Analysis of Marketing Communications of Raab Computer Company

Zuzana Blažková

Univerzita Tomáše Bati ve Zlíně

Fakulta managementu a ekonomiky

Ústav managementu

akademický rok: 2006/2007

ZADÁNÍ BAKALÁŘSKÉ PRÁCE

(PROJEKTU, UMĚLECKÉHO DÍLA, UMĚLECKÉHO VÝKONU)

Jméno a příjmení: **Zuzana BLAŽKOVÁ**

Studijní program: **B 6208 Ekonomika a management**

Studijní obor: **Management a ekonomika**

Téma práce: **Analýza marketingových komunikací ve firmě Raab Computer**

Zásady pro vypracování:

1. Zpracujte literární prameny v oblasti marketingových komunikací a formulujte teoretická východiska pro analýzu marketingových komunikací ve firmě Raab Computer.

2. Analyzujte systém marketingových komunikací ve firmě Raab Computer.

3. Zhodnoťte závěry analýzy a navrhněte případná opatření vedoucí ke zlepšení současného stavu.

Rozsah práce: **40 stran**

Rozsah příloh:

Forma zpracování bakalářské práce: **tištěná/elektronická**

Seznam odborné literatury:

1. FORET, Miroslav. Marketingová komunikace, 1.vyd. Brno: Computer Press, 2006. 443 s. ISBN 80-251-1041-9.

2. KOTLER, P., ARMSTRONG, G. Principles of Marketing, 11th edition. New Jersey, USA: Pearson Education, 2006. 651 p. ISBN 0-13-146918-5.

3. NĚMEC, P. Public Relations - praxe komunikace s veřejností, 1.vyd. Praha: Management Press, 1996. 167 s. ISBN 80-85943-20-4.

4. TAPP, Alan. Principles of Direct and Database Marketing, 3rd edition. Harlow, Great Britain: Pearson Education, 2005. 489 p. ISBN 0-273-68355-1.

Vedoucí bakalářské práce: **Ing. Michal Pilík**
                                        Ústav managementu

Datum zadání bakalářské práce: **16. března 2007**

Termín odevzdání bakalářské práce: **18. května 2007**

Ve Zlíně dne 16. března 2007

doc. PhDr. Vnislav Nováček, CSc.
děkan

L.S.

Ing. Pavla Staňková, Ph.D.
ředitel ústavu

ABSTRAKT

Bakalářská práce se zabývá problematikou marketingových komunikací ve firmě Raab Computer. Tato společnost poskytuje telekomunikační služby a počítačové příslušenství. Teoretická část obsahuje charakteristiku marketingových komunikací a jednotlivých částí komunikačního mixu, to znamená formuluje teoretická východiska pro analýzu. Praktická část této práce se zaměřuje na analýzu marketingových komunikací ve firmě Raab Computer pomocí dotazníkového šetření. V závěru bakalářské práce jsou uvedeny doporučení a návrhy na zlepšení stávající situace využívání marketingových komunikací ve firmě, které by měly vést ke zdokonalení komunikace se zákazníky.

Klíčová slova: marketingová komunikace, reklama, marketingový výzkum, dotazník, zákazníci.

ABSTRACT

The Bachelor´s Thesis is focused on analysis of marketing communications in Raab Computer Company. The company provides telecommunication services and sells computer components. The theoretical part deals with marketing communications and elements of promotional mix in general. The practical part contains analysis of marketing communications in Raab Computer Company using a quantitative marketing research. After analysing the research´s results there were made several improvement suggestions which would be beneficial for company´s communication with the public.

Keywords: marketing communication, advertising, marketing research, questionnaire, customers.

CONTENTS

INTRODUCTION

The aim of solving this Bachelor´s Thesis is to analyse marketing communications in Raab Computer Company and to make several suggestions how to improve company´s marketing strategy and its communication with the public.

Raab Computer Company specializes in information technology. However, it is especially known for providing telecommunication services. In my opinion, information technology influences our whole life in a substantial way, and in addition, the term is more recognizable than ever before. Due to the fact that Raab Computer has reached excellent results and has been flexible to latest trends, I think that the company has a lot of opportunities to evolve, attract more customers and satisfy their individual needs.

The importance of marketing communications has increased exponentially in the last decade. Since the purpose of marketing is to generate earnings, increase market share, drive preference to purchase, and build brand awareness, companies need to find ways to do this effectively. That is why all companies should understand that marketing communications play an important role in selling products and providing services.

In my Bachelor´s Thesis I would like to find out how impact the marketing communications of Raab Computer have on its customers and what could be done to improve its current situation. To analyse present condition of marketing communications in the company it is necessary to do the quantitative marketing research to define the potential deficiencies in the marketing communication strategy of Raab Computer which need to be improved.

There are two main parts in my Bachelor´s Thesis. In the first part you will find a theoretical background that is important to further understanding the topic. In the second practical part I will shortly introduce the company. After that, I will formulate findings of the marketing research and finally, I will make several improvement suggestions that could help the company to strengthen its market position and attract more customers.

I. THEORETICAL PART

1 THE MARKETING COMMUNICATIONS MIX

A company´s marketing communications mix, very often called promotion mix, consists of the specific blend of advertising, sales promotion, public relations, personal selling and direct marketing. The company uses the promotion mix to pursue its advertising and marketing aims. Each category involves specific tools that communication goes beyond. The product´s design, its price, the shape and color of its package, the stores that sell it, all communicate to consumers. Although the promotion mix should be the company´s primary communication activity, the entire marketing mix (promotion, price, product and place) must be coordinated for greatest communication impact. [4]

Companies should consider several factors in developing their promotion mix: type of product market, consumer readiness to make a purchase, and stage in the product life cycle. [3]

Fig. 1. Marketing communications mix [15]

1.1 Setting the Promotion Mix

When deciding how to properly utilize the marketing communications mix, it is important to consider the relative strengths and weaknesses of each component of the mix. First of all, it is always important to define the total budget, generally defined in the Marketing and Business Plan, and then decide upon the best way to leverage the different elements of the mix to maximize the return on the investment.

The choice of an effective mix of promotional elements presents one of the marketer´s most difficult tasks. There are several factors that influence the effectiveness of promotional mix: the nature of the market, the nature of the product, the stage in the product life cycle, the price and funds available for promotion (budget).

Table 1 compares two most frequently used elements of marketing communications mix – advertising and personal selling - in connection with these factors.

Tab. 1. Factors Influencing Choice of Promotional Mix [5]

	Personal Selling	**Advertising**
Nature of the market		
Number of buyers	Limited number	Large number
Geographic concentration	Concentrated	Dispersed
Type of customer	Business purchaser	Ultimate purchaser
Nature of the product		
Complexity	Custom-made, complex	Standardized
Service requirements	Considerable	Minimal
Type of good or service	Business	Consumer
Stage in the product life cycle	At every stage; especially in the introductory and early growth stages	At every stage, especially in the latter part of the growth stage
Price	High unit value	Low unit value

1.2 Objectives of promotion

Once the target audience has been defined, the marketers should set the objectives of promotion – what is the aim of the promotion, what would the company like to reach.

