**Czech University of Life Sciences Prague** 

**Faculty of Economics and Management** 

**Department of Languages** 



# **Bachelor Thesis**

## Impact of digital marketing on brand management in the Czech Republic and Turkey

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## CZECH UNIVERSITY OF LIFE SCIENCES PRAGUE

Faculty of Economics and Management

## **BACHELOR THESIS ASSIGNMENT**

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Impact of digital marketing on brand management in the Czech Republic and Turkey

#### **Objectives of thesis**

The main aim of the bachelor thesis is to identify the effects of digital marketing on one specific company in the Czech Republic and one in Turkey, and to evaluate and compare the found data.

#### Methodology

The work consists of two parts – theoretical and practical. The theoretical part will be based on the study of secondary sources. The empirical part will be compiled on the basis of outputs from quantitative/qualitative research.

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KINGSNORTH, S. Digital Marketing Strategy: An Integrated Approach to Online Marketing, 2022. ISBN 978-1398605978.

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### Declaration

I declare that I have worked on my bachelor thesis titled "Impact of digital marketing on brand management in the Czech Republic and Turkey" by myself and I have used only the sources mentioned at the end of the thesis. As the author of the bachelor thesis, I declare that the thesis does not break any copyrights.

In Prague on 15.03.2024

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# Impact of digital marketing on brand management in the Czech Republic and Turkey

#### Abstract

The bachelor thesis compiles the research results on how digital marketing differs for the selected company according to countries such as Turkey and the Czech Republic. The theoretical section combines data on digital marketing and how it affects different fields, countries and is followed by the empirical section, which contains general information about the chosen company. Data analysis based on the findings of both quantitative and qualitative research is used to confirm the results. The latest results on the impact of digital marketing on brand management in businesses across two nations are gathered.

**Keywords:** digital marketing, online marketing, brand, brand management, marketing effect, analytics, advertisement

## Vliv digitálního marketingu na brand management v České republice a Turecku

#### Abstrakt

Bakalářská práce shrnuje výsledky výzkumu, jak se liší digitální marketing pro vybranou společnost podle zemí jako je Turecko a Česká republika. Teoretická část kombinuje data o digitálním marketingu a jeho vlivu na různé obory, země a navazuje empirická část, která obsahuje obecné informace o vybrané společnosti. K potvrzení výsledků se používá analýza dat založená na zjištěních kvantitativního i kvalitativního výzkumu. Jsou shromážděny nejnovější výsledky o dopadu digitálního marketingu na řízení značky v podnicích ve dvou zemích.

Klíčová slova: digitální marketing, online marketing, značka, management značky, marketingový efekt, analytika, reklama

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## **1** INTRODUCTION

People resort to consuming a variety of resources in order to meet their physiological, psychological, safe, or psychosocial needs in life. At this phase, they typically turn to the goods and services that different companies and brands promote to suit their consumption needs as a result of being able to meet their requirements. For this reason, marketing channels and strategies had to keep pace with the developments of societies. With the development of technology, people's lives have been largely digitized and digital worlds such as the internet have become indispensable for people. In this context, modern marketing and technologies have also changed and turned towards a digital electronic understanding; thus, the concept of digital marketing, which is different from traditional marketing methods, has emerged.

Marketing is one of the most important elements in bringing a company's product or service to the consumer. It is crucial for businesses that engage in marketing operations to keep track of the marketing channels customers utilize and whether or not their popularity changes.

In terms of brand growth and management, digital marketing is crucial since it makes it possible to better understand the target audience due to its convenient location, as well as because it is a medium that makes marketing to specific target audiences possible. Since digital marketing, which has no temporal and spatial boundaries, offers a wide range in terms of efficiency, it also enables brands to be more permanent and to increase their awareness.

From the point of view of brand management processes, digital marketing environments provide access to the target consumer audience that cannot be reached from other channels, as well as providing the convenience of receiving feedback from them, the price, product, and promotional decisions taken by the businesses for the brand, the analysis of the digital market in which the brand is opened, the positioning of the brand, the promotion, the creation of awareness. It provides the opportunity to easily control the processes and evaluate their performance. In comparison to other traditional approaches, digital marketing has the chance to measure all of these swiftly and precisely, making it appropriate for measurements that are more objective and trustworthy.

In light of all this information, in this study, the effect of digital marketing on brand management was examined, taking into account the population rates in different countries, based on the marketing data of the selected company within the framework of the advantages of today's conditions.

## **2 OBJECTIVES AND METHODOLOGY**

### 2.1 Objectives

The main aim of the bachelor thesis is to identify the effects of digital marketing on one specific company in the Czech Republic and one in Turkey, and to evaluate and compare the found data.

- ✓ To identify theoretical information about what digital marketing is and how it processes in its different fields,
- ✓ To provide a brief overview of the company's digital marketing departments in Turkey and the Czech Republic, as well as general company information,
- ✓ Displaying and evaluating the data collected on companies and explaining its impacts on brand management,
- $\checkmark$  Comparison of collected data between countries,
- ✓ Finally, theoretical and practical information on the effects of digital marketing on brand management will be provided.

### 2.2 Methodology

The work consists of two parts - theoretical and practical.

The theoretical part is based on the study of secondary sources. The empirical part is compiled on the basis of outputs from quantitative/qualitative research.

The empirical part is organized based on data from quantitative/qualitative research. It was based on the analysis of digital marketing data on the brand available in two different countries, the Czech Republic and Turkey, on certain dates, and information about the company.

The data showing the development of the brand in a certain period of time requested via e-mail from the digital marketing departments that the companies rely on was used as a qualitative data collection method.

Interviews were carried out electronically via e-mail. Since the data was directly recorded, no changes were made to it and this allowed the data analysis to be done objectively.

Advertising data is displayed using Microsoft Excel.

## **3 DIGITAL MARKETING AND BRAND MANAGEMENT**

People consume a variety of resources to meet their physiologic, psychological, safety, or psychosocial needs. In order to meet their current consumer demands, they go to buy products and services offered by various sectors such as marketing and trade in the consumer identity. The concept of digital marketing has emerged from the fact that shopping, which started as an economic goods exchange process between a seller and a buyer, is now carried out by transferring digital data to digital platforms. Digital marketing includes establishing communication and interaction between the consumer and the company in order to enable the consumer to engage in purchasing behaviour in order to support and promote the brand indirectly or directly on the internet with methods away from traditional media (Kotler and Keller, 2006).

After the internet started to be used for commercial activities, traditional markets have now left their place for virtual markets. The market now consists of virtual stores that can be accessed anywhere in the world where there is the internet, on the desired day and time, without the need to open a store physically. These and similar situations have caused businesses to intensify their marketing activities on the internet.

According to Rayport and Sviokla (1994, p.142), digital marketing has brought about certain changes in traditional markets in terms of the context in which the transaction takes place, the content of the transaction, and the infrastructure that enables the transaction to take place. In terms of the context in which the transaction takes place, the product has been replaced by information about the product. In terms of the content of the transaction, face-to-face selling and bargaining have been replaced by an electronic screen. In terms of the infrastructure that enables the transaction to take place, the computer and other communication lines have replaced the market and store where the shopping will take place. As a result, virtual markets have brought lower costs, convenience, and instant accessibility.

In addition to the change created by technological developments in society, marketing in the digital environment creates a new infrastructure and service diversity that creates the network economy in terms of marketing (Moon & Millison, 2003). Digital marketing is preferred for a variety of reasons in today's environment, including sales, service, communicating, saving, and being heard. By reaching customers who are unable to access services outside of the online environment, providing a wider selection of products than in stores, reaching areas where there are no stores with a wider distribution network, and providing low prices and discount opportunities, digital marketing, which increases sales, can accomplish this. There is an opportunity to provide additional value in terms of service, as digital marketing can provide extra benefits to customers that can be accessed via the internet, establish a time-saving dialogue with them, and provide product development information by getting feedback easily.

