet with basic information about the products or ask for some extra information from the promoter (in that case the promoter was me). The tasting events were held only on week days and always in the same time from 14<sup>00</sup> until 19<sup>00</sup>. As soon as the products were sold out, the sales promotion was over for the day.

Figure 11. Detailed information of the sales promotion

Date (day)	Supermarket	Address	Time	Nr. of people interested male/female
2.6.2009 (Tuesday)	Billa	Tilleho square	14:00 - 19:00	19/43
3.6.2009 (Wednesday)	Billa	Jeremiašova street	14:00 - 19:00	18/24
9.6.2009 (Tuesday)	Albert	Kotva	14:00 - 19:00	5/11
10.6.2009 (Wednesday)	Albert	Vinohradská street	14:00 - 19:00	14/32
11.6.2009 (Thursday)	Billa	Koněvova street	14:00 - 19:00	11/23
12.6.2009 (Friday)	Albert	Kobylisy	14:00 - 19:00	16/30
18.6.2009 (Thursday)	Albert	Anděl	14:00 - 19:00	20/41
19.6.2009 (Friday)	Billa	Radimová street	14:00 - 19:00	9/20
23.6.2009 (Tuesday)	Billa	Dělnická street	14:00 - 19:00	18/21
26.6.2009 (Friday)	Albert	Flóra	14:00 - 19:00	15/38

Sources: Information obtained by own research

From the table above we can see that the tasting event was held five times in Albert supermarkets and five times in Billa supermarkets. Altogether *428 people* (145 males and 283 females) not only tried the biscuits and crackers, but were interested in the products more than usual and asked for additional information.

Number of people interested in the products Male ■ Female 11.6.2009 9.6.2009 23.6.2009 29.6.2009

Figure 12. Number of people interested in the products

Source: Own creation

The chart above shows detailed information about the number of people interested in the promoted products. It is obvious that women were much more interested in the promotion of Zemanka Bio-bakery's products than men. The most successful day in the terms of giving information was surprisingly the first day of the sales promotion on Tuesday 2.6.2009 in Billa. The total of 62 people (43 women and 19 men) was interested in receiving more information about the products. The next successful day was Thursday 18.6.2009 in Albert with only one person difference (61 people were interested in the products). In contrary on Tuesday 9.6.2009 in Albert only 16 people (11 women and 5 men) asked for additional information about the biscuits and crackers.

The chart below divides the total number of people who tried the biscuits and crackers and also wanted extra information about the products during the sales promotion in Albert and Billa supermarkets into two halves. Albert was

slightly more successful, but as we can see from the chart there is no significant difference between the numbers of people interested in the products. The tasting events in both supermarket chains were run under the same conditions and in the same time from 14<sup>00</sup> until 19<sup>00</sup>.

Number of people interested in the products in each supermarket chain

206
222
Albert
Billa

Figure 13. Number of people interested in the products in each supermarket chain

Source: Own creation

After the promotion period the supermarkets have reported an increase of 25-30% in sales of the promoted products. However, the increase only lasted three to four months and then the sales of the produced goods dropped again. Due to this fact it is hard to say whether the sales promotion was successful or not. The best description probably is that it was a temporary success.

One of the possible explanations of the sales decrease is that during the sales promotion the biscuit's and cracker's price was discounted, whereas, after some time they were offered for the full price again. That may be the reason why consumers stopped buying the products in such a large scale. Another reason may be that the consumers were saturated or simply had enough of the products.

A solution to this problem could be holding sampling and tasting events more often for example every two to three months to attract as many potential customers as possible. The more people try the products, the bigger chance is that some of them will become and stay regular consumers.

## 4.3. Marketing promotion research

#### 4.3.1. Formulation of hypotheses

Before the research itself it was necessary to set several hypotheses which will be approved or denied by the research. Altogether nine hypotheses were set; three questions regarding organic food products and their consumption in the Czech Republic, three questions dealing with the organic food promotion in the Czech Republic and three questions comparing the situation in the Czech Republic and Germany.

#### <u>Hypotheses</u>

- Women in the Czech Republic purchase organic products more than men in general.
- 2. The Czech consumers of organic food products are usually people with university education.
- 3. Most of the Czech respondents buy organic food products because they want to be healthy.
- 4. Majority of the Czech respondents have seen some kind of organic food promotion.
- 5. The most noticed organic food promotions in the Czech Republic were in store (tasting) promotions.
- 6. The promotion of organic food products in the Czech Republic influences majority of consumers when buying a product.
- 7. Inhabitants of the Czech Republic purchase organic products less often compared to inhabitants of Germany.
- 8. The German respondents have seen more organic food promotions than the Czech respondents.
- 9. The promotion of organic food products influences German consumers more than it influences Czech consumers.

#### 4.3.2. Questionnaire

For the research a questioning technique was chosen. It is an effective way of obtaining data and at the same time leaves the respondents in anonymity. For this purpose a self-administered structured questionnaire was conducted. It was distributed mainly electronically with some exceptions (a few of the questionnaires were distributed also personally). The aim of the survey was to find out consumers' attitude towards the marketing promotions of organic food products.

Before the questionnaire was handed over to the respondents it was tested on five voluntary individuals who filled it in. After filling the questionnaire in they were attempted to give some kind of a feedback and say whether the questions were easy to understand, not too boring or long. As soon as the testing was over, the questionnaire was distributed among real respondents.

It was necessary to obtain the most variable data as possible in order to receive objective results. However, only 212 usable questionnaires were collected, which is unfortunately still an unrepresentative sample. To collect more questionnaires (for example a thousand) some financial background would be required. The questionnaires were gathered both in the Czech Republic and Germany within the time period of one month, from February 25<sup>th</sup> to March 25<sup>th</sup> 2011.

The sample of respondents was chosen randomly; the only criteria were reaching eighteen years of age or more and being a resident (even a temporarily) of either the Czech Republic or Germany.

The questionnaire itself consists of twenty questions. The first six questions represent socioeconomic specifications which are commonly included in all types of questionnaires. The next six questions deal with organic food products and are followed by eight questions considering organic food promotions. Altogether the questionnaire contains sixteen closed-ended, one open-ended and three filter questions. All the questions were created in a manner convenient for the respondent so that he/she would find it easy to answer and would not become bored during answering. In other words, the questions were designed in a way to be single-valued, comprehensible and interesting for the respondent.

### 4.3.3. Results of the questionnaire

In this chapter the results of the questionnaire are analyzed. Chosen questions are analyzed separately using charts and tables for better illustration. Some of the questions contain both Czech and German answers due to the various hypotheses set and data needed for their confirming or denying.

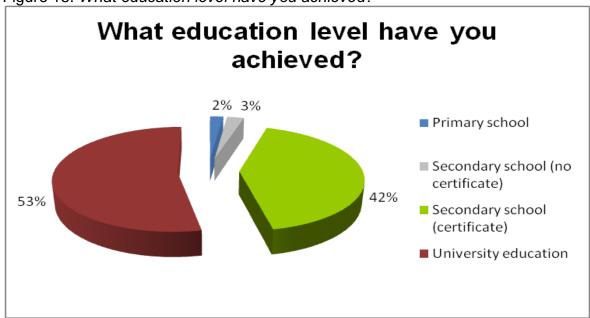
### 4.3.3.1. Evaluation of question No. 4

Figure 14. Educational level of respondents in the Czech Republic

Primary school	Secondary school (no certificate)	Secondary school (certificate)	University education
3	4	65	83

Source: Own creation

Figure 15. What education level have you achieved?



Source: Own creation

The question "What education level have you achieved?" analyzes how many Czech respondents have reached which level of education. By the level of education is understood having successfully obtained Bachelor, Master or a higher degree prior filling out the questionnaire.

From the figures above we can clearly see that 53% of the people, which is more than a half, had acquired a university level education. The next highest

number presents 42% of respondents reaching secondary school education and receiving a leaving certificate. Contrary to the previous results only 2% of the total amount of respondents had until participating in the survey reached a low level of education (primary school education). Among 83 Czech respondents with university education 69% buy organic products, while out of the 72 respondents with lower level of education only 44%.

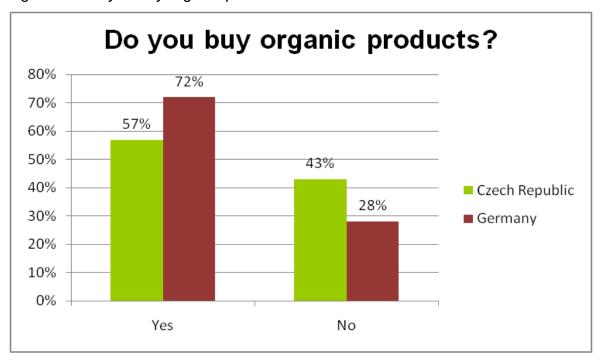
### 4.3.3.2. Evaluation of question No.8

Figure 16. Number of people who buy or do not buy organic products

	Yes	No
Czech Republic	89	66
Germany	41	16

Source: Own creation

Figure 17. Do you buy organic products?