First of all, the marketers want to *provide the information* – to inform the market about the availability of a particular product or service. It is the traditional function of promotion. An advertisement for a theatre performance usually provides information about the name of the play, the actors, time and place. Information can also help differentiating a product from its competitors by focusing on its specific features or benefits.

1.3 Personal selling

Personal selling is the oldest form of product promotion. Personal communication involves two or more people communicating directly with each other face-to-face, person-to-audience, over the telephone, through videoconferencing, through e-mail or through interactive computer links. The advantage of this kind is that the salespeople get immediate feedback which helps them to adapt. Feedback is an essential part of personal communication process and the basic management process of planning, implementing and control. Although some personal selling is included in most marketing mixes, it can be very expensive. Very often it is combined with advertising and sales promotion. [5, 8]

1.3.1 Salesperson

Personal selling is often the best way how to promote goods or services. Salespeople can get more attention than an advertisement or a display. They can just adapt what they say and adjust the questions. Good salespeople don´t just try to sell the customer. Very often they try to help customer buy – by understanding consumer´s individual needs and presenting the advantages and disadvantages of their products. When the consumer is ready to buy the product, the salesperson is there to ask for the order. Helpfulness of the seller results in satisfied customers and long-term relationships because the salesperson works to be certain that the consumer is satisfied and will buy again in the future.

The salesperson should be a representative of the whole company because he may provide information about products and services, explain company policies, negotiate prices or diagnose technical problems. It is often the only link between the company and its customers. The salesperson may have choices about what target customers to aim at, which products to emphasize, which middlemen to rely on, how to use promotional money and how to adjust prices. A salesperson who can put together gainful strategies and implement them well can rise very rapidly. [5, 8]

A further distinction can be drawn among advocate, expert and social communication channels. [5]

- *Advocate channels* involve company salespeople contacting consumers in the target market.

- *Expert channels* consist of independent experts making statements to target buyers.

- *Social channels* involve neighbours, friends, and family talking to target buyers.

1.3.2   Selection of the salespeople

It is important to hire well-qualified salespeople to have successful and profitable promotion. Managers very often feel that the only qualification for sales jobs is a friendly personality. However this approach leads usually to ineffective work which will not reach the increase of sales. Progressive companies are more careful because they have their own databases of possible job candidates and invite them for directed interviews.

The idea that salespeople are born may have some truth but every person needs to be taught about the company, its products and services, about giving effective sales presentations, and about building relationships with customers. They should know exactly what they are supposed to do and how to do it. Sales training should be modified based on the experience and skills of the group involved.

Sales training very often starts with lectures, case studies, presentations and demonstrations. But a complete training program observing salespeople and coaching from sales supervisors. It is also highly important to keep salespeople up-to date, through the use of annual conventions, regular e-mail messages or sales meetings. [8]

1.4   Nonpersonal selling

Nonpersonal selling includes advertising, product placement, sales promotion, direct marketing and public relations. Advertising and sales promotion are usually regarded as the most important forms of nonpersonal selling.

Nonpersonal communication includes media, atmospheres, and events. Media consists of different types according to Kotler: [4]

- print media (newspapers, magazines, direct mail),

- broadcast media (radio, television),

- network media (telephone, satellite, wireless),

- electronic media (audiotape, videotape, CD-ROM, DVD-ROM, Internet),

- display media (billboards, signs, posters).

1.5 Advertising

Advertising consists of paid nonpersonal communication through different media. The object of most advertising is to present information about a product, prompt interest, build desire and get customers in a favourable frame of mind to buy the product. Just the presence of advertising might have an effect on sales – consumers might believe that a heavily advertised brand must offer good value of its products and services.

1.5.1 Advertising agency

Many larger companies usually have their own advertising departments that plan specific advertising campaigns and carry out the details. However, very often they ask an advertising agency to help. This agency is an independent business organization, staffed by specialists. Its advantage is having an outside viewpoint of the situation. The agency should obtain important facts, plan campaign strategy and the media to be used. Everything important should be done to bring short-term benefits to the company, such as an increase in sales, and long-term benefits too, such as brand awareness. The agency can often do the job more economically than a company´s own department because the agency brings experience to an individual client´s problems. Advertising agencies handle any activities related to advertising, publicity, or sales promotion. They may even help the company with the whole marketing strategy, as well as marketing research and product development. In the last few years there has been high growth of agencies that specialize in developing websites and Internet advertising.

These agencies usually work closely with their clients, and they often have access to confidential information. This can cause ethical conflicts if an agency is working with two or more competing clients. That is why most agencies are sensitive to potential problems and try to keep people and information from competing companies separated. It is certain that it does not always happen. Because of that, many companies refuse to work with any agency that handles any competing clients. [8]

When a company appoints the right advertising agency for its business it is starting a long-term relationship with a partner that can help its business become more profitable. The first step will be to find suitable agencies. It can be done by: [13]

- searching business directories - this can be particularly helpful if the company wants a local agency,

- asking contacts for recommendations,

- reading trade magazines,

- consulting the Advertisers Annual, which lists more than 2,800 agencies,

- visiting a search agency at the Advertising Agency Register website - this helps companies select suitable agencies.

The company should pay particular attention to agencies' specialization. It is important to check if they have: [13]

- experience in the client´s sector,

- expertise in either business-to-business or consumer advertising,

- a track record in the media the company wants to exploit,

- experience in other marketing services, such as multimedia or PR.

Managers of the company should have been involved in choosing an advertising agency and in managing the relationship with the agency. Some companies find it helpful to arrange induction meetings after appointing an agency. People from the agency can visit the company in order to better understand it, and managers can visit the agency. Some also find it helpful to have occasional brainstorming events or away-days in which the two parties can productively get to know each other better. In any case, regular meetings should be arranged so that the work of the agency can be reviewed and the effectiveness of campaigns can be measured. Ineffective campaigns can then be changed or ended quickly. The agency can also work from feedback the company gives. It is necessary for the company to make the relationship work well.

1.5.2 Advertising media

Because there are many forms and uses of advertising, it is difficult to make generalizations. Certain forms of advertising, such as TV spot, can require a large budget, whereas other forms, such as Web advertising, may not.

Every major medium is used to deliver advertising messages: television, radio, movies, magazines, newspapers and the internet. Advertising commercial media can also include the wall paintings, billboards, street furniture components, radio, cinema and television ads, web banners, web popups, skywriting, bus stop benches, town criers, sides of buses, taxicab doors, roof mounts and passenger screens, musical stage shows, subway platforms and trans, the opening section of streaming audio and video, posters, and the backs of event tickets and supermarket receipts – nearly anywhere a visual or audible communication can be placed. [12]

1.5.3 Types of advertising

Advertisements fall into two basic categories - product advertising and institutional advertising. [5, 8]

Product advertising is nonpersonal selling of a particular product or service. This it the type of advertising the average person thinks of when talking about most promotional activities. It is usually aimed at final consumers. Product advertising consists of three groups: pioneering, competitive and reminder advertising.