Digital marketing paves the way for being closer to customers as it can provide twoway and feedback communication through surveys via web forums and e-mail groups. Thanks to these dialogues, it is possible to obtain information about the target consumer group and customers by conducting official market research, unofficial chat room conversations and public relations studies. This not only enables the products to be developed further, but also assists the brands in deciding how to make changes on the products. The possibility of accessing, selling and providing services over the internet allows companies to save money as they reduce personnel, printing and postal costs. Digital marketing, which provides the opportunity to expand the brand over the internet and to be heard more, supports companies in the way of branding.

Digital marketing, also called interactive marketing, online marketing, e-marketing and web marketing, basically consists of four steps: achievement, acquisition, measurement optimization, ownership - growth. "Search engine optimization (SEO), search engine ads (PPC), e-mail marketing, social media marketing, affiliate marketing, interactive comparison, advertising partnership, viral marketing, content production in order to attract the attention of the customer and the target consumer audience into the environment where the sale is made. Virtual media activities such as sharing, online public relations (online PR) are carried out. After the customer and target consumer group enter the digital environment in the acquisition phase, non-sales activities that can help the seller reach their goals are behaviours such as reading blog posts and spending a long time on the website. In the measurement and optimization phase, it is tried to correct the errors detected by measuring whether it is successful or not, which plays a big role in comparisons with competing companies and closing the differences. There are some activities that businesses can do in order to satisfy the customers who are ready at the stage of ownership and growth and to ensure their permanence. In order to provide good customer service, customer loyalty is tried to be created by making use of techniques such as "e-mail marketing, loyalty programs, dynamically applying pricing strategies, personalization, community building and reference programs".

## 3.1 DIGITAL MARKETING

#### 3.1.1 HISTORICAL DEVELOPMENT

After the Industrial Revolution, the increasing and accelerating production power and decreasing cost caused manufacturers to search for new markets in order to sell their products, and with the development of technology and globalization, the world has become a single market. The fact that the market has expanded on a global scale and the number of enterprises has increased at that rate has caused the companies to make intense efforts to gain an advantage over their other competitors in this intensely competitive environment and to try to integrate the renewed technology into their structures in this way.

With the entry of the computer age, as a result of the transfer of digital data to digital environments, the electronification and digitalization situation that has occurred in every field has also affected trade, and digital marketing and its applications have emerged.

The use of television has brought a brand new understanding to the marketing system, as it brings with it the spread of advertising. Based on the factors of profit making through target market, consumer needs, integrated marketing, and consumer satisfaction, marketing actions have transformed the concept of branding into an important tool and focused on consumer satisfaction. This modern marketing approach, which has been developed, has undertaken an integrated marketing effort with the product, price, distribution, and promotion factors by addressing the wishes and needs of the target consumer group, and aims to create loyalty arising from the satisfaction of the consumer and to make the relationship with the consumer more permanent. Relational marketing, which is described as the development and commercialization of the long-term relationships desired to be established with consumers within the scope of the existing goals of the enterprises (Yamamoto, 2003), has given rise to market-oriented and social marketing concepts that take into account both the producer's interests as well as those of society at large. Communication is a very important point in marketing and in this context, customer relationship management is one of the important building blocks of modern marketing. The success of customer relationship management is based on customer satisfaction (Kotler & Armstrong, 2008).

Since the consumer can provide feedback on the product or service thanks to relational marketing, this understanding, which opens the way for digital and one-to-one communication, has brought consumer needs to the fore (Yeshin, 1998).

Basically, although the marketing philosophy does not change, the application methods are undergoing transformation, so the ability of marketing to keep up with technological developments brings a successful marketing. With the development of technology, the invention of the internet and its use in many countries around the world have brought with it conveniences to change the behaviour of concentrating on the multiplicity of production. After the installation of the Internet, it has become more controllable and responsive to requests thanks to new software and programming languages, and it has made it possible to receive information from potential customers, implement marketing strategies accordingly, and provide personal service.

#### 3.1.2 DIGITAL MARKETING CHANNELS

With consumers increasingly using the digital environment and especially the internet, it is inevitable that more and more companies will use digital marketing to reach their target markets.

According to the 2022 global internet trends report, it is estimated that the number of users connecting to the internet worldwide is approximately five billion. According to the distribution of global internet users detailed in Figure 3.1, the number of internet users has increased continuously between 2012 and 2022.<sup>1</sup>

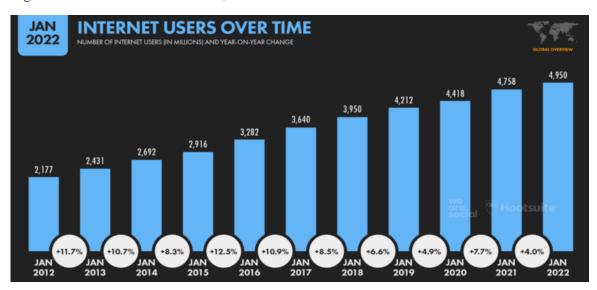


Figure 3.1: Global Internet Users, 2012-2022<sup>2</sup>

Source: Datareportal (2022)

<sup>&</sup>lt;sup>1</sup> <u>https://datareportal.com/reports/digital-2022-global-overview-report</u> [accessed on 15.12.2022]

<sup>&</sup>lt;sup>2</sup> <u>https://datareportal.com/reports/digital-2022-global-overview-report</u> [accessed on 15.12.2022]

Digital marketing, like traditional marketing, is about people and connects the marketer and the customer. Unlike traditional marketing, digital marketing uses technology as a tool to reach the customer, and in this sense, it is important for marketers to understand technology, but digital marketing is not used to express technology itself (Rhan and Jones, 2009).

According to Miller, digital marketing is also known as online marketing, internet marketing, web marketing. Whichever of these terms is used, the decisive factor is that the customer is online, that is, connected to the Internet. Thus, digital marketing can also be defined as a type of marketing that uses media such as websites, search engines, blogs, social networks, e-mails, and mobile phones that can be accessed via the Internet (Miller 2012, Planning).

According to market researcher eMarketer, six billion dollars were spent on online advertising in the United States in 2002. This figure more than doubled until 2005 and reached twelve and a half billion dollars. In the light of these data, it can be expected that consumers will be reached through digital media and the budget allocated for this will grow in the coming years (Rhan and Jones, 2009).

Extremely costly and risky efforts to advertise and reach the target consumer audience using traditional media channels have led companies to turn to digital channels that are cheap, effective, changeable and measurable when desired. It tries to reach the target consumer audience through channels such as digital marketing websites and e-mail, where marketing purposes are carried out together with the management of digital customer data regarding the characteristics and behaviors of the target consumer group and e-CRM systems.

Based on the fact that digital marketing uses digital technologies as a tool while reaching the customer, unlike traditional marketing, the following topics are examined as digital marketing channels within the scope of this thesis:

- i. Internet Sites (Website)
- ii. Search Engines
- iii. Social Networks
- iv. E-Mail
- v. Television

#### 3.1.2.1 Internet Sites (Website)

Today, thanks to social networks that have changed rapidly and dramatically, especially in the last 15 years, all people who meet each other or not, have a fast and effective communication channel. Thus, web pages were able to rise by providing an easy development. Marketers, on the other hand, have created a new generation marketing environment by immediately utilizing this striking potential. While creating a marketing channel with consumers with traditional methods during previous ages; Thanks to this new environment created today, much more consumers can be reached at lower costs than conventional marketing. Considering all these factors, digital marketing gains great importance and attracts the attention of marketers almost more than conventional marketing.

The fact that the internet is very cheap compared to the other traditional communication channels of the digital medium gives it a great advantage. Since it is a marketing environment without causing high costs and being accessible all over the world, websites try to ensure that target consumers with visitors make purchases thanks to good product promotion. Establishing a website for the brand where the products or services to be marketed are promoted and sold is the first step in digital marketing. Considering competing brands selling other similar products, interesting and high-quality web pages are important in terms of digital marketing, as they will create a sense of trust in the target consumer audience and cause the product to be perceived as high quality. A website that is simple to navigate and shop for will have an impact on making sales as it will enable the target consumer group to stay on that page longer.