Source: Own creation

The question "Do you buy organic products?" includes answers from both Czech and German respondents.

Out of the total of 155 Czech respondents 57% declared that they buy organic products and 43% that they do not buy them at all. Compared to the German respondents who in 72% of the cases stated that they buy organic products, it is a 15% difference. However, it is necessary to mention that only 57 German inhabitants took part in the survey, nevertheless, the percentual results are clear and show a positive attitude among German consumers towards purchasing organic products. From the 155 Czech respondents 62% of women and 48% of men said that they buy organic food.

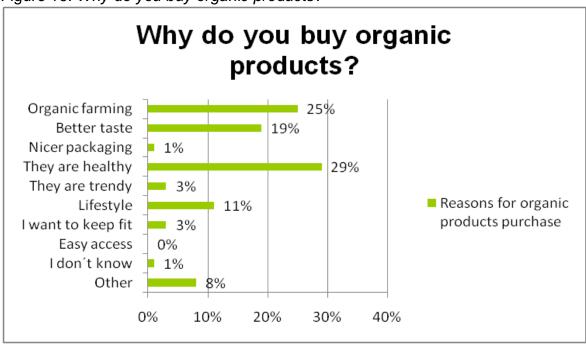
### 4.3.3.3. Evaluation of question No. 10

Figure 18. Reasons why people in the Czech Republic buy organic products

I want to support organic farming	They taste better	They have a nicer packaging	They are healthy	They are trendy
50	38	2	57	6
They are a part of my lifestyle	I want to keep fit	I have easy access to them	I don't know	Other
22	7	0	1	16

Source: Own creation

Figure 19. Why do you buy organic products?



Source: Own creation

According to the answers to this question, the main reason why the Czech inhabitants buy organic products is because they are healthy (29%). The following reason is the will to support organic farming (25%). On the other hand 0% stated that they would buy organic products because of an easy access to them. 1% of the respondents were not sure about the reason and another 1% said they would buy it because of nicer packaging. The answer "other" was chosen by 8% of the respondents and included reasons such as not harming the nature, wanting to live longer, higher quality, production in the Czech Republic, not containing chemicals, containing more nutrients, curiosity about the product's taste and buying it as a present for children.

## 4.3.3.4. Evaluation of question No. 11

Figure 20. How often do people buy organic food products

	Every day	2x – 3x a week	1x a week	1x in two weeks	1x a month	Less than 1x a month
Czech Republic	2	9	27	23	20	8
Germany	0	15	14	9	3	0

Source: Own creation

Figure 21. How often do you buy organic food products?



Source: Own creation

The figures above show the difference between the Czech Republic and Germany in terms of organic food consumption. Out of the total of 89 Czech consumers of organic food the most (30%) said they purchase the products 1x a week, whereas out of the total of 41 German respondents who consume organic food the majority (37%) stated they buy the products 2x or 3x a week. The least chosen options in both countries were "every day" and "less than 1x a month".

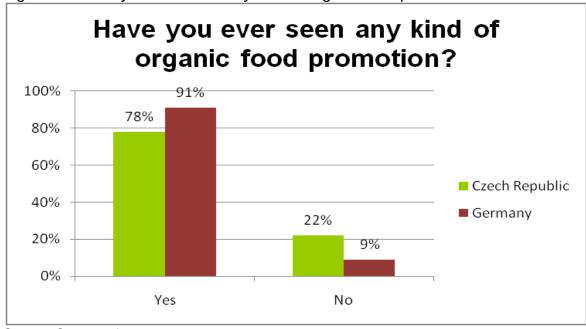
### 4.3.3.5. Evaluation of question No. 13

Figure 22. Number of people who have or have not seen an organic food promotion

	Yes	No
Czech Republic	89	66
Germany	41	16

Source: Own creation

Figure 23. Have you ever seen any kind of organic food promotion?



Source: Own creation

From the total number of 155 Czech respondents 78% declared that they have seen some kind of an organic food promotion and 22% said they have not, while out of the total number of 57 German inhabitants who took part in the survey 91% claimed that they have seen an organic food promotion and only 9% that they have not. From the figures 22 and 23 it is obvious that most of the Czech and

German respondents answered this question saying that they have seen some kind of an organic food promotion.

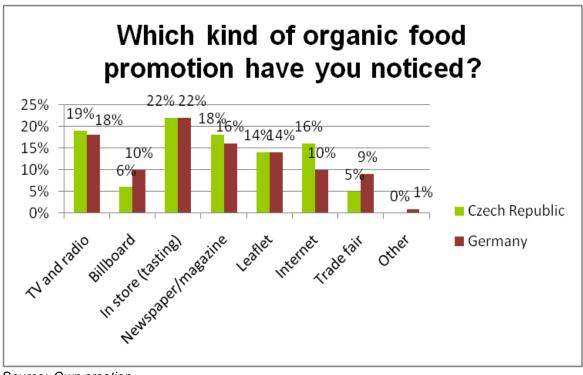
### 4.3.3.6. Evaluation of question No. 14

Figure 24. Number of organic food promotions noticed

	TV and radio commercial	Billboard	In store promotion (tasting)	Newspaper and magazine
Czech Republic	63	19	73	61
Germany	31	17	38	29
	Leaflet	Internet	Trade fair	Other
Czech Republic	47	52	15	1
Germany	25	18	15	1

Source: Own creation

Figure 25. Which kind of organic food promotion have you noticed?



Source: Own creation

Out of the total number of interviewed people who claimed to have seen some kind of organic food promotion, the in store promotion (tasting) was the most

noticed type with 22% in both the Czech Republic and Germany. The following top answers were TV and radio commercial with 19% in the Czech Republic and 18% in Germany followed by newspaper and magazine with 18% in the Czech Republic and 16% in Germany. On the contrary billboard, trade fair and other were the least noticed organic food promotions in both countries. The only two respondents who chose the option "other" claimed that they have recorded a word of mouth form of promotion.

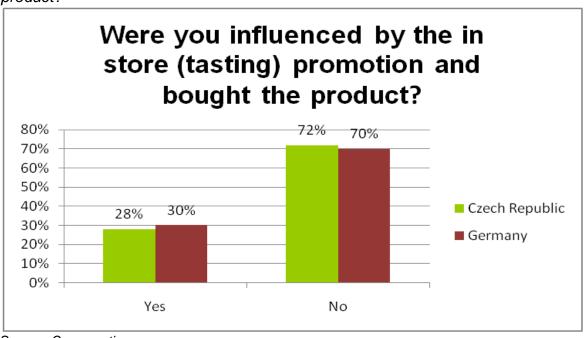
#### 4.3.3.7. Evaluation of question No. 17

Figure 26. Number of respondents influenced by the in store (tasting) promotion

	Yes	No
Czech Republic	18	47
Germany	8	19

Source: Own creation

Figure 27. Were you influenced by the in store (tasting) promotion and bought the product?



Source: Own creation

From the total of 65 people living in the Czech Republic who tried the in store (tasting) form of promotion, only 28% declared they were influenced by it

and actually bought the product. On the other hand, majority of the respondents (72%) said that they were not influenced by the promotion at all. Out of 27 German respondents who also tried the in store (tasting) promotion, 30% said they were influenced by the promotion and bought the product and 70% declared they were not influenced and therefore did not buy the organic product.

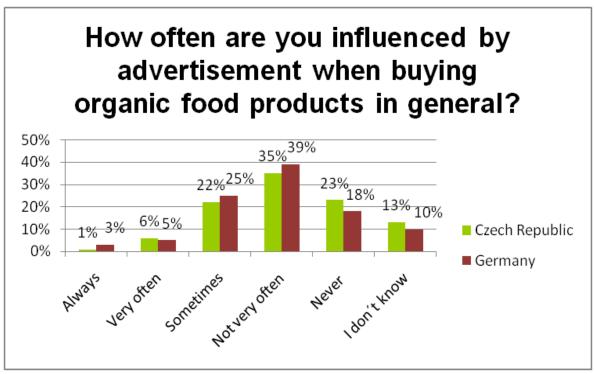
### 4.3.3.8. Evaluation of question No. 18

Figure 28. Frequency of how often were respondents influenced by a promotion

	Always	Very often	Sometimes	Not very often	Never	I don't know
Czech Republic	2	9	35	54	35	20
Germany	2	9	35	54	35	20

Source: Own creation

Figure 29. How often are you influenced by a promotion when buying organic food products in general?