- *Pioneering advertising* develops primary demand for a product category rather than demand for a specific brand. It is usually used in the early stages of the product life cycle because it should inform potential customers about the new product and explain its key features. A concrete example can be digital cameras. When the digital cameras first came out, consumers did not know their benefits or why they might want one. Pioneering advertising was needed to build primary demand. There are a hundred brands of digital cameras now, each brand tries to highlight its own advantage, such as megapixels, or memory.

- *Competitive advertising* develops selective demand for a specific brand. It is generally done as the product life cycle moves along – to hold its own against competitors. Competitive advertising might be either direct or indirect. *The direct type* is aimed for immediate buying action. For example, a particular advertisement involves prices, phone numbers to call for information or placing an order. On the other hand, *the indirect type* shows product advantages what influences future buying decisions. It is focused on the quality of services and suggests you mention the company´s name the next time you need that kind of services.

- *Comparative advertising* is a promotional strategy which is aimed at making direct or indirect specific brand comparisons by using actual product names. A generation ago, comparative advertising was frowned on. But the Federal Trade Commission now encourages it. Regulators believe that it will keep marketers competitive and consumers better informed about their choices. It is generally known that where there is competition through advertising, prices tend to go down because people can shop around.

- *Reminder advertising* tries to keep the product´s name in the public´s mind. It is common to use this type in the latter part of the maturity stage and throughout the decline stage of the product life cycle. It is used primarily to reinforce previous promotion. The advertiser may just mention or show the name – as a reminder. A number of companies rely on reminder ads because most consumers already know the brand name and after a few years of promotion, associate it with high product quality.

Institutional advertising tries to promote a concept, an idea, a philosophy or image of a company, organization or person. Institutional advertising is often closely related to the public relations function of the enterprise. Its basic objective is to improve an organization´s relation with various groups, not only customers but also current and potential suppliers, shareholders, employees, and the general public.

1.5.4 Objectives of advertising

Every advertising campaign should have clearly defined objectives. These should grow out of the company´s marketing strategy and the promotional jobs assigned to advertising. Marketers use advertising messages to achieve three primary objectives - to inform, to persuade and to remind. These aims may be used individually, or in conjunction with each other. [5, 8]

The marketing manager should set the overall direction and give the advertising manager one or more following specific objectives: [8]

- To help position of the company´s brand or marketing mix by informing and persuading target costumers about its benefits.

- To help introduce new products to specific target markets.

- To help obtain desirable outlets and tell costumers where they can buy a product.

- To provide ongoing contact with target customers.

- To prepare the way for salespeople by presenting company´s name and its products.

- To get immediate buying action.

- To help maintain relationships with satisfied customers and encourage more purchases.

1.6 Direct Marketing

Direct Marketing is a discipline within marketing which uses direct communication between buyer and seller. A direct marketing effort is undertaken to generate a specific response which can be tracked and measured. The response could be in the different form:

- Form of an order – direct order

- A request for further information – lead generation

- A visit to a place of business to purchase specific goods or services – traffic generation

We can see that everything is based on individual customer records held on a database. These records are the basis for marketing analysis, planning and implementation of programmes and control of all of this activity. [5, 9]

Databases or a CRM (Customer Relations Management) are one of the most important parts of direct marketing. A company can select a narrow market segment using an electronic version of an office filling cabinet, holding records of customers. Selling to existing customers is much easier and cheaper than finding new ones. That is why the customer database is one of the company´s most valuable assets.

A list of customer contacts is a start but more specific information about their needs and interests makes the direct marketing more effective. This data might include: [13]

- ordering behaviour - dates, frequency and timing of orders

- order types - type and quantity of goods or services ordered and their value

- total annual sales of company - the margin on these sales and their payment history

- distribution details - postcode, type of area

- personal profile of individual consumers - age, gender and details of their lifestyle or socio-economic status

Direct marketing uses many different *media forms*. Each works best for certain purposes although a lot of marketers very often combine two or more forms together.

The most substantial media of direct marketing was traditionally direct mail, telemarketing, press, door-to-door distribution and posters. However, thanks to a giant development of information and communication technologies, there can be added many other direct marketing media, such as websites, e-mail, interactive digital TV, direct-response TV, mobile, SMS and MMS messages. These forms support international marketing and furthermore commerce has become more global.

1.6.1 Direct Mail

The most commonly used medium for direct marketing is direct mail, in which marketing communications are sent to customers using the postal service. Direct mail allows the company to get information about its products and services directly into the hands of people who may be interested in. Although it is very often dismissed as junk mail, it can be highly effective if it is properly planned and researched.

Direct mail involves communications in the form of a mailing letters, postcards and a wide range of enclosures such as product brochures, catalogs, order-forms and pre-paid reply envelopes.

Tips for a successful direct-mail campaign: [13]

- Draw up a budget to see realistic possibilities of a campaign.

- Consider incentives such as prizes or discounts to maximize response, in addition make sure you have included these in your budget.

- Source a mailing list that is appropriate to your objectives.

- Make sure you have the resources to run the campaign, follow it up and cope with the response.

- When your campaign is over, quantify the costs, returns and rates of response. If you started with clear objectives, you should be able to learn a lot about what you achieved and how.

1.6.2 Telemarketing

Telemarketing involves especially contacting consumers by telephone and using the opportunity for personalized two-way conversation. Like direct mail, telemarketing taps into databases to target calls based on costumer characteristics.

It can bring a number of advantages over other forms of marketing. Marketers are allowed to observe the customer's response immediately, ask questions to assess the customer's needs and explain the messages more effectively. The company can moreover get in touch with long-distance consumers to increase sales and enlarge market segment. On the other hand, there are also some disadvantages.

Many people find marketing calls as an unwelcome interruption and do not want to cooperate. That is why many countries in the world have passed the strict rules of Telemarketing Sales. [5, 13]

1.7 Sales Promotion

Sales promotions are non-personal promotional efforts that stimulate interest, trial or purchase by final customers. Traditionally, sales promotion techniques are used as supplements to other elements of the promotion mix. They are designed to have an immediate impact on sales. While advertising campaigns tend to have longer-term effects, a particular sales promotion activity lasts for a limited time period. It can very often be implemented quickly and get sales results sooner than advertising. Today, however, the focus of sales promotion has shifted from short-term goals to long-term aims of building brand equity and maintaining continuing purchases. [5, 20]

The general objectives of sales promotion are to speed up the sales process and increase sales volume. Through a consumer promotion, a marketer encourages costumers to try the

product, use more of it, and buy it again. Sales promotion also can encourage interest from salespeople and consumers for both new and mature products, help introduce new products, increase usage rates, neutralize competition, or reinforce advertising and personal selling efforts. On the other hand, sales promotion usually cannot overcome poor brand images, product deficiencies, or poor training for salespeople. [5]

1.7.1 Types of Sales Promotion

Sales promotions can be directed at either the customer, sales staff, or distribution channel members (such as retailers). Sales promotions targeted at the consumer are called *consumer sales promotions*. Sales promotions targeted at retailers and wholesalers are called *trade sales promotions*. Some sales promotions, particularly ones with unusual methods, are considered gimmicks by many. [16]

1.7.2 Consumer-oriented sales promotions

Much of the sales promotion aimed at final consumers tries to increase demand, or speed up the time of purchase. Such promotion might involve developing materials to be displayed in the stores. Sales promotions are varied. Often they are original and creative, and hence a comprehensive list of all available techniques is virtually impossible. Here are some examples of popular sales promotions activities aimed at final consumers: [5, 8, 16]

- *Coupons* – are the most widely used form of sales promotion. They usually offer discounts on the purchase price of goods and services and are designed to get customers to buy a product by a certain date. Coupons are often seen in newspapers and magazines, can be delivered by mail or it also exists on-line couponing. A highly popular distribution method is printing them directly on receipts at supermarkets and other retail outlets.