Websites are very beneficial in terms of speeding up the solution of existing problems and reducing the cost of support, as they facilitate dialogue with the customer. Web sites, which have an important position in terms of brand promotion and public relations activities, not only provide savings in terms of trust, prestige, new customers, promotion, and time, but also allow the target consumer group to be informed about innovations as long as they are kept up to date. This will contribute to the reduction of communication costs and increase the sales of real stores belonging to the brand. The fact that services such as customer support, and frequently asked questions are at the forefront, and the answers to the questions about the product or service are easily accessible will save time and increase sales. The discount opportunities on the websites and the low product prices will make people turn to that brand more. As the websites and products are updated according to the feedback received from the customers, the interest and attention of the target consumer audience for the brand will be kept alive.

#### 3.1.2.2 Search Engines

The Internet has grown rapidly since the early 1990s, from online shopping to banking, journalism and social networks. This growth on the Internet has completely changed the way people access and use information. Search engines are becoming more and more important as a means of accessing information in our age.

The McKinsey research report shows the impact of online searches on the global economy. Internet users spend most of their time in search engines while searching for information. According to an industry report, the global total value generated by internet searches was \$780 billion in 2009.<sup>3</sup>

Since search engines are the main channel for accessing information, they play a critical role in the dissemination of information on the Internet. At the same time, search engines like Google have become attractive sources for online advertising and targeted marketing, as they are among the most frequently visited Web sites.

At the beginning of the Internet era, there were many competing search engines. However, Google's entry into the market has shaped the search engine market in a significant way. Founded in 1998, Google has managed to become the most dominant player in the field by surpassing other search engines such as Yahoo thanks to advanced search technology. As shown in Figure 3.2, Google currently accounts for approximately 92% of the global search engine market.<sup>4</sup>

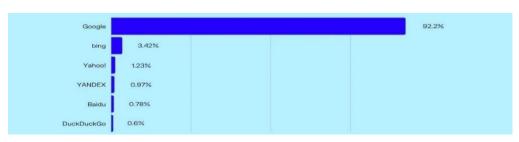


Figure 3.2: Search Engine Market Share<sup>5</sup>

Source: Oberlo (2022)

<sup>&</sup>lt;sup>3</sup> <u>http://www.mckinsey.com/business-functions/marketing-and-sales/our-insights/measuring-the-value-ofsearch/</u> [accessed on 17.12.2022]

<sup>&</sup>lt;sup>4</sup> <u>https://www.oberlo.com/statistics/search-engine-market-share</u> [accessed on 17.12.2022]

<sup>&</sup>lt;sup>5</sup> <u>https://www.oberlo.com/statistics/search-engine-market-share</u> [accessed on 17.12.2022]

After succeeding to become the market leader in the US, Google aimed for international growth and was also successful in becoming one of the search engines worldwide, processing over 100 billion searches per month.<sup>6</sup>

Thanks to internet applications such as Analytics, Business, AdWords, and Web Master Tool offered by Google, which products are most in demand on the website, what time of the day they are logged in, how long the visitors stay on the site on average, the computers and browsers they use during login. Much strategic information such as which browsers, from which countries it is entered, the age range and gender of the entrants, what words they search for, find the site, and its products are accessible. Developing the site based on this information, making the arrangements, arranging the product information articles accordingly, and using descriptive product images that do not take up large volumes will contribute to the creation of a better virtual market environment.

#### 3.1.2.3 Social Networks

In order to evaluate social networks and social media as marketing tools, a seller must be able to understand this concept in every aspect. Social media cannot be understood without defining the concept of Web 2.0. Web 2.0; It can be considered as a way in which users use the World Wide Web, where content is constantly changing in a sharing and contributing way (Kaplan & Haenlein, 2010). It is more about what people do with that technology than what the technology itself does. Users can now not only collect information, but also produce and consume information, and this causes the sites that allow this to gain value (Campbell, Pitt, Parent., & Berthon, 2011). Web 2.0 has evolved from simple knowledge acquisition to interactivity, interoperability, and collaboration.

Kaplan and Haenlein define social media as "a set of Internet-based applications that allow the creation and sharing of user-generated content based on the ideological and technological foundations of Web 2.0" (Kaplan and Haenlein, 2010). Sinclaire and Vogus (2011) stated that social network structures and related new technologies can create a different technology that can be used.

The phrase social networking sites is often used interchangeably with the term social media. However, social media is different. Because it allows participants to create profiles containing personal information, allowing their friends or acquaintances to access these

<sup>&</sup>lt;sup>6</sup> <u>https://mashable.com/archive/google-mobile-searches#s7kvYwRBIaqp/</u> [accessed on 17.12.2022]

profiles (Kaplan & Haenlein, 2010). Therefore, social media is the environment where social networking takes place and creates an environment where consumers gather information and make purchasing decisions.

In order to carry out a successful marketing campaign through social media, the consumer must be open to technological developments. Consumer openness to technology is defined as an individual's willingness and tendency to accept and use new technologies to achieve various goals at home and at work (Mady 2011). Consumer openness to technology is a factor that sellers should consider when conducting social media marketing because social media marketing will not generate positive returns if their intended target market does not use social media or is not familiar with social media. Analysis of openness to technology will determine whether interactive advertising and marketing are appropriate for the seller's target market.

Social media is showing great development from being a simple platform where individuals communicate with their family and friends. Today, it has become a place where consumers can learn more about their favourite companies and the products they sell. Sellers and marketers use these sites as a tool to reach consumers and enable them to shop in a new way. Technology-related developments such as the emergence of powerful search engines, advanced mobile devices and interfaces, intercommunication tools, and online social networks; enable marketers to reach people shopping from new points (Shankar, Inman, Mantrala, Kelley, & Rizley, 2011).

Appealing to a wide range of social media users means that most target markets are reachable. This provides an effective basis for sellers to promote their brands and products to their potential customers. shopper marketing; It enables product development with shoppers, creating clear messages, identifying promoters, and creating a driving force that can act as a service that can link in-store activities. (Shankar, Inman, Mantrala, Kelley, & Rizley, 2011). This indicates the importance of social media in the seller's marketing plan. Developments and innovations in social media sites have led to the formation of consumer communities where companies and customers can share information about a brand's products. For example, virtual brand communities create a computer-based environment where consumers and sellers connect with each other.

Social networks, which enable digital communication and cooperation and are easy to reach, are virtual media tools that can remove cultural, geographical or intellectual boundaries for participating in real-time discussions and coming together, with a large user base. Social networks, where internet users create the source of content, are not just monologues like traditional media types, but have a very important position in terms of digital marketing because they allow dialogue. Social media in the virtual environment is a digital platform that supports information sharing, is open to participation and feedback, is suitable for two-way communication, supports community formation and rapid communication, and can be linked to other sites (Scott, 2009).

As a digital marketing channel, social media constitutes the most used virtual environment to reach wider audiences in today's marketing field. Considering that product purchases are often driven by consumer opinions, the social media environment that brings together people with similar interests is of great importance in this sense (Weinberg, 2009). Social networks, where media consisting of text, visuals, and sound, managed by the customer and target consumer group are shared, offer marketing collaboration and communication that no other channel offers. From a strategic point of view, social networks, which have a structure open to sharing, also have the opportunity to build the brand, increase awareness and awareness of the brand story, and realize this in customer cooperation, since it also includes the application of advertising. Since it provides brands with the opportunity to share their significant content directly with their followers, it also allows brands to reach a large human resource and get feedback from them (Stokes, 2013).