Source: Own creation

The figures above show similar result among the people living in the Czech Republic and in Germany. Majority of them (35% out of 155 Czech respondents

and 39% out of 57 German respondents) claim not to be influenced by a promotion very often when it comes to buying organic food. Numbers obtained by the answers "never" and "sometimes" were also quite similar to each other, reaching 23% and 22% in the Czech Republic and 18% and 25% in Germany. Only 1% of the Czech respondents stated they are influenced always when buying organic food products. Among German respondents it was 3%.

#### 4.3.3.9. Evaluation of question No. 19

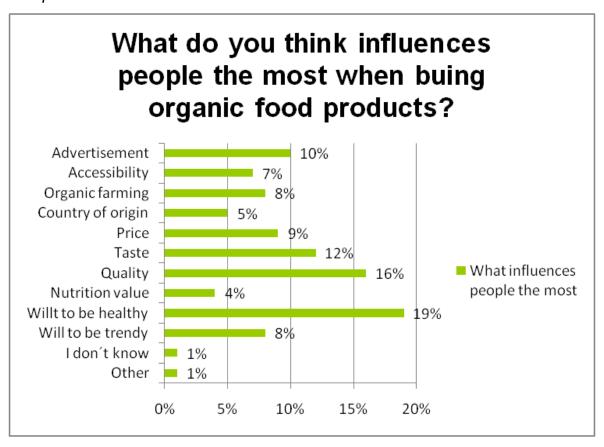
Figure 30. Reasons which influence people when buying organic food products

Advertisement	Accessibility	Will to support organic farming	Country of origin
52	40	42	26
Price	Taste	Quality	Nutrition value
48	67	88	20
Will to be healthy	Will to be trendy	I don't know	Other
101	42	4	5

Source: Own creation

The opinion of what influences people the most, when it comes to purchasing organic food products, varies depending on the Czech consumers. From the table above and the chart below, we can see that the answers were chosen from twelve options. Each consumer could choose as many possibilities as he/she wanted. A percentage of 19% out of the total number of 155 Czech respondents said that the main reason which influences people is their will to be healthy, 16% declared that quality is the most important factor and 12% manifested taste as the reason which influences people the most when buying organic food. Only 1% did not know the reason and another 1% chose "other" as the answer. By "other" reason is meant for example being on a diet or receiving recommendations from friends.

Figure 31. What do you think influences people the most when buying organic food products?



Source: Own creation

#### 4.3.3.10. Evaluation of question No. 20

Regarding the last question, 79 out of the 155 Czech respondents said yes, the marketing promotions of organic food products can be improved. This question was supposed to investigate what the promotions are lacking or what could be highlighted in order to turn the promotions into successful advertisement tools of organic food marketing.

Altogether 25 different opinions were given as answers to this question. Some of them were mentioned only once, but some of them ten times or more. The most frequent response with a percentage of 13% was to spread more information about organic food with the help of media (TV, internet and newspaper). As an argument many people stated that they have never seen a TV commercial concerning organic food products. The next answer with the second

highest percentage (10%) was to lower the prices of organic products to the prices of conventional goods. Respondents who came up with this idea claimed that the high price of the organic products is the reason why people decide to buy a conventional product rather than an organic one. Other ideas of a promotion improvement were highlighting the differences between organic and conventional food products, more advertisement and promotions in general and more presentation in shops and local farmers markets. All of the three answers reached 8% each. Following opinions such as to teach about organic farming in schools and include such products in the children's menu, improvement of accessibility especially in small towns and emphasizing under which criteria the products have been labelled and certified were stated five times and reached 6% each. It is also worth mentioning the two responses obtaining 5%. In the first case the respondents thought it is necessary to point out the methods of organic farming. The second opinion says that implementation of more in store (tasting) form of promotions would improve the marketing of these products, while the taste can easily convince consumers about the quality of organic food.

Among the answers with less than 5% were also some interesting opinions. For example comparing the health condition of people who consume organic products and of people who consume conventional (3%), advertising with the help of a favourite celebrity or politician (3%), sell less conventional products (1%), to stress the country of origin (1%) or to set up a national campaign promoting organic food (1%).

# 5. Analysis of the results and recommendations

This part of the thesis focuses on evaluating hypotheses, which is followed by setting marketing recommendations for Zemanka Bio-bakery based on the information obtained by the survey.

## 5.1. Evaluation of hypotheses

In this chapter all nine previously set hypotheses are either confirmed or denied depending on the results of the research.

### Hypotheses

 Women in the Czech Republic purchase organic products more than men in general.

Among the interviewed people living in the Czech Republic were 103 women and 52 men. From the total number of women who took part in the survey 62% stated that they buy organic products, whereas regarding men the percentage was only 48%. That makes a 14% difference between man and women in terms of organic food consumption. This hypothesis can therefore be confirmed because due to the results it has been proved that woman living in the Czech Republic buy organic products more in general than men also living in the Czech Republic.

2. The Czech consumers of organic food products are usually people with university education.

The total of people who had acquired a university level of education before participating in the survey is 83, which is 53% of all the Czech respondents. Out of those 83 respondents 69% claimed they purchase organic products. Nevertheless, from the total of 72 respondents with a lower than university level of

education only 44% declared to buy and consume organic food products. It is necessary to mention that the number of people who consume organic food is equal to the number of people who buy organic products whatsoever. Due to these facts it is evident that this hypothesis was set correctly and can be consequently confirmed.

3. Most of the Czech respondents buy organic food products because they want to be healthy.

Altogether 89 people buy organic food products which makes 53% out of the total of Czech inhabitants who took part in the research. Regarding the question "Why do you buy organic products?" the consumers had a possibility to choose as many options as they wanted. Totally 199 various responses were recorded. The highest percentage of answers was obtained by the option "they are healthy" (29%) followed by "the will to support organic farming" (25%) and "they taste better than ordinary products" (19%).

Another question "What do you think influences people the most when buying organic food products?" had similar results. This question offered more possibilities of answering than the previous one; anyhow, the option concerning health "will to be healthy" was again the most chosen one with a percentage of 19%. The next top answer was "quality" with 16%.

As a result of both questions answers regarding health were chosen most often, therefore, the hypothesis that most of the Czech respondents buy organic food products because they want to be healthy can be confirmed.

4. Majority of the Czech respondents have seen some kind of organic food promotion.

As said before 155 Czech inhabitants participated in the survey. Out of this number 78% stated they have seen some kind of organic food promotion and only 22% said they have not seen anything at all. From the data obtained it is obvious that the majority of the Czech respondents have seen some kind of organic food promotion and that this hypothesis can be, without a doubt, confirmed.

5. The most noticed organic food promotions in the Czech Republic were in store (tasting) promotions.

Out of the total number of 121 people living in the Czech Republic who claimed to have seen some kind of organic food promotion, 22% of the respondents have seen an in store (tasting) type of promotion. This was the highest number of obtained responses from all the possible answers. The next most noticed organic food promotion was TV and radio commercial (19%), followed by newspaper and magazine (18%). Still the most frequent answer was in store (tasting) promotion, so the hypothesis regarding the most noticed organic food promotions in the Czech Republic can be confirmed.

6. The promotion of organic food products in the Czech Republic influences majority of consumers when buying a product.

Talking about a particular case of an in store (tasting) promotion only 28% of the respondents who have seen and actually tried tasting the organic food said they were influenced by it and bought the offered product. What is more, out of the total number of 155 Czech respondents majority out of them declared they are influenced not very often (35%) by a promotion when buying organic food. Concerning the question "What do you think influences people the most when buying organic food product?" the main reason of the product purchase was health (19%) and not advertisement which was surprisingly far behind with only 10% of the responses. All these facts lead to one conclusion and that is that the hypothesis saying that the promotion of organic food products in the Czech Republic influences majority of consumers when buying a product must be denied.

7. Inhabitants of the Czech Republic purchase organic products less often compared to inhabitants of Germany.

As discussed before 57% of the Czech respondents said they buy organic products. By contrast, 72% of the German respondents declared they buy organic products, which is a 15% difference between the Czech Republic and Germany in

terms of purchasing organic products. However, there is one more question dealing with this topic; "How often do you buy organic food products?". Most of the Czech consumers of organic food said they buy the products 1x a week (30%), while most of the German consumers declared to buy the organic food products 2x-3x a week (37%). From these results it is clear that the inhabitants of the Czech Republic really purchase organic food products less often than the inhabitants of Germany, thereby, the hypothesis can be confirmed.