- *Refunds* – or rebates, offer cash back to consumers who send in proof of purchasing one or more products. Although many consumers find the forms too annoying to complete, plenty still take the time and energy to do it.

- *Contests* – require entrants to complete a task, such as answering questions in a quiz, or proofs of customers purchase.

- *Sweepstakes* – they are similiar to contests. However, they choose winners by chance, no product purchase is necessary. Its advantage is that they do not take so much effort for consumers to enter.

- *Free samples* (sampling) – samples might be distributed house to house, by mail, at stores, or attached to other products sold by the firm. This promotion technique might be used if customers already have a favourite brand, because it may be difficult to get them to try anything new. Using free samples, customers try the product and may find out that they like it. In addition, their satisfaction can cause repeat purchases.

Bonus packs – is a specially packaged item that offers the customer a larger quantity at the regular price.

Premiums – are items given free or at reduced cost with purchases of other products, such as free purse-size bottle of hairspray to the shampoo.

- *Buy-One-Get-One-Free* - it is an example of a self-liquidating promotion. For example if a loaf of bread is priced at $1, and cost 10 cents to manufacture, if the company sells two for $1, it is still in profit - especially if there is a corresponding increase in sales. This is known as a main sales promotion tactic.

- *Merchandising additions* - such as dump bins (a bin full of products dumped inside).

- *Exhibitions, demonstrations*

- *Competitions and prize draws* - in newspapers, magazines, on the TV and radio, on the Internet, and on packs.

- *Cause-related and fair-trade products* - raise money for charities to become more popular.

- *Finance deals* - for example 0 percent finance over 3 years on selected vehicles.

Tab. 2. Seven Most Frequently Used Consumer Promotion Techniques [5]

Technique	Percentage of marketers who use it
Coupons in retail ads	90
In-store coupons	88
Refunds	85
Electronic in-store display	83
Samples of established products	78
Premium	75
Sweepstakes	70

Table 2 shows most frequently used consumer promotion techniques according to a survey realized in the United States of America.

1.7.3   Trade-oriented sales promotions

Trade-oriented promotion means effective campaigns aimed at retailers and wholesalers. The objectives of using trade promotions are usually to encourage resellers to stock new products, continue to carry existing ones, buy in larger quantity and promote both effectively to consumers. Companies very often spend half of its promotional budget on trade sales promotions, as much money as they spend on advertising and consumer-oriented promotions combined. These promotions should bring quick results and improve retail sales. [5, 8]

- *Trade Allowances* - are special short term incentives offered to resellers that purchase or promote specific goods. These offers take various forms, such as buying allowances that give a discount on goods.

- *Point-of-purchase Display* - it is located near the site of the actual buying decision. It is based on the fact that buyers make many purchase decisions within the store, so it encourages retailers to improve on-site merchandising.

- *Dealer Incentives, Trade Contests* - to reward retailers that sell the most products and increase sales.

- *Training Programs* – they are provided by manufacturers for retail salespeople.

- *Push Money* - commonly known as spiffs. It means an extra commission paid to retail salespeople for every unit of a product they sell.

1.8 Public Relations

Public Relations is the business, organizational or social function of managing communication and relationship of a company and various publics, including customers, employees, stockholders, suppliers, government agencies, and the society in which it operates. Public relations includes ongoing activities to ensure the organization has a strong public image. These activities include helping the public to understand the company and to promote its products. Today, public relations plays a larger role than ever within the promotional mix. In addition to its traditional activities, such as surveying public attitudes and creating a good corporate image, public relations very often supports advertising and promotion of the company´s goods or services. [5, 19]

Similar to effective advertising and promotions, effective public relations often depends on designing and implementing a well-designed *public relations plan*. The plan should include a description of what the company wants to convey to whom, how the company plan to convey it, who is responsible for different activities. A very important part should be the timetable and budget of the public relations activity.

1.8.1 Marketing and Nonmarketing Public Relations

Nonmarketing public relations refers to a company´s messages about general management issues. When a company makes a decision that affects any of its publicity, public relations specialists can help smooth its dealings with those publics.

On the other hand, *marketing public relations* refers to narrowly focused public relations activities that directly support marketing objectives. Marketing PR involves relationships of the company with consumers or other groups about marketing concerns. It can be both proactive and reactive. Proactive means that the marketer takes initiative and seeks out

opportunities for promoting firm´s products. It very often includes distribution of press releases and feature articles. Reactive marketing PR responds to an external situation that has potential negative consequences for the company. [5]

1.8.2 Basic Principles of Public Relations

1. Public relations deals with reality – PR deals with facts, not fiction.

2. Public relations is a service-oriented profession in which public interest should be the primary consideration – PR is a public, not personal, service.

3. Since the public relations practitioners must go to the public to seek support for programs and policies, public interest should be the central criterion by which they should select these policies.

4. Because PR practitioners reach the general publics through mass media, which are the public channels of communication, the integrity of these channels must be preserved – PR practitioners should never lie to the news media.

5. PR practitioners must be effective communicators, because they are in the middle between an organization and its publics.

6. To expedite two-way communication and to be responsible communicators, PR practitioners must use scientific public opinion research extensively – PR cannot afford to be a guessing game.

7. PR specialists must employ the social science, such as psychology, sociology, social psychology, public opinion, communication study and semantics, to be able to understand what the public are saying and to reach them effectively.

8. The PR field requires multidisciplinary applications – PR specialists must adapt the work of other related disciplines, including learning theory, political science, economics and history.

9. PR specialists are obligated to explain problems to the public before these problems become crises – they should alert and advise, so people will not be take by surprise.

10. PR practitioners are only as good as the reputation they deserve – they should be measured by only one standard, ethical performance.

1.8.3 Public Relations Activities

Public Relations involves many activities, such as press agency, promotion, publicity, public affairs, research, graphics, advertising, marketing and merchandising. However, PR is something greater than just this collection of activities. People´s participation in the activities of public relations often cause confusion in understanding of what PR really is.