Since brands' use of social media as a tool to reach the masses will increase their appearance on the internet, it is in a very important position to increase brand awareness and promote services or products. Since it has the opportunity to see what competitors are doing and the developments in them, it also allows brands to make comparisons and to change and improve their products and services based on this comparison and the feedback they receive. Social media for brands to examine consumer behaviour and customer groups, develop new marketing strategies, direct traffic to the website, spread specific messages, increase brand awareness, reputation, and image and support internalization, increase product sales, effectively achieve the marketing goals set for the product, mutual dialogue It offers opportunities such as the ability to install (Tuten, 2008; Weinberg, 2009).

#### 3.1.2.4 E-Mail

With the spread of the Internet, e-mail applications have become a natural application in terms of digital marketing. Membership in e-mail groups belonging to the brand provides the opportunity to select and classify target consumer groups and to use personalized messages and transportation methods, thus providing the opportunity to communicate easily and promote brand services and products without wasting time and money.

Email marketing, a form of direct marketing, is one of the most powerful strategies among digital marketing tactics that deliver commercial and content-based messages to the target consumer audience in a largely inexpensive, highly targeted, and fully measurable way. Email is used as a tool to build relationships with potential and existing customers through significant content and promotional messages. It is a digital marketing channel that maximizes activities to lead the brand as a whole to bring better profitability and increase and retain customers. The target e-mail database means that a brand sends a direct message to certain customer-based industries in order to achieve success with the best results (Stokes, 2013).

Electronic mail can be seen as one of the effective methods by which a company can reach customers over the web. Individual offers or product promotions, delivery of weekly/monthly e-bulletins, feedback to suggestions, and complaints from consumers are the uses of e-mail in digital marketing. While digital marketing via email can be seen as beneficial, it also carries the risk of being viewed as unsolicited content by some customers.

#### 3.1.2.5 Television

Television, which is one of the most used tools in traditional marketing methods, is also one of the channels of digital marketing. Product placement applications in programs broadcast on television are a product of digital marketing. Product placement, which is a method used for reasons such as brand awareness and sales increase, is applied to create a strong image and awareness for products and brands under the sponsorship of publications (Waldt, 2005).

It can be thought that traditional marketing methods and tools do not attract consumers as much as they used to. However, television is still an extremely powerful media tool for communicating with consumers and audiences. The product placement technique itself is as old as television. Product/brand placement strategies continue to be studied intensively all over the world.

Product placement, which focuses on the concepts of recall and attitude, ensures that the brand is seen by the audience, that is, the target consumer audience, and an effective change can occur in consumer behaviour, thanks to the television programs most of which are in the home in daily life (Morton & Friedman, 2002). According to DeLorme and Reid (1999), product placement is so effective because it contributes to values that people care about, such as reality and familiarity.

According to Auty and Lewis (2004), apart from the contributions of DeLorme and Reid, product placement, which attracts the attention and interest of the audience, also provides orientation to the brand in terms of its strategic information capacity, the brand's identification with the qualities and power of its communication functions and advertising increases its effectiveness. This causes television to reach an important point in terms of digital marketing.

#### 3.1.3 DIGITAL MARKETING ADVANTAGES

In the light of all these data, it is seen that digital marketing and social media advertisements have many benefits. For example, according to Yator (2014), the benefits of social media, which is a channel of digital marketing, on marketing are summarized below:

- i. Advanced feedback
- ii. Advanced marketing
- iii. Advanced sales
- iv. Improvement in customer relations
- v. Gathering information about customers
- vi. Analyzing customers
- vii. Ability to respond to customers

Consumers like to stay in touch with sellers before and after the sale. This communication between the seller and the consumer enables the customer to have more confidence in the product or service. This situation enables the consumer to be persuaded more easily through direct means and thus enables the company to realize its sales more easily. Moreover, this one-to-one communication with consumers also makes it easier for the firm to inform them about new products and services. In addition, the firm itself thus quickly learns about new trends in the market and follows them (Montague, 2011). Abiodun (2013) stated that the important benefits of social media marketing can be seen in online sales. According to Abiodun (2013), with online sales, especially in the shopping environment, consumers can visit electronic stores, determine and choose products, pay by credit card, have money transfer or payment on delivery options by card, and receive delivery at the door.

Contrary to the past, the digital marketing approach, which focuses on the target consumer group, has led to taking steps to make the necessary changes according to their expectations, wishes, interests and demands, to ensure customer satisfaction and to keep up with the technology. It has allowed digital marketing to dominate today's marketing world, considering its differentiation from traditional marketing methods in which product, production and sales are at the forefront and the target consumer group is ignored, and the advantages it brings for both the producer and the consumer (Hartley & Pickton, 1999; McGrath, 2005).

We can collect the advantages of digital marketing under four main headings: increased customer loyalty, effective marketing, advanced customer support and less loss.

#### 3.1.3.1 Increased Customer Loyalty

The fact that the market power has passed into the hands of consumers has revealed a situation in which businesses try to attract them by going to the channels they are in in order to persuade them to buy their own products. This necessitates taking more steps towards offering appropriate advantages to customers, meeting their wants and needs, and increasing demand. Brands that can satisfy their own wants and needs more can lead to more loyal customers.

One of the advantages of electronic marketing is that customer expectations can be met with low cost and maximum efficiency. This is an element that increases customer loyalty towards the brand.

For the effectiveness of marketing communication, marketers generally use innovative and digital tools to reach customers. Web pages, internet advertisements, and videos are examples of such innovative and digital tools (El-Ansary and ark 2006; Frost and Straus, 2009). Such activities increase brand awareness as well as customer loyalty to the brand.

#### 3.1.3.2 Effective Marketing

It shows that all kinds of strategies and tactics that increase the number and loyalty of customers, purchase behaviour and ensure branding, a good place for the brand, and differentiation from rival companies are effective in marketing. Search engine optimization (SEO) studies for websites, advertisements in search engines, and in environments such as email, advertisements in video content, and social media studies are activities for effective marketing (Stokes, 2013).

#### 3.1.3.3 Advanced Customer Support

Since it offers the opportunity to communicate with consumers one-to-one, the public relations departments can reach more people, and the right steps are taken to meet the demands and needs of the customers, the support given to the customer has become much more advanced than the traditional methods.

Since it contains more information about the products, digital marketing not only meets the information needs of the customers but also provides the opportunity to identify their interests and collect information about the customer. This helps the target consumer group and customers to be informed and directed more deeply within the framework of their tendencies and interests, in accordance with their expectations and their approach to the product, and this helps to provide more effective customer support.

#### 3.1.3.4 Less Loss

Digital marketing focuses on information rather than the production of a physical product or service. Incorporating knowledge that can be digitized and reproduced reduces costs and saves time. The fact that the Internet can be accessed anywhere and at any time greatly reduces transaction costs. The fast execution of the transactions causes the service to be fast, thus saving time. The accelerating growth rates according to the network structure of the new economy lead to a decrease in costs and an increase in productivity.

It considerably reduces the loss of time that occurs in customer-focused or customergoing interviews used in traditional marketing methods. Since marketing over the internet does not require personnel, it causes the costs for personnel to be reduced considerably. While reducing costs, marketing in an easily accessible digital environment, which is more possible to increase the prevalence of advertising, can be opened to the global market at a lower cost.

### 3.2 BRAND MANAGEMENT

The concept of brand management is all of the activities that can shape the structures of a brand and make it stand out among its competitors in similar positions in the market; It is an active process where the aim is to position the brand in the mind of the consumer, to reach the desired level of performance of the products and to increase customer satisfaction.

The brand management process is the sum of the efforts and actions taken to reach the desired position of the brand from the first moment the brand was created. In this respect, it is a dynamic process as long as the brand lives in the market.

The term brand management is generally considered in marketing. It is also called product management. Brand management is recorded not only as the creation of new ideas related to responsibilities and duties related to the brand, but also as a concept that clearly expresses how these marketing functions are integrated in the organizational basis of the institution and what the definition of the brand is, and is the basis of removing the ambiguities on the brand conceptually. (Bureau, 1983)

As technology develops and demand increases, products and services begin to resemble each other, making it more and more difficult for consumers to differentiate from other brands in the current intense competitive environment. In order to achieve this differentiation, the concept of brand management is very important.