8. The German respondents have seen more organic food promotions than the Czech respondents.

From the 155 Czech respondents 78% stated they have seen an organic food promotion. Also the majority of the German respondents (91%) have seen some kind of an organic food promotion. Even though only 57 German consumers took part in the research, the high percentage still shows which nation has more visible organic food promotions compared to the other. In this case it was Germany, so the hypothesis can be confirmed.

9. The promotion of organic food products influences German consumers more than it influences Czech consumers.

As mentioned before in a particular case of an in store (tasting) promotion only 28% of the Czech respondents who have tried the tasting promotion were influenced by it and bought the product. Among German consumers 30% of the respondents were influenced by the promotion enough to buy the product. In terms of how often does the promotion influence the consumers, Germany had a result of 3% saying "always" and 18% "never", whereas the Czech respondents stated "always" less (1%) and "never" more often (23%). Regarding the question of what the respondents think influences people the most when buying organic food product the German respondents stated advertisement as the reason in only 4% of the cases, which was compared 10% of the Czech responses very little. Still, due to the result of 30% of the respondents who were influenced by the promotion and bought the product, the hypothesis can be confirmed.

## 5.2. Recommendations for Zemanka Bio-bakery

Since almost a half of the interviewed people living in the Czech Republic thought there is no need to improve the promotions of organic food products, it may seem that marketing strategies concerning promotion of these products are more or less okay. However, it is not true. There is always something that can be improved and marketing promotions are not an exception.

The most common and also noticed type of promotion in terms of organic products is sales promotion such as in store (tasting). During the in store promotion consumers can taste products they have never tried before and when they are satisfied, they can directly buy them and even become regular customers. What is more, this type of promotion is one of the most used methods of promotions among food producers and the most popular among consumers. Zemanka Bio-bakery holds such events regularly and so far has met with positive reactions; therefore an only recommendation concerning this type of promotion would be to hold such events more often.

When it comes to direct marketing of organic food products, it means mainly farmers markets. When visiting such markets people usually expect to come across products, which have been produced directly by the farmers at their farms and under conditions referring to organic production. Also in this field the Bio-bakery is not a newcomer. There are so many farmers markets in the Czech Republic throughout the year (except winter) that it is hard to choose which ones to attend. In this area Zemanka Bio-bakery has been very active attending some markets regularly and the rest of them as often as possible. There is no need to give any special recommendations regarding the farmers markets, maybe only to try to get into small cities and towns, where the accessibility of organic products is still quite an issue.

Also advertising is a very efficient way of how to get organic products into people's consciousness. Unfortunately the Czech Republic is still not used to advertising organic food products in the media so much. Not many consumers have seen organic food for example in the TV commercials or on billboards. Of course it is not easy to advertise in television since organic food is not that commercial yet, but what the producers can do by themselves is to create a web

page with all their product range and additional information. Internet is nowadays something like newspapers in the olden days; therefore, having a regularly updated web page is the base for successful marketing. Also writing electronic articles is a good form of advertising. Zemanka Bio-bakery knows that and not only has an interesting web page with all the information needed, but it is also possible to find many articles about the Bio-bakery when searching the internet. All of this is fine, but make it even better it is necessary to give a recommendation of adding more articles into common as well as regional newspapers and magazines in order to introduce the products to as many people in the Czech Republic as possible.

Out of the Zemanka Bio-bakery's product range there are three kinds of sweet biscuits which have been developed especially for children (eight months old and more). These biscuits could be distributed to schools, kindergartens and all sorts of day care centers as healthy snacks. Since there is no white sugar in any of the biscuits and all of them are made out of ingredients coming from organic farming, the mothers might prefer them to conventional biscuits. Also schools should have some special lessons about organic farming and teach their pupils, what the advantages and disadvantages compared to conventional products are. However, that would mean to have a support of the government, while schools and kindergartens are state organizations.

Another type of support could be connected with national celebrities, favourite politicians or sportsmen. In such a case it would be enough if some popular and well know person said that he/she consumes organic biscuits and crackers produced by Zemanka Bio-bakery. The public likes to know about the lives of famous people and even tries to be like them in some ways, therefore, it is very probable, that once a famous person says he/she buys certain products, the public will start to notice and buy those products more.

However, the best type of promotion is when the organic products are high quality and are so delicious, that people spread their positive experience among each other verbally and allure others to buy the product as well. As a matter of fact, for the producers such achievement is a very good sign. Not only does this kind of promotion cost them nothing, but at the same time the word of mouth presents the most trustworthy form of promotion. For example the consumers of

organic biscuits and crackers produced by Zemanka Bio-bakery who have never seen any kind of promotion regarding these products and still belong among regular customers. They say they do not need any promotion; the only thing that matters to them is the quality. So the last recommendation for Zemanka Bio-bakery is to keep their products in such a quality level as they are now.

To sum it up, in terms of improving marketing promotions of organic food, people would welcome easier accessibility of the products (more organic shops and farmers markets especially in small towns) and more information about organic farming not only in media, but also in schools and other state organizations. Once it will be possible to buy the products at diverse places all around the Czech Republic and when the information will be spread among the consumers, the next level of promotions can begin. The in store (tasting) events can be held more often throughout the whole year. Perhaps only the marketing support of the products with the help of celebrities, politicians or famous sportsmen will take some time to be implemented, however the rest of the promotional strategies can start off right now or in the near future.

### 6. Conclusion

Every year more and more consumers incline to the consumption of organic food products. Obviously the trend of these products is increasing, no matter if there is financial crisis or any other world-wide problem. What is more, the organic market belongs to one of the fastest growing markets in the world. It is estimated that the annual growth of organic food consumption in the next few years will be approximately 70%.

The main objective of the thesis was to analyze whether the marketing promotions need to be improved and how. According to the research it was found out that the current situation regarding marketing promotions in the Czech Republic is relatively stable with none of them significantly standing out, nevertheless, the attitude towards the promotions of organic products differs depending on the consumers. Each consumer is unique and has his/her own opinion. The survey revealed that when it comes to marketing promotions of organically produced foods, almost a half of the Czech respondents think it is not necessary to improve them. However, there is always a possibility of improvement. Some of the respondents believe that it would be a good idea to innovate the already existing promotions of organic products. There were also some ideas to introduce brand-new ways of promoting.

Another objective of this thesis was to investigate how marketing promotions influence Czech consumers when buying organic food products. Out of the nine hypothesis set in the practical part of the thesis, only the one saying "The promotion of organic food products in the Czech Republic influences majority of consumers when buying a product." was denied by the research. Even though this surprising result was obtained in the Czech Republic, the German respondents answered similarly. However, in comparison of these two countries, the German respondents were influenced by the promotions slightly more.

Regarding the recommendations for Zemanka Bio-bakery, most of it was already mentioned in the previous chapter. In general, it can be said that the

overall awareness and image of organic products depends on promotion, but what also matters is the quality. Yes, the quality. Nobody would buy a product lacking quality repeatedly even if it had the best marketing promotions. Quality also has a positive effect on consumers' willingness to pay higher prices. With quality the word of mouth form of promotion is connected, which means when the consumers are satisfied, they spread the message forward. Apart from sophisticated promotional methods own experience is the basis for one of the best ways how to give organic product publicity. Nevertheless, according to the survey the promotion of organic food products should be improved mainly by providing more information through media such as TV, radio, internet, newspaper and magazines.

Basically the key to successful marketing of organically produced foods is to offer the products not only in specialized shops with organic products, but in common supermarket chains and drug stores as well. People are slowly getting used to the fact that when they want to buy something organically produced, they do not have to search for the nearest organic shop, but can simply go shopping into their favourite supermarket. Besides specialized shops, supermarkets and drug stores it is necessary to offer the products at farmers markets, during special events and of course on internet. Only full coverage of all these places can get the biscuits and crackers (or any other products) into the people's consciousness.

The aim of the marketing promotions is to give people certain information and hope they will pass the knowledge and experience on one another. If this happens, it means the promotion is successful.

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Questionnaire in Czech language

#### Dotazník

Vážený respondente,

jsem studentkou 5. ročníku České zemědělské univerzity v Praze a momentálně zpracovávám diplomovou práci na téma "Reklama a propagace bio-potravin v České republice". Byla bych vám velice vděčná, kdybyste věnovali zhruba 15 minut svého času na vyplnění tohoto dotazníku. Pomůže mi to při analýze reklamy a propagace bio-potravin v České republice a Německu. Výsledky obou zemí budou poté porovnány a zahrnuty do praktické části mojí diplomové práce.