1.9 Internet Advertising

The Internet is a worldwide, publicly accessible network. It is known as network of networks that consists of millions of smaller domestic, academic, business and government networks, which together carry information and services, such as electronic mail, online chat and the documents of the World Wide Web. The Internet has also become a large market for companies. Some of the biggest companies today have grown by taking advantage of the efficient nature of low-cost advertising and commerce through the Internet. [14]

Internet marketing is the process of building and maintaining customer relationships through online activities to support the exchange of ideas, products and services that satisfy needs of both sides. It is certain that Internet marketing should be an important component of any marketing department. Internet marketing deals with levers that are available in the world of the Internet. However, the success of an Internet marketing program may rest with traditional, offline marketing vehicles. The Internet does not replace existing marketing channels, but it could be a powerful addition that should be applied in an integrated approach to marketing communications. Effective campaigns mix online ads with traditional communications options, in addition they integrate strategies across the various Internet tools. [6]

1.9.1 Online Advertising

Potential customers can find what they are looking for through searching keywords, categories, and browsing. Companies can interact better with their visitors and make promoting their goods and services an enjoyable experience for potential customers.

Companies can also use the internet to keep in touch with customers through newsletters, chat, and promotions on their websites.

There are two sides to online advertising, a legitimate one and an illegitimate one. The illegitimate side is dominated by spamming. [18]

1.9.2 Rich Media Advertising

The display advertising portion of online advertising is increasingly dominated by rich media, generally using Adobe Flash. Rich media advertising techniques make use of color, imagery, page layout, and other elements in order to attract the reader's attention. Here are some examples of common rich media formats: [18]

- *Banner* – is an advertising graphic image or animation displayed on a website.

- *Interstitial ad* – is the display of a page of ads before the requested content.

- *Floating ad* – is an ad which moves across the user's screen or floats above the content.

- *Expanding ad* – is an ad which changes size and which may alter the contents of the webpage.

- *Wallpaper ad* – is an ad which changes the background of the page being viewed.

- *Trick banner* – it is a banner that looks like a dialog box with buttons. It simulates an error message or an alert.

- *Pop-up* – means a new window which opens in front of the current one, displaying an advertisement, web page, or entire website.

- *Video ad* – is similar to a banner ad, except that instead of a static or animated image, actual moving video clips are displayed.

1.9.3 Newsletter Advertising

It is known that many companies commonly use e-mail newsletters for advertising and promoting their products or their image.

Newsletters are a specialized content news brief, usually with links to full news stories located on a website. The customer should sign up for a subscription, usually for free, and then receives the newsletter in his e-mail mailbox periodically. Newsletters are a good branding tool for a supplier. It keeps the supplier´s name in front of potential customers on a periodic basis. Good newsletters usually are short enough to keep the reader´s interest – they get read.

On-line newsletter advertising has the advantage of reaching an audience with a predefined interest in the topic areas covered by the newsletter. If a marketer has an interesting offer that matches well with these interest areas, then he should find it useful to advertise in the newsletter. Newsletter advertising rates are generally less expensive than other types of advertising. On the other hand, newsletter ads usually are limited to a few lines of text with no graphics. [11]

1.9.4   Opt-In E-mail

E-mail has proven to be one of the most useful methods of Internet marketing communications. When e-mail is unsolicited, it is called spam. Spam is very often viewed as annoying by most recipients. Accordingly, e-mail is best used when an interested person gives permission – opts in – to the marketer to send e-mail messages. E-mail messages are then sent often enough to be noticeable but not so often to be annoying, such as once or twice a month. In that situation, e-mail can be used to provide product notices, notices of special events, or other short messages.

E-mail is attractive because it is quick, inexpensive to produce, and inexpensive to add people to the mailing list. The disadvantage is that the marketer must truly have value for the customer in mind. Otherwise, it is easy to turn good costumers into sour ex-customers. [11]

1.9.5   Opt-Out E-mail

According to European Union, Czech Republic should have softened its antispam law. It has passed the rules of using Opt-Out system instead of Opt-In system from August 2006.

Opt-Out email marketing assumes a general permission to send marketing messages to everyone who has not explicitly stated that they do not want to receive such information.

Think of opt-out marketing as a never-ending chain of mailing list that you are automatically subscribed to. While you can unsubscribe ("opt out of") each list individually, it will not be long before a new list emerges, and of course you are automatically subscribed.

II. PRACTICAL PART

2 INTRODUCTION OF THE COMPANY

Raab Computer is a dynamically developing company focusing on the telecommunication services and on the sale of computer technologies for customers, not only home computer users, small and middle firms, but also big companies and customers from the area of education.

Fig. 2 Company´s logo [17]

2.1 Company´s description

The company has its seat in Bystřice pod Hostýnem, a small town in the middle of Moravia. The company was founded in 1998 and has strengthened its market position since that year. It continuously improves its services to be able to offer customers the best quality. In addition, the company keeps up with the latest trends and is concerned with goodwill of the company. Raab Computer prides on quality and very reasonable prices for the customers. That is given by very good cooperation with distributors and also by cutting operating costs.

Fig.3 Company´s seat [17]

Raab Computer Company has 19 employees at present. The Managing Director is the head of the company and is responsible for the day to day running of the company. His name is Ladislav Raab.

Under him there are Computer Programmer, Webdesigner, Sales Director, Chief Accountant and Server Administrator with a team of network technicians who take care of wireless Internet connection**.** The team consists of skilled technicians and is ready to help the customers 24 hours a day. When the problem occurs, they are able to solve him in shortest time.

2.2 Provided services

- **Hardware sale** – wide range of computers, laptops, keyboards, mouses, LCD and CRT monitors, processors, printers, scanners, multimedia, navigators, digital cameras and video cameras, graphic cards etc.

- **Computer service** – repaiments, virus attacks, help with problems, advice.

- **Wireless Internet connection**

- **Software development**

- **Computer networks**

- **Webdesign** - development of www pages, internet applications and presentations, graphics and other services bear on webdesign.

- **Domain registration**

- **VoIP Telephoning** – telecommunication service

- **Global Positioning System (GPS)**

- **Camera Systems –** web cameras, security camera systems etc.

2.3 Marketing Communications in the company

In this paragraph I would like to shortly summarize all promotional activities and materials that the company uses to encourage buying motivation of its customers.

First of all, I would like to mention that Raab Computer Company is focused mainly on local advertising because it provides services only in the south-east Moravia. The main aim of its marketing strategy is to satisfy needs of customers.

There is a short list of marketing communications of Raab Computer Company:

- Large billboard in the town centre,

- Small billboards by the roadside,

- Little advertisements in the local newspapers, on the maps and in the cinema programme,

- Company´s leaflets – special time-limited offers and deals,

- Letters sended to regular customers once a year as a thanks for using company´s services.

- Sponsorship activities:

  - Floorball teams – FBC Holešov and FBC TJ Sokol Bystřice pod Hostýnem.

  - Pizza Restaurant in Osíčko – Raab Computer Company provides wireless Internet for guests of Pizza Restaurant and its accomodation facilities free of charge.

  - Expedition Mount Everest 2005 – Raab Computer Company provided a special laptop with wireless Internet connection in extreme conditions.

  - Expedition Kamchatka 2005

  - Dancing balls in Bystřice pod Hostýnem

3   MARKETING RESEARCH

The first step in the project is to define sectors where improvements are needed. With the help of marketing research we can find out what impact marketing communication has on the customers of Raab Computer Company. The next step will be aimed at final improvement suggestions including its main advantages and disadvantages.

The marketing research process should have four basic steps:

1. Defining the research problem.

2. Establishing the research design.

3. Collecting and analysing data.

4. Formulating research findings.

Every activity has some sequential activities which need to be carried out in a pre-defined order.