One of the most important components of brand management is to create awareness about the brand. That's why it's important to understand brand awareness and awareness processes because awareness is the consumer's first brand-related activity.

Perceived quality in brand management should also be emphasized (Aaker, 1991). Because the perceived quality is an important element for the brand due to reasons such as the preference of the brand as content, the superiority of the price and the positioning of the brand.

Brand management, which includes applications such as creating, expanding, repositioning, re-launching or renewing the brand, enlarging or extending its life, is the creation of an identity for the product, as well as the creation of special impressions for this audience, in order to create an attitude and image towards the brand, especially among the target consumer group.

Today, when considered on a global basis, the number of companies producing brands and services is quite high. This situation causes an intense competition environment among companies. Due to this escalation in competition, it is striking that products and services are increasingly similar to each other. For these reasons, a brand-oriented approach is preferred instead of a product-oriented approach in sales and marketing activities, and targets such as productivity and profit increase have been started to be focused on the brand. Brand management has become an important concept in this way.

#### 3.2.1 BRAND CONCEPT

A brand is a concept created by a single or combined feature such as a promotional name, symbol, term, or design, which defines the product or service offered by the manufacturer or seller and differentiates it from its competitors (Keller, 2019).

Kotler and Armstrong (1989) defined a brand as a sign, a symbol, a design, or a combination of all these. Accordingly, the concept of the brand enables businesses to define their products or services, allowing them to be researched differently from competing services or products.

It is a known fact that brands are effective and determined by the connotation, performance and expectations, thoughts about the product or service, and ultimately the purchasing behaviour of the consumers. According to Peters (1999), the brand is in a structure that undertakes the task of providing emotional satisfaction through consumption, including the emotional meaning that people need to take big steps. In addition, brands aim to keep the functional consumption of the product or service in the background and to ensure that the symbolic consumption of the brand comes first.

In today's rapidly increasing competition, it is very important to analyse consumer behaviour correctly by companies. Companies have to know the masses who will buy their products well. Considering that it is the customers that keep the company alive, the importance of making each customer feel special and unique becomes even more evident. With the development of digital marketing environments such as the Internet, consumers are able to know the product they are considering buying better than the sellers, and by having the opportunity to compare with alternative products, they analyse the product in detail before purchasing. This situation has made the process of convincing customers to buy more difficult compared to the past, and the appreciation criteria of the customers have also changed. Sellers now have to deal with customers more and offer much more attractive and entertaining environments for shopping than before. The customer's perception of the brand has also changed, and the days when the brand only expresses quality are gone. The brand has become an important concept for the customer, reflecting not only the quality product but also the lifestyle.

Consumers now examine issues such as the brand's stance, how the brand takes part in social responsibility projects, and the brand's environmental awareness while choosing a product, and they tend to buy according to these criteria. Internet and social media are the easiest and fastest sources for consumers to do this research. In this sense, it is important for companies to use tools such as the internet and social media very carefully in their brand management processes and to give integrated, consistent, and brand-reflective messages from all digital platforms.

While examining the concept of the brand, it is necessary to focus on the concept of the luxury brand. The market created by luxury brands is growing day by day. However, it is seen that consumers' demand for luxury products continues even in times when the markets are in crisis.

Luxury brands create an image in the minds of consumers that the product is unique in terms of quality, and design, and that the product is rare. The rarity and difficult accessibility of the product form the basis of the luxury brand.

When the behaviours of consumers are examined, it is seen that luxury products are preferred because of the meaning of the brand rather than their functions. In other words, there is a meaning that consumers attribute to brands and a bond they establish with the brand.

After all, it is not enough for the luxury brand to just set up a website to promote and sell its products. Luxury brand managers should integrate other digital media into their marketing channels and establish integrated two-way communication with the customer (Okonkwo, 2010).

Another important concept related to the brand is sustainability. Businesses are now brands they strive to create a sustainable brand rather than creating one. The most important principle of sustainability is institutionalization. The more corporate governance rules are adopted and implemented while creating a brand, the longer the brand life will be. The point to be noted here is that businesses do not turn into a slow and cumbersome structure while trying to institutionalize. Another important step in creating a sustainable brand is globalization. Businesses can bring their experiences in foreign markets into the business and develop products that appeal to wider audiences, thanks to their cooperation with other

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international businesses. At this point, while thinking globally, it is important to reflect this way of thinking on local behaviour. The business should continue its development activities for its brand without interruption. The attitude of the customer is also very important in the continuity of the brand. The brand's environmental awareness and its activeness in social responsibility activities will affect customer preferences and thus the permanence of the brand, as customers no longer only choose according to the perception of quality products, but also according to their lifestyles.

The brand is now a concept far beyond showing the source of the product. The brand allows the product to pass, in other words, it is the passport of the product. What needs to be done in terms of brand management is to manage the whole process in an integrated way, starting from pre-sales and including post-sales. People who will do brand management in the digital environment should also be selected from among the best in the industry and those who know digital platforms best.

While examining the concept of a brand, it is necessary to consider the concept of a digital brand. The concept of a digital brand covers both the activities of traditional brands by moving to digital environments and the brand activities that live only in digital environments.

We observe that some brands that have just started their activities on the Internet catches up with the number of customers of traditional brands in a short time. Of course, brand management studies have a great impact on this success. In addition to classical brand management activities, digital brand managers manage the entire process from the purchase of the product to the delivery of the product by taking into account the technology and internet experience of the customer, and in this way, they carry the brand ahead of classical brands (Dayal, Landesberg, & Zeisser, 2000).

Marketing professionals who think about creating and managing a brand in the digital environment need a good web design and a new economic model for both traditional brands and brands that will only live in the digital environment. A brand that has existed for a long time can go digital, or a new brand that will only use digital marketing channels can be designed. Here, it is misleading for brand managers to see digital media such as the internet as the only distribution channel. The success of a digital brand depends on providing an end-to-end customer experience where the entire process from the purchase of the product to the delivery of the product is managed by calculating the customer's technology and internet experience (Dayal, Landesberg, & Zeisser, 2000).

Since digital marketing platforms are based on various technologies and software, the measurement and efficiency control of activities can be done more healthily and frequently through these platforms. Thus, brand management in digital marketing environments is based on consumer experiences and encourages the brand designer to think from a consumer perspective (Dayal, Landesberg, & Zeisser, 2000).

Brands in digital marketing environments need promises to create value to be more attractive than traditional marketing channels. Examples of these promises are convenience, achievement, fun, adventure, self-expression, and belonging. Of course, these promises are not limited to digital environments, but digital platforms are the most effective environments to meet these expectations (Dayal, Landesberg, & Zeisser, 2000). Brands operating in digital marketing environments use a variety of tools to deliver on promises. Personalization tools, social tools, tools related to the purchasing process, self-service tools, tools that enable the customer to make the product, and dynamic pricing tools can be given as examples (Dayal, Landesberg, & Zeisser, 2000).

The value that customers expect from brands operating on digital marketing channels is higher than from classical brands. Because the customers of these platforms consist of people who actively use technology in product research and make detailed analyses by comparing many product features to make a choice. For this reason, in order for the brand to create a high-value perception, it should have a strong economic model fed from various sources. Some of these economic models can be listed as retail, media, consultancy, production-to-order, do-it-yourself, and information services (Dayal, Landesberg, & Zeisser, 2000).

#### 3.2.2 BRAND MANAGEMENT AND PROCESSES

As markets develop, competition, and the number of brands increase, it becomes more and more difficult for companies, brands, and products to survive. In this sense, the management of brand names and assets is of great and critical importance for the continuity of brands (Collins-Dodd & Louviere, 1999). The moves aimed at making a difference developed in order for brands to hold on, efforts for customer satisfaction, efforts to create brand awareness, and brand strengthening activities are within the scope of brand management.