Pokud není uvedeno jinak, v každé otáz Pokud byste měli zájem o zaslání výsledku e-mail	
1. Jste:	
□ muž	□ žena
2. Jaký je váš věk?	
☐ do 20 ☐ 21-30 ☐ 31-40	☐ 41-50 ☐ 51-60 ☐ 61 a více
3. Jaká je velikost vašeho bydliště?	
<ul><li>☐ do 2000 obyvatel</li><li>☐ 2001 - 5000 obyvatel</li><li>☐ 5001 - 10000 obyvatel</li></ul>	<ul><li>☐ 10001 - 50000 obyvatel</li><li>☐ 50001 - 100000 obyvatel</li><li>☐ 100001 a více obyvatel</li></ul>
4. Jaké je vaše nejvyšší dosažené vzděl	ání?
<ul><li>□ základní</li><li>□ středoškolské bez maturity</li></ul>	<ul><li>☐ středoškolské s maturitou</li><li>☐ vysokoškolské</li></ul>
5. V současné době jste:	
<ul> <li>□ student</li> <li>□ zaměstnaný/á</li> <li>□ osoba samostatně výdělečně činná</li> </ul>	<ul><li>□ na mateřské dovolené</li><li>□ nezaměstnaný/á</li><li>□ v důchodu</li></ul>

6. Jaké jsou čisté měsíční příjmy vaší domá	cnosti?
☐ do 25000 Kč ☐ 25001 – 50000 Kč ☐ 50001 – 75000 Kč	☐ 75001 – 100000 Kč ☐ 100001 – 125000 Kč ☐ 125001 Kč a více
7. Jak často chodíte nakupovat?	
<ul><li> každý den</li><li> 2x-3x týdně</li><li> 1x týdně</li></ul>	<ul><li>☐ 1x za dva týdny</li><li>☐ 1x měsíčně</li><li>☐ nikdy</li></ul>
8. Kupujete bio výrobky? (Pokud ne, pokračujte otázkou č. 13)	
□ ano	□ ne
9. Jaké bio výrobky kupujete nejčastěji? (Prosím, zaškrtněte všechny odpovědi, kt	eré vyjadřují váš názor)
<ul><li>□ potraviny a nápoje</li><li>□ kosmetiku</li></ul>	☐ oblečení ☐ jiné
10. Proč kupujete bio výrobky? (Prosím, zaškrtněte všechny odpovědi, k	které vyjadřují váš názor)
<ul> <li>□ chci podpořit ekologické zemědělství</li> <li>□ jsou součástí mého životního stylu</li> <li>□ mají zajímavější obal</li> <li>□ jsou zdravé</li> <li>□ jsou trendy</li> </ul>	<ul> <li>☐ chutnají lépe</li> <li>☐ chci si udržet štíhlou linii</li> <li>☐ jsou jednoduše dostupné</li> <li>☐ nevím</li> <li>☐ jiné -</li> </ul>
11. Jak často kupujete bio výrobky?	
<ul><li> každý den</li><li> 2x-3x týdně</li><li> 1x týdně</li></ul>	<ul><li>☐ 1x za dva týdny</li><li>☐ 1x měsíčně</li><li>☐ méně než 1x měsíčně</li></ul>
12. Kde nakupujete bio výrobky nejčastěji?	
<ul><li>□ v supermarketech</li><li>□ v menších obchodech</li><li>□ ve specializovaných obchodech</li></ul>	<ul><li>□ přes internet</li><li>□ přímo od farmářů</li><li>□ jiné</li></ul>
13. Viděl/a jste někdy reklamu na bio-potrav (Pokud ne, pokračujte otázkou č. 18)	iny?
□ ano	□ne

<ol> <li>Jaké reklamy na bio-potraviny jste si vs (Prosím, zaškrtněte všechny odpovědi,</li> </ol>	
<ul><li>☐ TV a reklama v rádiu</li><li>☐ billboard</li><li>☐ ochutnávka v obchodě</li><li>☐ reklama v novinách a časopisech</li></ul>	☐ reklamní leták ☐ internet ☐ veletrh ☐ jiné
15. Zkusil/a jste někdy ochutnávku bio-pot (Pokud ne, pokračujte otázkou č. 18)	ravin v obchodě?
□ ano	□ ne
16. Co vás k tomu vedlo? (Prosím, zaškrtněte všechny odpovědi,	které vyjadřují váš názor)
<ul><li>□ zajímal mě výrobek jako takový</li><li>□ líbilo se mi, jak byl výrobek prezentován</li><li>□ rád/a zkouším nové věci</li></ul>	<ul><li>□ výrobek mi byl doporučen</li><li>□ měl/a jsem hlad</li><li>□ jiné</li></ul>
17. Byl/a jste ovlivněn/á touto formou rekla koupil/a?	nmou tak, že jste si výrobek
□ ano	□ ne
18. Jak moc vás ovlivňuje reklama při kouj	oi bio-potravin?
□ vždy □ často □ občas	<ul><li>□ ne příliš často</li><li>□ nikdy</li><li>□ nevím</li></ul>
19. Co podle vás ovlivňuje spotřebitele nej (Prosím, zaškrtněte všechny odpovědi,	
<ul> <li>□ reklama</li> <li>□ dostupnost</li> <li>□ touha podpořit ekologické zemědělství</li> <li>□ země původu</li> <li>□ cena</li> <li>□ chuť</li> </ul>	<ul> <li>kvalita produktu</li> <li>nutriční hodnota</li> <li>touha být zdravý/á</li> <li>touha být trendy</li> <li>nevím</li> <li>jiné</li> </ul>
20. Myslíte si, že by propagace bio-potravi	n mohla být zlepšena? Jak?

Questionnaire in English language

#### Questionnaire

Dear respondent,

☐ self-employed

I am a student of the Czech University of Life Sciences in Prague and currently I am writing my Diploma thesis called "Marketing Promotions of Organic Food Products in the Czech Republic". I would be very grateful if you could spend approximately 15 minutes of your time with this questionnaire. It will help me analyze the current situation of marketing promotions in relation to organic products in the Czech Republic and Germany. The results will be then compared in the practical part of my thesis.

In every question mark only one answer if not said differently. If you are interested

in the results of the questionnaire please leave your e-mail address ...... 1. Gender? ☐ female ☐ male 2. How old are you? ☐ up to 20 ☐ 41-50 □ 21-30 □ 51-60 □ 31-40 ☐ 61 and more 3. How many inhabitants live in your area? up to 2000 inhabitants ☐ 10001 - 50000 inhabitants ☐ 2001 - 5000 inhabitants ☐ 50001 - 100000 inhabitants ☐ 5001 - 10000 inhabitants ☐ 100001 and more inhabitants 4. What education level have you achieved? primary school secondary sch. - with certificate ☐ secondary sch. - without leaving certificate ☐ university education 5. Current situation? □ student ☐ maternity leave □ employed ☐ unemployed

□ retired

6. What is the monthly income of your house	sehold?
<ul><li>less than 1000€</li><li>1001 – 2000€</li><li>2001 – 3000 €</li></ul>	☐ 3001 - 4000€ ☐ 4001 – 5000€ ☐ 5001€ and more
7. How often do you go shopping?	
<ul><li>□ every day</li><li>□ 2x-3x a week</li><li>□ 1x a week</li></ul>	<ul><li>☐ 1x in two weeks</li><li>☐ 1x a month</li><li>☐ never</li></ul>
8. Do you buy organic products? (If no continue with question no. 13)	
□ yes	□ no
9. Which organic products do you buy? (Please mark all that apply)	
☐ food and drinks ☐ cosmetics	☐ clothes ☐ other
10. Why do you buy organic products? (Please mark all that apply)	
<ul> <li>☐ I want to support organic farming</li> <li>☐ they taste better than ordinary products</li> <li>☐ they have nicer packaging</li> <li>☐ they are healthy</li> <li>☐ they are trendy</li> </ul>	<ul> <li>□ they are a part of my life</li> <li>□ I want to keep fit</li> <li>□ I have easy access to them</li> <li>□ I don't know</li> <li>□ other</li> </ul>
11. How often do you buy organic food pro	ducts?
<ul><li>□ every day</li><li>□ 2x-3x a week</li><li>□ 1x a week</li></ul>	<ul><li>☐ 1x in two weeks</li><li>☐ 1x a month</li><li>☐ less than 1x a month</li></ul>
12. Where do you buy organic food produc	ts the most?
<ul><li>☐ in supermarkets</li><li>☐ in small shops</li><li>☐ in specialized shops</li></ul>	<ul><li>☐ through internet</li><li>☐ directly from farmers</li><li>☐ other</li></ul>
13. Have you ever seen any kind of organi (If no continue with question no. 18)	c food promotion?
□ yes	□ no