3.1   Defining the research problem

Clearly defining the question that research needs to answer is the most important step in the market research process. A well-defined problem permits the researcher to focus on securing the exact information needed for the solution. [5] A logical starting point in identifying the problem would be to evaluate the company´s target market and marketing communications mix elements which I made in the chapter before.

My difficulty on the research problem lies in the fact that I am not aware of the areas in the company´s marketing communications which need improving. The aim of the survey is to find out how Raab Computer´s customers perceive the marketing communication activities of the company and how much impact the advertising has on their purchase. Customers´ views will help me to define the potential deficiencies in the marketing communication strategy of Raab Computers which need to be improved.

3.1.1   Research Objectives

The primary objective of this marketing research is to find out which elements of the marketing communications mix need to be improved.

The secondary aims are to find out:

- how much impact marketing communication has on customers of Raab Computer company.

- whether the company has stayed in customer´s mind due to marketing communications.

3.1.2 Research Target Group

Defining a research target group should be an important part of the marketing research. I would like to target a sample of Raab Computer company´s customers who come to the shop to make a purchase, seek advice or just to have a look. This means that it is not conditional on customer´s purchase.

3.2 Creating a Research Design

For the research of marketing communication impact there was used a quantitative marketing survey, generally used to draw useful conclusions. This survey tests a specific hypothesis, uses random sampling techniques to infer from the sample of the population and involves a large number of respondents. It is important to ask direct questions to get information on attitudes, motives and opinions of respondents. In addition, the quantitative survey provides anonymity that should encourage respondents to give candid answers.

The marketing research of marketing communications impact will be a personal interview on the basis of structured questionnaire including close-ended questions, multiple choice questions with the list of several answer choices and two open-ended questions, see appendix.

3.2.1 Data Types and Sources

There are two main sources of data - primary and secondary. The marketing research in Raab Computer company will be categorised as primary research by gathering original data.

Primary data will be obtained by questioning respondents in writing. This method is versatile, since one needs only to ask for the information. However, the response may not be accurate.

3.3 Collecting and Analysing Data

In this case, I was collecting the data in the company´s shop. Existing customers of the Raab Computer company have become my informants. Data analysis is needed to give the raw data any meaning. The first step in analysing the data is cleaning the data. This is a process of checking the raw data to verify that the data has been correctly entered into the files from the data collection form. After that, data can be tabulated which refers to the actual calculation of the number of observations that fall into each possible response category. There are several graphs that show the results of the research very clearly.

3.4 Findings Formulation

After analysing the data, findings based on this data can be made. Once the findings about the impact of marketing communications on the company´s customers are finished, they have to be presented to the decision makers of the business in an organized manner. In the main, the resulting data was created to help guide the company´s marketing decisions, so it needs to be readily accessible to the decision makers.

My marketing survey was realized in January and February 2007. Customers of the Raab Computer Company were given the questionnaires and were requested to fill these in. Customers were allowed to take the questionnaires home or they could spend time in the shop to express their opinion. After that, they were asked to insert the questionnaires in a specific box. 200 questionnaires were given out altogether, however, only 167 informants completed them. The research contained four questions about how the customers perceive the company´s advertising and whether they were influenced by it. Two questions were related to the company´s leaflets. Other questions were focused on the company´s sponsorship, sales promotion activities and the company´s website, see apendix.

- **Respondent structure**

167 respondents participated in the research: 65 women and 102 men.
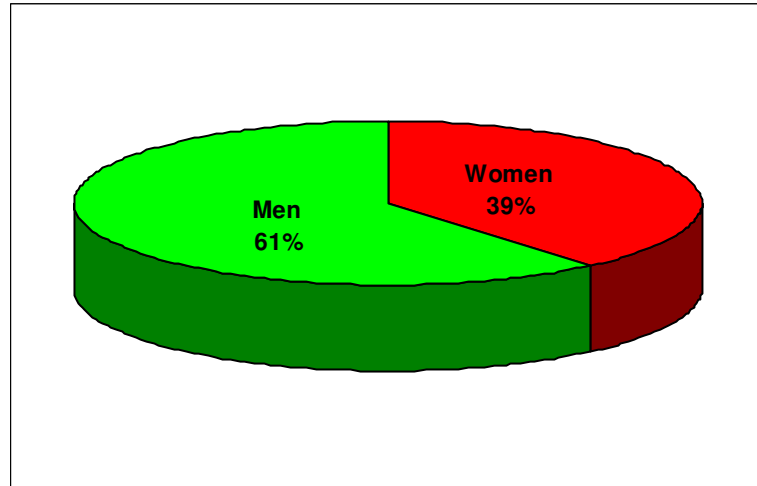
Fig. 4. Respondent structure of the marketing research
[Own Data]

As you can see from the bar chart (Fig. 5), most women were between 21 and 35 years old and the majority of the men were 36 to 50 years old. I was surprised to find that only 5 women and 9 men under the age of 20 participated in the survey. I wrongly anticipated to see that mainly teenagers use the Internet in the shop free of charge. On the other hand, the research confirmed that older women are not very interested in new information technology and do not visit this kind of shop very often.
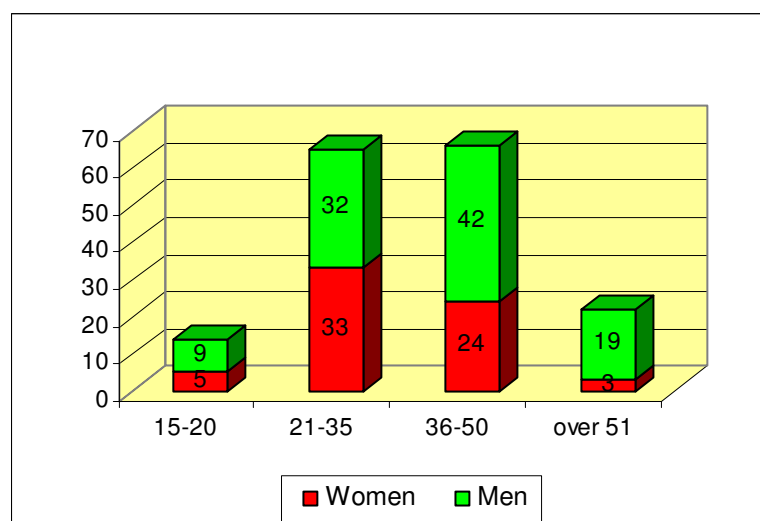
Fig. 5. Respondents´age structure [Own Data]

- **Advertising impact**

The survey showed that women are more influenced by the company´s advertising than men. By contrast, men find someone else´s recommendations and experience more effective. It is an interesting fact that 25 percent of women found the company purely by accident.