From a strategic point of view, brand management consists of a number of processes planned for the positioning of the brand, image, and identity formation studies by using the physical and intellectual resources they have in order to give their products and services an identity of their brand within the framework of the vision and mission of the enterprises.

Managing this process requires making important decisions about the brand.

Although there are many activities to be discussed, within the scope of this thesis, the decisions taken for the brand-related decisions, market analysis, brand positioning, brand promotion, audit and performance evaluation stages are examined.

#### 3.2.2.1 Brand-Related Decisions

Brand-related decisions include many areas such as product formulation, pricing, packaging, advertising, and distribution. In order for the brand to be able to hold its own in the future and move its place forward, the decisions taken for the brand should be determined within the framework of the strategies developed in a way that is consistent with the aforementioned factors.

Attributes, price, quality, usage, consumer, product class, competitors, product features, utility, and cultural symbols determine the framework of strategic steps taken in brand-oriented decisions (Blackwell, Miniard, & Engel, 1995; Aaker, Rajeev, & Myers, 1992). In the decisions taken for the brand, the general framework is determined in line with the targets determined in accordance with the vision and mission of the brand. These are goals such as creating an image, maximizing profit, cash flow, and sales volume, providing a certain rate of return on investment, preventing competition, having a say in the price in the market, and supporting the sale of other products of the brand (Geadeke and Tootalian, 1983).

#### 3.2.2.2 Market Analysis

Market analysis, which is one of the brand management processes, whether there is a market, need, will and power for the relevant product, what will be the usage areas of the products to be put on the market, and where they will be used, the profile of the people who will buy the product, where, when, how and why this product It includes basic examination questions such as the receivables and the factors that affect the purchase of the product. Thus, it becomes more possible for the brand to be promoted in the market.

Determining the characteristics of the market in which the brand will be opened means determining the positive and negative effects of the social, technological, political, cultural, and economic environmental conditions and giving a qualification to the targeted market and to which the service will be offered. Examining the demand structure in the market contributes to the understanding of the relationship between the brand management's target consumer or ready consumer group's payment for the product and the satisfaction they will receive from the product.

Market analysis can be evaluated through macro and micro environments. macro environment; It has elements that can affect not only the firm but also the firm's competitors and the micro-environment.

Since the macro environment for a firm will include uncontrollable components, it may affect all the resources, capacity, and success of that firm in the market (Kotler and Armstrong, 1991).

Macro environmental factors can be listed as demographic factors, political and legal factors, economic factors, sociocultural factors, technological factors, and geographical and ecological factors. We can divide the micro-environment into two internal and external factors. Internal conditions include senior management staff, production departments, R&D, and accounting activities. Conditions outside the business; competitors, customers, intermediaries, suppliers, and the public.

In order for the consumers to reach the products in a problem-free, fast and reliable manner, the relations between the intermediaries and the companies should be strong (Blythe, 2002). Suppliers are also in close contact with companies. They are of key importance for the retailer or retailer who offers the product to the consumer, as they ensure the delivery time of the product and the complete and intact delivery of the products.

#### **3.2.2.3 Brand Positioning**

Brand positioning; can be expressed as attempts to raise a brand to a superior level for the target customer group. In this sense, brand positioning corresponds to all of the content and promises that the brand offers to consumers. Positioning refers to the consumer's perception of which product of a brand is presented or how it is presented.

It is considered a tool for strategic brand management. According to the position of the brand and its positioning in the mind of the customer, marketers in the companies should repeat the audit process and make arrangements for their brands accordingly (Marsden, 2002). The focus of brand positioning is the perception of brand features. These characteristics can be perceived as positive, negative, or neutral.

Brand positioning, which will tell the difference between that brand and create a subjective perception in the consumer, is of great importance in terms of the management and retention of brands, as the competition in today's market increases and brands offer many product options that can be the same, similar or alternative to each other. Although the brand communicates its position to the target consumer group through packaging, advertising, and promotion, the product and service itself are more important in terms of positioning. Since competing products show the same characteristics in terms of physical quality, brands should set out on this issue in a striking way. The features and differences that distinguish the brand from the others, its suitability for the consumers, the trust and appreciation of the consumers for the brand, and the knowledge and perception of the brand towards the consumer are the four basic factors required for the positioning of the brands and their success (Duboff & Spaeth, 2001).

Brand positioning, which is the choice of the place where the products and services that the brand will offer to the target audience in the target market, will be bought and positioned, includes the activities carried out to differentiate the brand from the competing brands. In order for the product to be successful, it must be positioned consciously and correctly in the market without creating confusion for the customer (Bradley, 1995). If a brand does not have a position or fails, it cannot enter the perception area of the target consumer group and cannot gain value in their minds.

Brand positioning, which will contribute to the brand becoming a leader in its field, should be able to offer real and remarkable values to consumers, create its real strength in accordance with the brand's capacity, differentiate from the brand positions of its competitors, and have the capacity to communicate clearly and clearly within the market. Positioning should not be done with concepts that will confuse the consumer (Aaker, 1996).

#### **3.2.2.4 Brand Promotion**

Considering the relationship of "product sales = category sales x market share", it can be deduced that the marketing strategy can make the sale by expanding the category sales volume, that is, by expanding the primary supply or increasing the market share. When the relevant marketing tool is promotion, marketing that has the effect of increasing category sales is defined as "marketing of goods", marketing activities that have effects on gaining market share are referred to as "brand promotion". While product type marketing on the basis of operation ensures that new sales can be made by targeting the opinions about the product

category, the sponsor brand is not expressed frequently or the emphasis of the brand is reduced. Conversely, brand promotion introduces consumers to the value that distinguishes the brand from competing companies, enabling the consumer to buy the advertised product rather than other competing brands (Krishnamurthy, 2000; Krishnamurthy, 2001).

The main tools used for the promotion of the brand and which have the power to positively or negatively affect the perception and feelings of the target consumer group towards the brand are advertising, word-of-mouth communication, personal relations, and the brand's private web page. In order to create brand awareness, prefer the brand and ensure brand loyalty, the brand promotion also allows for increasing sales, supporting brand image, and eliminating prejudices (Kotler & Armstrong, 2003).

#### 3.2.2.5 Audit and Performance Evaluation

In order for the brand to be managed and successful, it is of great importance to control its position in the market and evaluate its performance. The control and evaluation of the products and services offered by the brand can be measured by the choice of the target consumer group and the continuity of this preference. Because, customers prefer to buy the products of the brand they have tried and are satisfied with, and they show loyalty to that product and brand unless there is a negative experience in product performance (Kotler and Armstrong, 2003).

In order to carry out brand management effectively, after the brand components are analysed, the brand structure should be clearly revealed and the market conditions of the brand should be evaluated in connection with the brand structure. Brand management processes cannot be considered independently of each other. After the market analysis, the definition of the market and the determination of its segments are carried out, and the desired position of the brand is calculated according to the revealed competitor positions, brand decisions, brand name determination, positioning, and promotion strategies are put into practice. The findings and decisions taken as a result of all these need to be tested in the market environment. After the brand is audited in this way, it is necessary to implement the strategies completely and to make improvements suitable for the brand based on the performance evaluation findings obtained.

#### 3.2.3 BENEFITS OF BRAND MANAGEMENT

Although brand management and thus brand creation is a very long process that requires patience, its benefits are too important to be underestimated as it will return to the brand as a profitable investment later on.

Recognition of the stores where the brand is sold, the possibility of applying special prices, providing convenience in shopping by providing product information for the consumer, providing confidence, legally protecting the consumer, creating psychological satisfaction, gaining prestige, saving time, creating brand loyalty, preference and offering risk-free choice in terms of issues, the benefits of brand management are quite large.

The strong brand that emerges after a successful brand management process leads to an increase in brand loyalty, resulting in a steady increase in sales. Since brand management has the capacity to direct consumer perception, it is useful in gaining an edge over competitors. Because of its contribution to the corporate image, it helps society to develop positive attitudes towards the brand, helping them to enter new markets and gain the trust of the target consumer group. In addition to providing an important and permanent advantage against its competitors, it also ensures that the brand is under protection on legal grounds and in the minds of consumers.