14. Which kind of organic food promotion h (Please mark all that apply)	ave you noticed?
<ul> <li>□ TV and radio commercial</li> <li>□ billboard</li> <li>□ in store promotion (tasting)</li> <li>□ advertisement in newspaper and magazine</li> </ul>	☐ leaflet☐ internet☐ trade fair☐ other
15. Did you try the in store (tasting) promoti (If no continue to question no. 18)	ion of organic food products?
□ yes	□ no
16. Why did you try it? (Please mark all that	apply)
<ul><li>☐ I was interested in the product itself</li><li>☐ I liked the way the product was presented</li><li>☐ I like trying new things</li></ul>	
17. Were you influenced by the in store (tas product?	ting) promotion and bought the
□ yes	□ no
18. How often are you influenced by a prom products in general?	otion when buying organic food
<ul><li>□ always</li><li>□ very often</li><li>□ sometimes</li></ul>	<ul><li>☐ not very often</li><li>☐ never</li><li>☐ I don't know</li></ul>
19. What do you think influences people the products? (Please mark all that apply)	e most when buying organic food
<ul> <li>□ advertisement</li> <li>□ accessibility</li> <li>□ will to support organic farming</li> <li>□ country of origin</li> <li>□ price</li> <li>□ taste</li> </ul>	☐ quality ☐ nutrition value ☐ will to be healthy ☐ will to be trendy ☐ I don't know ☐ other
20. Do you think marketing promotions of o improved? How?	
Thank you for co-c	
mank you lot oo	. L

Questionnaire in German language

#### Fragebogen

Liebe(r) Befragte(r),

Ich bin eine Studentin der tschechischen Universität von Biowissenschaften in Prag und arbeite derzeitig an meiner Diplomarbeit mit dem Titel, "Marketing Promotions of Organic Food Products in the Czech Republic". Ich wäre Ihnen sehr dankbar, wenn Sie mir 15 Minuten ihrer Zeit opfern würden, um diesen Fragebogen auszufüllen. Ihre Antworten helfen mir die aktuelle Situation der Marktwerbung in Bezug zu Bioprodukten in der Tschechei und in Deutschland zu analysieren. Die Ergebnisse werden anschließend im technischen Teil meiner Arbeit verglichen.

Bitte markieren Sie jeweils nur eine Antwort pro Frage, wenn nicht anders vorgegeben. Falls Sie sich für die Resultate der Umfrage interessieren sollten, geben Sie bitte ihre E-Mail Adresse an und ich werde Ihnen diese zuschicken

..... 1. Geschlecht? □ männlich □ weiblich 2. Wie alt sind Sie? ☐ bis 20 □ 41-50 □ 21-30 □ 51-60 □ 31-40 ☐ 61+ 3. Wie viele Einwohner leben in ihrer Umgebung? ☐ bis zu 2000 Einwohner ☐ 10,001 – 50,000 Einwohner ☐ 2001 – 5000 Einwohner ☐ 50,001 – 100,000 Einwohner ☐ 5001 – 10,000 Einwohner ☐ 100,001 und mehr Einwohner 4. Welchen Bildungsgrad haben Sie? ☐ Grundschule ☐ Mittlere Reife – mit Abschluss ☐ Mittlere Reife – ohne Abschluss ☐ Hochschulabschluss 5. Ihre gegenwärtige Situation? ☐ Mutterschutz ☐ Student/in ☐ Angestellte/r ☐ Arbeitslos ☐ Selbstständig □ Rentner/in

6. Wie hoch ist ihr monatliches Einkommen	?
<ul><li>unter 1000€</li><li>1001 – 2000€</li><li>2001 – 3000 €</li></ul>	
7. Wie oft gehen Sie einkaufen?	
<ul><li>☐ Jeden Tag</li><li>☐ 2x-3x in der Woche</li><li>☐ 1x in der Woche</li></ul>	<ul><li>☐ 1x alle zwei Wochen</li><li>☐ 1x im Monat</li><li>☐ nie</li></ul>
8. Kaufen Sie Bioprodukte? (Falls Sie dies nicht tun sollten, machen S	Sie bitte mit Frage 13 weiter)
□ Ja	□ Nein
9. Welche Bioprodukte kaufen Sie? (Bitte kr	euzen Sie alle an die zutreffen)
<ul><li>☐ Lebensmittel und Getränke</li><li>☐ Kosmetikartikel</li></ul>	☐ Kleidung ☐ andere
10. Warum kaufen Sie Bioprodukte? (Bitte k	reuzen Sie alle an die zutreffen)
<ul> <li>☐ Ich möchte die biologische Agrarwirtschaft</li> <li>☐ Sie schmecken besser als die gewöhnliche</li> <li>☐ Sie sind Teil meines Lebensstils</li> <li>☐ Ich möchte mich gesund ernähren</li> <li>☐ Sie sind gesund</li> <li>☐ Sie haben eine schönere Verpackung</li> </ul>	n Produkte □ Sie sind modisch
11. Wie oft kaufen Sie Biolebensmittelprodu	kte?
<ul><li>☐ Jeden Tag</li><li>☐ 2x-3x in der Woche</li><li>☐ 1x in der Woche</li></ul>	<ul><li>☐ 1x in zwei Wochen</li><li>☐ 1x im Monat</li><li>☐ weniger als ein Mal im Monat</li></ul>
12. Wo kaufen Sie am häufigsten Biolebens	mittelprodukte?
<ul><li>☐ im Supermarket</li><li>☐ in kleineren Geschäften</li><li>☐ in spezialisierten Geschäften</li></ul>	☐ übers Internet ☐ direkt vom Bauer ☐ andere
13. Haben Sie bereits irgendeine Art von Wegesehen? (Falls nicht, machen sie bitte	_
□Ja	□ Nein

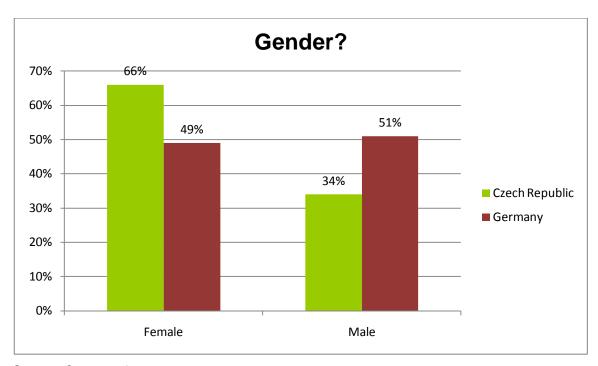
14. Welche Art von Werbung für Biolebensn (Bitte kreuzen Sie alle an die zutreffen)	nittel haben sie gesehen?
<ul> <li>□ TV und Radio Werbung</li> <li>□ Reklametafel</li> <li>□ probieren/schmecken im Geschäft</li> <li>□ Werbung in einer Zeitung oder Magazin</li> </ul> 15. Haben Sie bereits in einem Geschäft an	
teilgenommen? (Falls nicht, machen Sie bit	te mit Frage 18 weiter)
□ Ja	☐ Nein
16. Warum haben Sie es probiert? (Bitte kre	uzen Sie alle an die zutreffen)
<ul> <li>☐ Ich interessierte mich für das Produkt an si</li> <li>☐ Es gefiel mir wie das Produkt präsentiert w</li> <li>☐ Ich probiere gerne neue Sachen aus</li> </ul>	<del>_</del>
17. Wurden Sie von der Aktion beeinflusst ι	ınd haben das Produkt gekauft?
□Ja	□ Nein
18. Wie oft werden Sie von Werbung beein Produkt kaufen?	nflusst wenn Sie Biolebensmittel-
☐ Immer ☐ Sehr oft ☐ Manchmal	<ul><li>☐ Nicht sehr oft</li><li>☐ nie</li><li>☐ Ich weiß es nicht</li></ul>
19. Was glauben Sie beeinflusst die Mensch Biolebensmittelprodukte kaufen? (Bitte	
<ul> <li>□ Werbung</li> <li>□ Zugänglichkeit</li> <li>□ Gesundheitsbewusstsein</li> <li>□ Herkunftsland</li> <li>□ Preis</li> <li>□ Unterstützung von organischer Agrarwisse</li> </ul> 20. Sind Sie der Meinung, dass die Werbung	
verbessert werden können? Wie?	

Herzlichen Dank für ihre Kooperation!

Question 1. Gender?