Tab. 3 How the customers first heard of Raab Computer company [Own Data]

	Men	**Women**
Advertising	26%	43%
Recommendation	57%	25%
Internet search	12%	8%
By accident	5%	25%

As it can be seen from the pie chart (Fig. 6), nearly all the participants, 152 to be exact, answered positively when asked whether they noticed any of the company´s advertising. This answer led to the more detailed section where these 152 respondents had to specify which type of advertising they had noticed. The survey showed that most of these customers were aware of the advertisements on the company´s cars – 44 % of men and 40 % of women in fact. This is a very promising sign. The newspaper advertisements have also been quite effective because 27 % of men and 44 % of women noticed them. However, surprisingly, the billboards were remembered by only 4 % of men and 5 % of women. This could be a relatively significant discovery to the final improvement suggestions. In addition, the company´s leaflets were noticed by 18 % of men and only 6 % of women. Furthermore, 7 % of men and 5 % of women stated that they were aware of other company advertising, such as sponsorships and short advertisements in the cinema programmes.
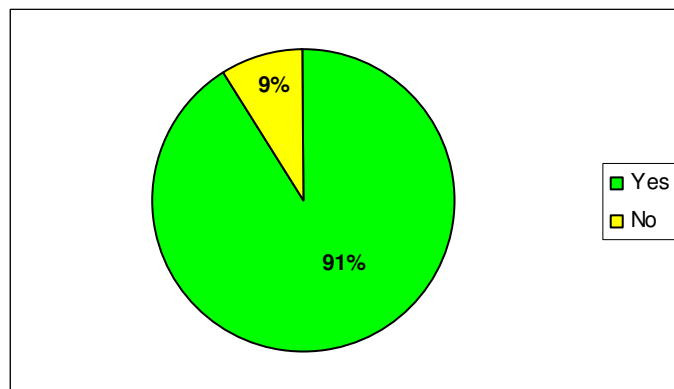
Fig. 6. Percentage of customers who noticed any company´s advertising [Own Data]

The next question was also related to advertising. When asked whether the customers remember the color of the company logo, 96 % of them knew exactly. That is why we can safely say that the company has unique advertising techniques, utilizing features typical for the company, such as colors, graphics, format and design.

In the next section respondents answered how much influence different types of company´s advertising had on their potential purchase – billboard, company cars, leaflets, newspaper advertisements etc. As we can see from the following graph (Fig. 7), people are mostly influenced by the company cars, leaflets and newspaper. 61 % of people answered that the advertisements in local newspaper had strong impact on their purchase. By contrast, 74 % are not influenced by the advertisement on billboard. This information was expected after interpretation the previous question. Leaflets delivered to respondents´ letterboxes had little impact on customers´ purchase. It is quite surprising that although most respondents stated that they were aware of the advertisements on the company´s cars, this type of advertising had only minimal impact on their purchase.
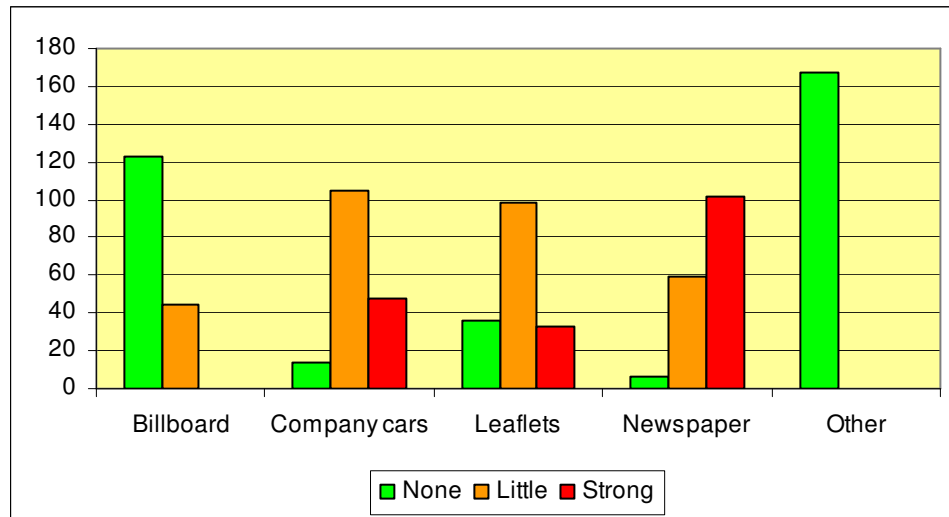
Fig. 7. Advertising impact on customers´ purchase [Own Data]

- **Company´s leaflets**

The next set of questions covered the value of company´s leaflets and establishing preferences in receiving latest information and special offers. 73 per cent of respondents stated that they have the company´s leaflets delivered to their letterbox. As graph shows (Fig. 8), 75 men and 33 women would prefer receiving information via e-mail. At this stage it was clearly helpful to enlarge on the reasons behind their preferences. The reason against electronic mail was mainly due to the fact that using e-mail may not be a frequent way of communication. On the other hand, main reasons for favouring information via e-mail are these: ease of use, speed, dislike of paperwork and also environmental reasons.
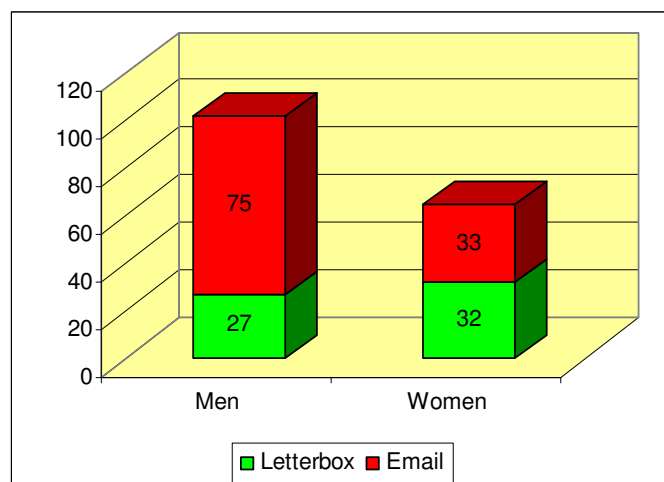
Fig. 8. Preference for receiving information [Own Data]

- **Sponsorship**

This section included an open-ended question where respondents were asked to list any memorable sponsorship of Raab Computer. From the graph (Fig. 9), we can see that the majority of respondents were able to remember a few. 57 % of men remembered floorball teams from Holešov and Bystřice pod Hostýnem. As a contrast, women noticed the well-known Pizza Restaurant more often. Also, men were more interested in adventure because 29 % of them were aware of the company´s two sponsored expeditions – Mount Everest and Kamchatka.
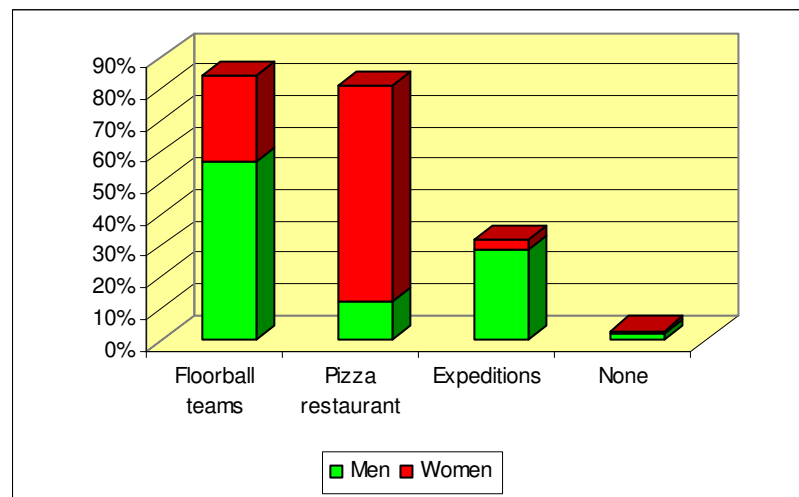
Fig. 9. Company´s sponsorship [Own Data]