#### 3.2.4 CHANGES IN DIGITAL MARKETING AND BRAND MANAGEMENT

After the marketing understanding in which the consumer has always been kept in the background throughout history, digital marketing has developed with modern marketing, which takes consumer satisfaction as the first target, and for the same reason, it is the consumer himself with the technology that directs the changes in brand management, which has been developed to show its difference in the competitive environment in terms of providing consumer satisfaction.

Due to reasons such as the increase in consumer expectations and demands, changes in technology, changes in promotional activities, globalization, increasing competition, and conscious consumers, the concept of marketing has changed and is still undergoing change by considering it in an integrated way.

As technology develops, rapid changes in sociocultural, economic, and demographic fields affect competition at every level, increase the level of knowledge that must be possessed, and the need for brands to differentiate from their competitors. This change process naturally causes both digital marketing and brand management to change and develop in order to keep up with the times.

Brand management strategies should be updated when necessary in order to keep up with the changes in the market and even to direct the changes (Uphaw 1995). Similarly, brand management has to keep up with the changes in digital markets and even direct the changes.

The price received for a brand, product, promotion decisions, such as the brand's target consumer digital markets and the opening of audience analysis, brand positioning, owned, logo, emblem, names, and even the analysis, increase the visibility of the brand, to create awareness and check the methods which are used in evaluating these processes and their performance varies the extent of the changes in the digital market.

Brand positioning, which will tell the difference between that brand and create a subjective perception in the consumer, is of great importance in terms of the management and retention of brands, as the competition in today's market increases and brands offer many product options that can be the same, similar or alternative to each other. Although the brand communicates its position to the target consumer group through packaging, advertising, and promotion, the product and service itself are more important in terms of positioning. Since competing products show the same characteristics in terms of physical quality, brands should set out on this issue in a striking way. The characteristics and differences that distinguish the brand from the others, its suitability for the consumers, the trust and appreciation of the consumer are the four basic factors required for the positioning of the brands and their success (Duboff and Spaeth, 2001).

Since the concept of the brand presented to the market will be preferred or not in terms of its compatibility with the physical, and psychological needs and purchasing power of the target consumer group, it will also increase the success of the brands to follow the change and adapt their management to this. Apart from this, changes in the wants, needs, and demands of the target consumer group also cause the market to be shaped accordingly and the brand management to be changed accordingly.

# 4 AN IMPLEMENTATION FOR THE EFFECT OF DIGITAL MARKETING ON BRAND MANAGEMENT

### 4.1 DATA AND METHOD

In the study, the effect of digital marketing on brands between Turkey and the Czech Republic, that is, in countries with two different conditions, has been observed through data obtained from companies in the same sector.

In addition, it was concluded according to the data analysis on how digital marketing affects brands, considering the ratios of countries to population and the conditions of two different countries.

The data includes the campaign report prepared by Google Analytics. It contains analysed advertising metrics, and some data is supported by graphs.

Company names are not disclosed upon the requests of the companies for confidentiality. These companies continue to work on the e-shop and serve in the same sector. Companies have been serving for about 6 years.

### 4.2 EFFECTS OF DIGITAL MARKETING IN CZECH REPUBLIC

According to the advertisement data received from a company in the Czech Republic on February 15, 2023; Based on the metrics, it has been observed that the effect of digital marketing on brand management has a positive effect on increasing brand awareness.

An overview of the data obtained in January 2022, and January 2023 on the Czech Republic:

Figure 4.1: 2022	January, C	<b>Czech Republic</b>	Marketing Data
0			

1 Jan 2022 - 31 Jan 2022 CZ							
Source	Display	Clicks	CTR	Cost	CPC	Transaction	Sales
Google	496 396	6778	1,37%	20 798 Kč	3,07 Kč	195	832 233 Kč

#### Figure 4.2: 2023 January, Czech Republic Marketing Data

1 Jan 2023 - 31 Jan 2023 CZ							
Source	Display	Clicks	CTR	Cost	CPC	Transaction	Sales
Google	1429814	13549	0,95%	58 035 Kč	4,28 Kč	151	420 236 Kč

• The Display metric refers to the appearance of an ad on a website or digital platform. In other words, it indicates how many times an ad has been viewed and contributes to brand visibility.

Accordingly, based on the data provided in January 2022 and 2023, it was concluded that the effect of digital marketing on brand management is positive. Because, as can be understood from this metric, brand visibility increased by approximately 150% after one year.

- Clicks are the number of times users interact with an ad by clicking on it. In January 2022, the brand received 6788 clicks and in January 2023, the brand received 13549 clicks. In other words, it has been proven because of this metric that user interest and interaction in the advertised content has increased. Based on the analysis here, it has been shown that digital marketing has a positive effect on the brand as it improves its awareness.
- CTR (Click-Through Rate) indicates the effectiveness of an ad in generating clicks based on displays and reflects ad performance. It is calculated by dividing the number of clicks by the number of displays and multiplying by 100 to obtain a percentage value. The reason of CTR is low in January 2023 because the display rate is very high compared to the previous year. Although it seems low on the surface, it was still effective positively due to the clicks the ad received.
- Cost refers to the total spend on a digital marketing campaign or specific advertising efforts, and CPC (Cost Per Click) helps with budget allocation and cost management by providing information on the average cost incurred for each user click.

According to the data obtained, the cost increased compared to the previous year. However, the brand still maintains its profit share, and even if it seems like it has suffered losses in this case, the brand has still invested to increase its awareness.

• A transaction represents a completed action or conversion, such as a purchase or sign-up, that results from a user interacting with an ad. Since it helps evaluate the success of the campaign by measuring the direct impact of digital marketing efforts on the desired user actions, in the next step, the campaign is developed with the audience with which it can interact more accurately.

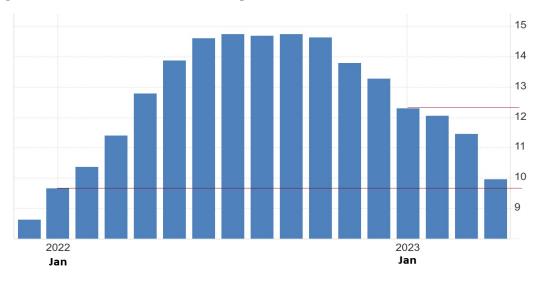
It is proven that it increases brand awareness again, even receiving too much display with the wrong audience. Because even if these users have not interacted, they now know the brand and after their visiting the website again, they will be the user in transaction metric.

• Sales is the total revenue generated from products or services promoted through digital marketing efforts. It represents the ultimate goal of many marketing campaigns and reflects the financial success and effectiveness of the overall strategy. and since the brand still maintains its profit share here, a decline in sales will not cause a major negative impact. On the contrary, it shows that the audience's priorities are different. Another impact is that people are dealing with the Covid epidemic.

Inflation is another reason why individuals these days spend too much time on websites without interacting.

The core inflation rate in the Czech Republic averaged 2.30 percent between 2007 and 2023. It peaked at an all-time high of 14.75 percent in July 2022 and hit a record low of -1.40 percent in November 2010.

This was a situation that people were not accustomed to, so there was a decrease in the sales rate of many companies during that period.





Source: tradingeconomics.com | Czech National Bank

<sup>&</sup>lt;sup>7</sup> <u>https://tradingeconomics.com/czech-republic/core-inflation-rate</u> [accessed on 08.03.2024]

#### 4.3 EFFECTS OF DIGITAL MARKETING IN TURKEY

According to the advertisement data received from a company in Turkey on February 6, 2023; based on the metrics, it has been observed that the effect of digital marketing on brand management has a positive effect on increasing brand awareness in this country as well as in the Czech Republic.