Gender?	Czech Republic	Germany
Male	52	29
Female	103	28

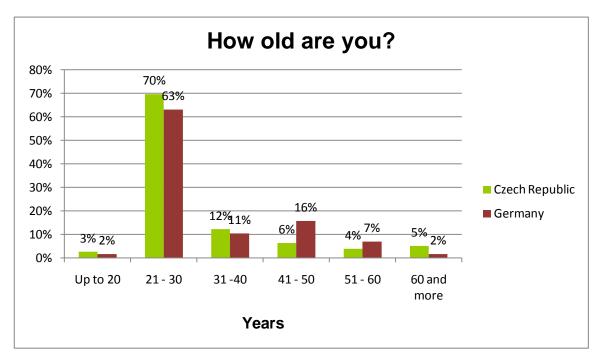
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Question 2. How old are you?

How old are you?	Czech Republic	Germany
Up to 20 years	4	1
21 – 30 years	108	36
31 – 40 years	19	6
41 – 50 years	10	9
51 – 60 years	6	4
60 and more years	8	1

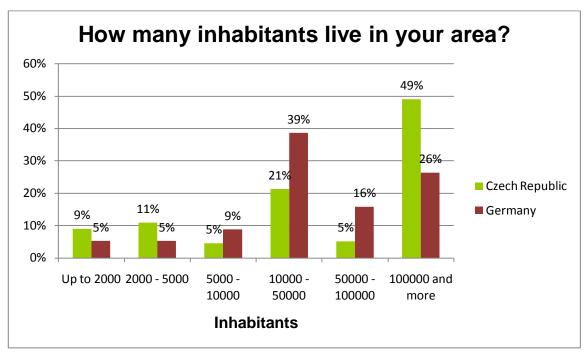
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Question 3. How many inhabitants live in your area?

How many inhabitants live in your area?	Czech Republic	Germany
Up to 2000 inhabitants	14	3
2000 – 5000 inhabitants	17	3
5000 – 10000 inhabitants	7	5
10000 – 50000 inhabitants	33	22
50000 – 100000 inhabitants	8	9
100000 inhabitants and more	76	15

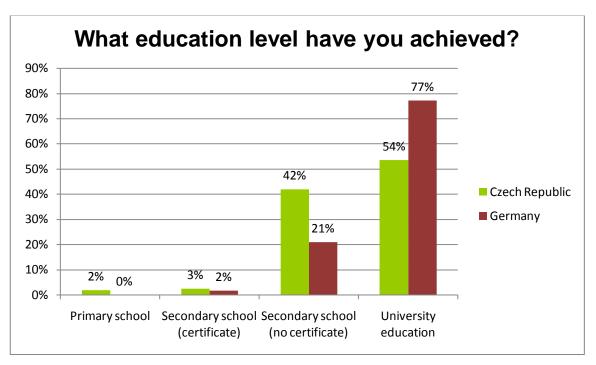
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Question 4. What education level have you achieved?

What education level have you achieved?	Czech Republic	Germany
primary school	3	0
secondary school (certificate)	4	1
secondary school (no certificate)	65	12
university education	83	44

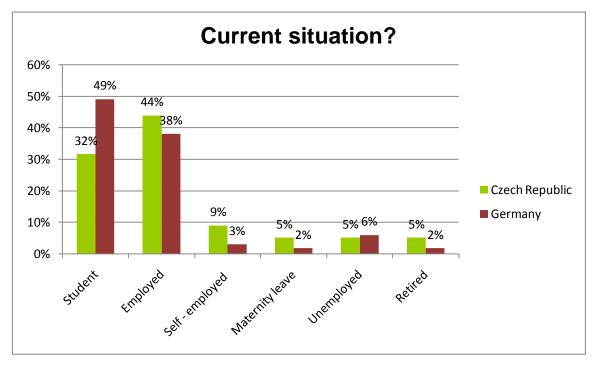
Source: Own creation



Question 5. Current situation?

Current situation?	Czech Republic	Germany
student	49	28
employed	68	22
self – employed	14	2
maternity leave	8	1
unemployed	8	3
retired	8	1

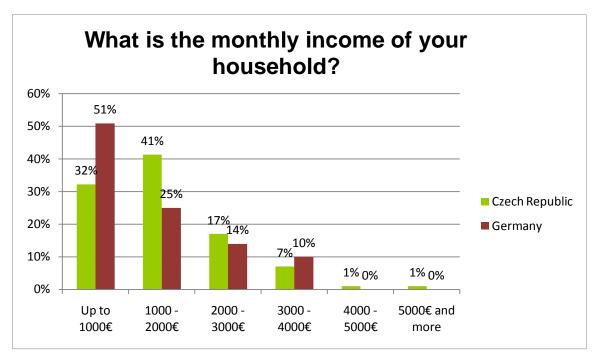
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Question 6. What is the monthly income of your household?

What is the monthly income of your household?	Czech Republic	Germany
Less than 1000€	50	29
1000 – 2000€	64	14
2000 – 3000€	27	8
3000 – 4000€	10	6
4000 – 5000€	2	0
5000€ and more	2	0

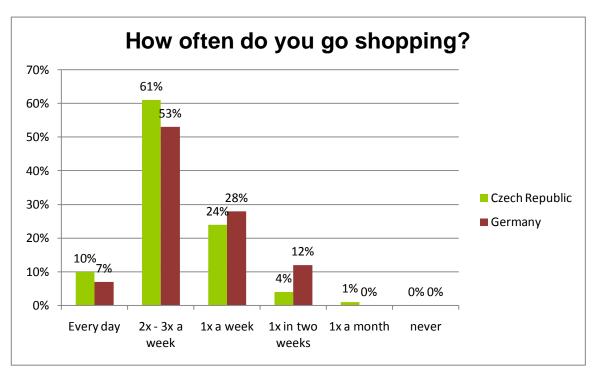
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Question 7. How often do you go shopping?

How often do you go shopping?	Czech Republic	Germany
Every day	16	4
2x – 3x a week	95	30
1x a week	37	16
1x in two weeks	6	7
1x a month	1	0
never	0	0

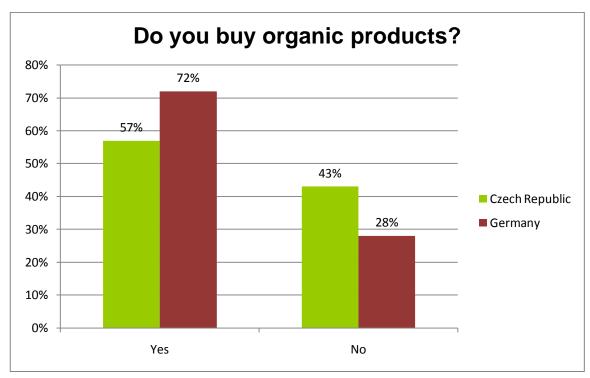
Source: Own creation



Question 8. Do you buy organic products?

Do you buy organic products?	Czech Republic	Germany
yes	89	41
no	66	16

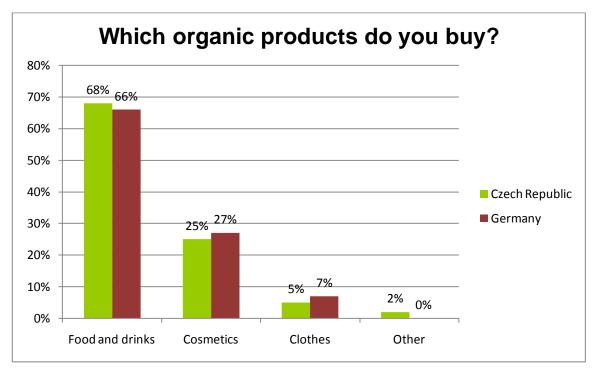
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Question 9. Which organic products do you buy?

Which organic products do you buy?	Czech Republic	Germany
Food and drinks	89	41
Cosmetics	32	17
Clothes	7	4
Other	2	0

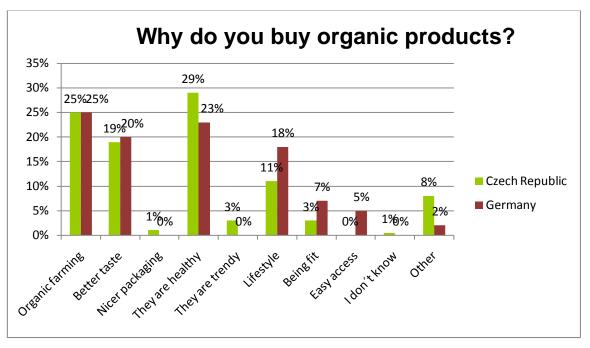
Source: Own creation



Question 10. Why do you buy organic products?

Why do you buy organic products?	Czech Republic	Germany
I want to support organic farming	50	26
They taste better than conventional products	38	20
They have nicer packaging	2	0
They are healthy	57	23
They are trendy	6	0
They are a part of my lifestyle	22	18
I want to keep fit	7	7
I have easy access t o them	0	5
I don't know	1	0
Other	16	2

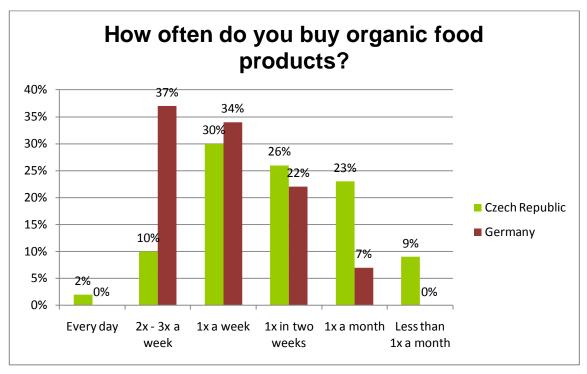
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Question 11. How often do you buy organic food products?

How often do you buy organic food products?	Czech Republic	Germany
Every day	2	0
2x – 3x a week	9	15
1x a week	27	14
1x in two weeks	23	9
Less than 1x a month	20	3
never	8	0

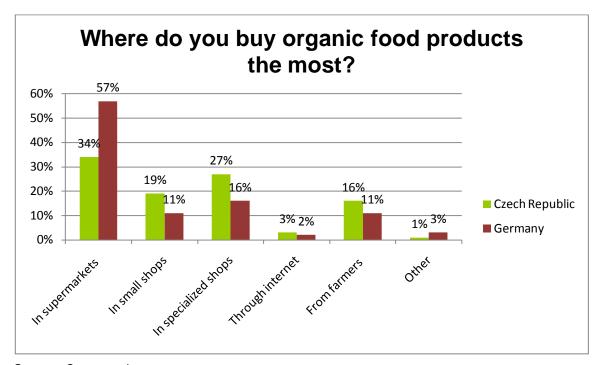
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Question 12. Where do you buy organic food products the most?

Where do you buy organic food products the most?	Czech Republic	Germany
In supermarkets	45	35
In small shops	26	7
In specialized shops	36	10
Through internet	4	1
Directly from farmers	21	7
Other	1	2

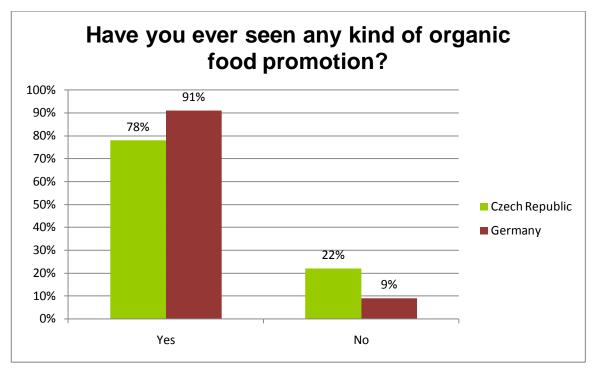
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Question 13. Have you ever seen any kind of organic food promotion?

Have you ever seen any kind of organic food promotion?	Czech Republic	Germany
yes	121	52
no	34	5

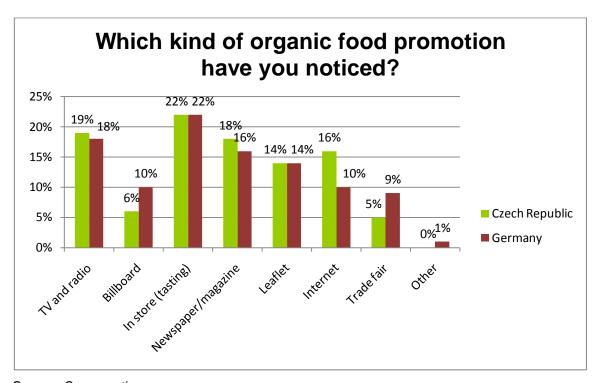
Source: Own creation



Question 14. Which kind of organic food promotion have you noticed?

Which kind of organic food promotion have you noticed?	Czech Republic	Germany
TV and radio commercial	63	31
Billboard	19	17
In store promotion (tasting)	73	38
Advertisement in newspaper and magazine	61	29
Leaflet	47	25
Internet	52	18
Trade fair	15	15
Other	1	1

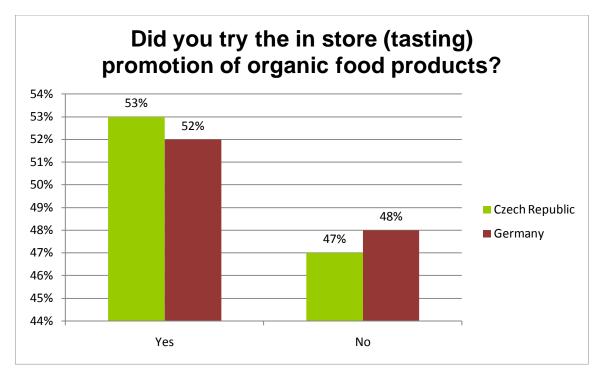
Source: Own creation



Question 15. Did you try the in store (tasting) promotion of organic food products?

Did you try the in store (tasting) promotion of organic food products?	Czech Republic	Germany
yes	65	27
no	<i>57</i>	25

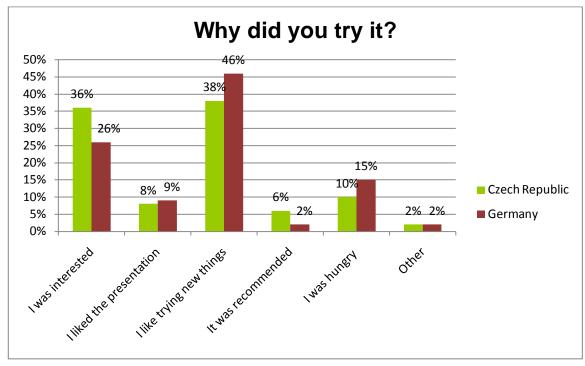
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Question 16. Why did you try it?

Why did you try it?	Czech Republic	Germany
I was interested in the product itself	35	12
I liked the way the product was presented	8	4
I like trying new thing	37	21
It was recommended by others	6	1
I was hungry	9	7
Other	2	1

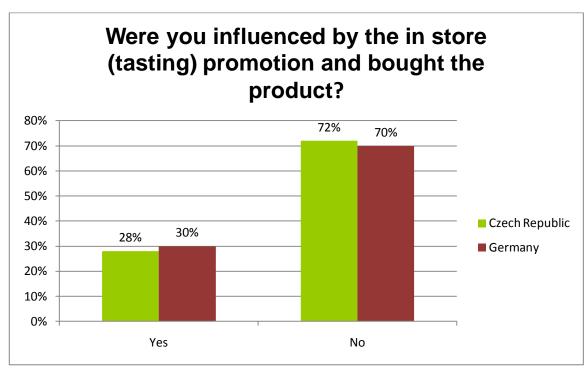
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Question 17. Were you influenced by the in store (tasting) promotion and bought the product?

Were you influenced by the promotion and bought the product?	Czech Republic	Germany
yes	18	8
no	47	19

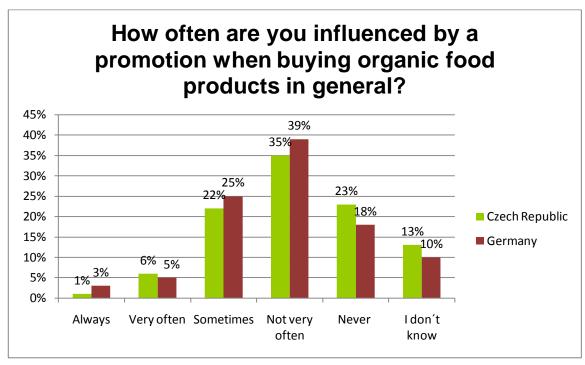
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Question 18. How often are you influenced by a promotion when buying organic food products in general?

How often are you influenced by advertisement when buying organic food products?	Czech Republic	Germany
Always	2	2
Very often	9	3
Sometimes	35	14
Not very often	54	22
Never	35	10
I don't know	20	6

Source: Own creation



Question 19. What do you think influences people the most when buying organic food products?

What do you think influences people the most when buying organic food products?	Czech Republic	Germany
Advertisement	52	9
Accessibility	40	15
Will to support organic farming	42	21
Country of origin	26	22
Price	48	13
Taste	67	26
Quality	88	35
Nutrition value	20	14
Will to be healthy	101	44
Will to be trendy	42	16
I don't know	4	0
Other	5	3

Source: Own creation