An overview of the data obtained in January 2022, and January 2023 on Turkey:

#### Figure 4.4: 2022 January, Turkey Marketing Data

1 Jan 2022 - 31 Jan 2022 TR							
Source	Display	Clicks	CTR	Cost	CPC	Transaction	Sales
Google	3762308	213 860	5,68%	174 489 TRY	0,82 TRY	362	2 496 741 TRY

#### Figure 4.5: 2023 January, Turkey Marketing Data

1 Jan 2023 - 31 Jan 2023 TR							
Source	Display	Clicks	CTR	Cost	CPC	Transaction	Sales
Google	2926440	353 023	12,06 %	530 573 TRY	1,5 TRY	829	1974183TRY

- According to the meaning of the Display metric, based on the data provided in January 2022 and 2023, it was concluded that the effect of digital marketing on brand management is positive in Turkey. But the results for Turkey were slightly different. Therefore, taking into account the Clicks metric, although the brand's display rate decreased, the click rate increased significantly. It was observed that the campaign conducted here reached the right audience at the right time and caused a 61% increase in the Click metric.
- Since CTR (Click-Through Rate) shows the effectiveness of an ad in generating clicks based on impressions, the reason why CTR is high in January 2023 is due to the fact that the number of clicks increased even though the viewing rate was lower compared to the previous year. According to the formula, is calculated as clicks divided by the display value, that is:

 $(213\ 860/3\ 762\ 308)$  \*100 = 5.68% for the year 2022 and

 $(353\ 023/2\ 926\ 449)$  \*100 = 12.06% for the year 2023

This indicates that it has a positive effect approximately twice as much. Because this result means that the people to whom the advertisement was shown were the right people and digital marketing had a positive impact on the brand.

• Cost, CPC (Cost Per Click) has increased by a large margin for Turkey compared to the previous year, and this is due to inflation and the Turkish lira losing a lot of value in a year.

Since the total cost incurred does not exceed the profit margin, it does not pose a problem for the brand because, according to the analysis of previous metrics, the brand has used cost management well. In other words, the cost incurred did not harm the brand, on the contrary, it was able to reach many users suitable for its brand.

According to the data obtained, the cost increased compared to the previous year. However, the brand still maintains its profit share, and although it may seem like it has made a loss in this case, the brand has still increased its awareness considerably.

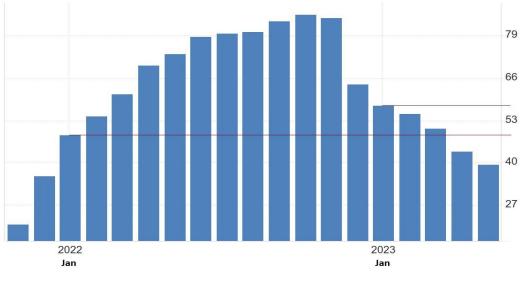
• The transaction represents a transformation. Since it helps evaluate the success of the campaign by measuring the direct impact of digital marketing efforts on desired user actions, in the next step, the campaign is developed with the target audience with which it can interact more accurately.

It has been proven again that high views with the right target audience and increased number of conversions and transactions increase brand awareness. Because these users are now familiar with the brand, they have contributed to the website, and in the future, the brand will grow even more thanks to these users.

Because most of these users will be a loyal audience and will want to benefit more from the services offered.

• The entire amount of money made from goods or services that are advertised online is known as sales. It stands for the end objective of many marketing efforts and indicates the strategy's overall effectiveness and financial performance. Furthermore, a drop in sales won't have a significant detrimental effect because the brand still retains its profit share in this instance. Conversely, it demonstrates that the audience has different priorities. Inflation in Turkey also has a huge impact on sales.





Source: tradingeconomics.com | Turkish Statistical Institute

The annual inflation rate in Turkey fell for a third consecutive month to 57.7% in January of 2023, the lowest since February of 2022, but higher than market forecasts of 53.5%.

The recent slowdown is mainly due to a fall in energy prices and a statistical discrepancy as prices in 2022 soared after the lira plunged to record low levels.<sup>9</sup>

<sup>&</sup>lt;sup>8</sup> <u>https://tradingeconomics.com/turkey/inflation-cpi</u> [accessed on 10.03.2024]
<sup>9</sup> <u>https://tradingeconomics.com/turkey/inflation-cpi</u> [accessed on 10.03.2024]

## 4.4 EIMPACT OF DIGITAL MARKETING IN CZECH REPUBLIC AND TURKEY

In the Display chart shown in Figure 6.7, the brand in the Czech Republic managed to increase its display rate after a year by increasing its spending (Figure 6.1 and Figure 6.2). In this context, the brand reached more audiences.

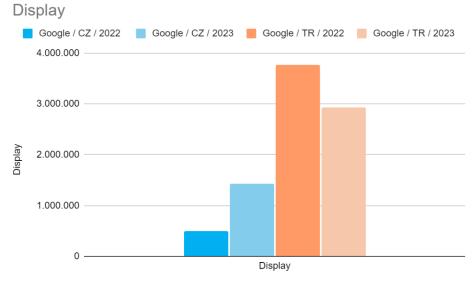


Figure 4.7: Display, Czech Republic and Turkey in January 2022 and January 2023

A decrease was observed in the display rate of the brand in Turkey (Figure 6.7).

Accordingly, when the click rate was checked (Figure 6.8), it was found that the brand had a more accurate audience. Because the click rate has increased significantly compared to previous year.

Czech Republic brand, which managed to increase its display rate, also achieved the same increase in click rate (Figure 6.8) and brand awareness was increased compared to the previous year.

Source: Own processing (2024)

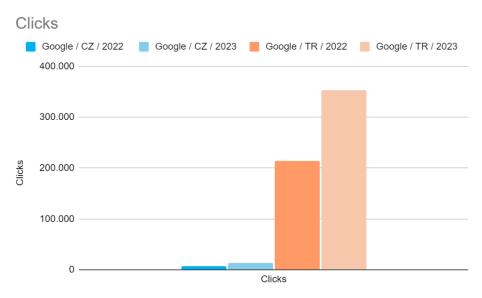
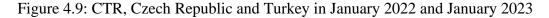


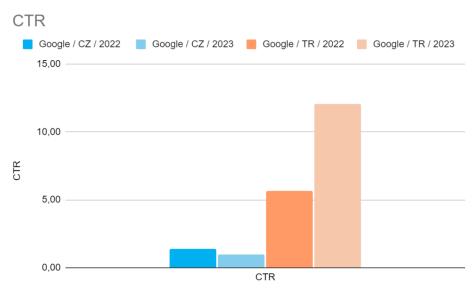
Figure 4.8: Clicks, Czech Republic and Turkey in January 2022 and January 2023

Source: Own processing (2024)

Ultimately, the reason why CTR (Click-Through Rate) has decreased for the Czech Republic brand is because the display rate has increased at a much greater rate than clicks. However, this cannot be observed as a non-beneficial situation throughout the campaign. Because at the end of the story, the brand became known to a wider audience.

Since the click rate of the brand in Turkey increased more than the display rate, an increase in CTR was also observed.





Source: Own processing (2024)

## **5 RESULTS**

In this section, the analysed data are based on campaign reviews created by Google Analytics.

Analyses are shown via Microsoft Excel.

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## **6** CONCLUSION

The main aim of the bachelor thesis was to identify the effects of digital marketing on company in the Czech Republic and one in Turkey, and to evaluate and compare the found data.

As a result of the analyses made, it was observed that digital marketing had a positive effect on brand management and brand awareness.

Considering the different conditions of these two countries, such as cultural changes, economic differences, different audiences, different age groups, and population changes, digital marketing has come a long way today. Under any circumstances, since internet usage has increased so much in this age with the development of technology, digital marketing studies carried out on brands, if done correctly, always have a positive effect on the brand.

However, a comparison of the most significant brand awareness metrics and an examination of the data changes following the campaigns showed that there were indications of a rise in brand awareness in both nations.

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