- **Reasons for visiting Raab Computer company**

When asked why customers visit the company´s shop (Fig. 10), most answers were to buy software or hardware. 14 per cent of respondents stated that their most frequent reason to visit the shop is to seek advice. A minority of customers use the free Internet on the business premises. Fourteen people wrote that they visit the shop for other reasons, for example to complain, or to use webdesigning service.
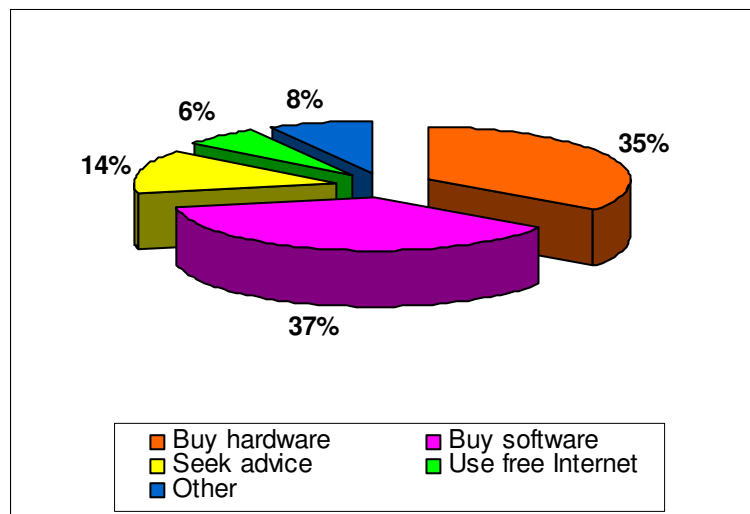
Fig. 10. Reasons for visiting the Raab Computer Company
[Own Data]

Furthermore, I asked if the customers were familiar with the facility to use Internet in the shop free of charge. 69 per cent of respondents answered that they had never heard about the facility. Only 15 % know about it and use it regularly and 16 % of respondents are aware of it but do not use it. These numbers may seem alarming but there might well be a sound operational reason to keep this service relatively low key.

The next question was also related to the Internet. When asked, if the customers would like to utilize the facility of Internet for a fee, a large number of answers were positive. I think that most interesting will be to split the answers according to respondents´ age.

It was evident that 93 per cent of teenagers would welcome Internet access provided in the towncentre. Surprisingly, 68 % of respondents older than 51 would like to use a facility of Internet access for a fee, too. On the other hand, there were only 35 % of customers in the age of 21 to 35 who would welcome the facility. The reasons for not using the Internet for a fee were mainly the same – these customers have Internet access at home.

- **Website**

The last two questions were focused on the company´s website. Firstly, I asked whether the participants of the survey had ever visited Raab Computer company´s website. The majority people – 85 % - answered positive. 96 % of men and only 68 % of women

answered that they had ever visited the website. The noticeable difference between male and female responses may have been a result of generally lower female interest in information technology as well as their accessibility to Internet in this area.

142 respondents who had visited company´s website, were asked to mark the following features on a scale of 1 to 5, 1 being the highest and 5 being the lowest score (Fig.11).

First impression

Majority of customers – 57 % - rated their first impression as an average third grade. However the positive sign that people like the website was highlighted by the high first and second marks scores, as per graph (Fig.11).

User friendliness

User friendliness satisfaction was rated as reasonably sufficient. 33 % were very satisfied, 31 % were satisfied and 25 % rated it at an average third grade. Insignificant number of people marked user friendliness using scores 4 and 5. This proves that people are reasonably satisfied but would welcome some positive changes.

Website graphics

From the results of this survey we can see that 48 % of respondents rated the graphics with the average third grade which means that the majority of customers were undecided. However, only 17 % of respondents consider the graphics of company´s website very good. This might be another area to start thinking about progress and fresh ideas.

Sufficiency of information

This was the best rated website feature. 47 % shows that customers are very satisfied and believe that there is sufficient information on the website. 42 % of respondents rated it with the second grade. Just 16 people gave lower grade to this feature.
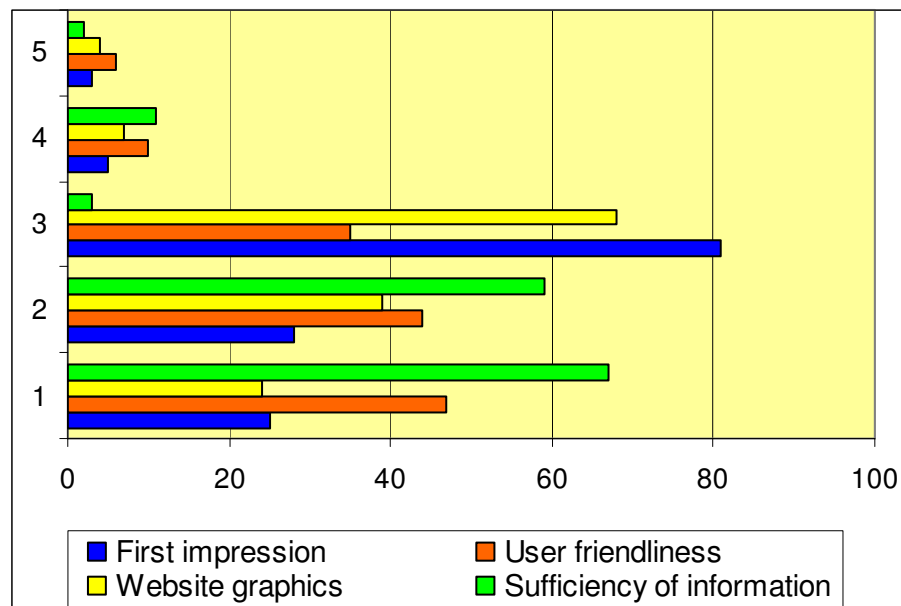
Fig. 11. Structured chart with highest graded features of website [Own

Data]

General summary to the website survey

It was evident that most people appreciated the quality and quantity of information. The first impressions are mostly satisfactory and in general the customers are satisfied with the website. Nevertheless, customers do believe that there could be some improvement in the graphics.

3.5 Marketing research summary

On the basis of my marketing research, I found out that the customers are reasonably aware of the company´s marketing communications. If we take a closer look at the respective sections of my survey, in my opinion, it becomes apparent that several improvements of the company´s communication would be beneficial.

The very good sign is that the majority of customers have seen some of Raab Computer company´s advertising and are familiar with the company´s logo and its livery. Surprisingly, advertising had a reasonably small impact on customers´ potential purchase. However, I think that the advantage the company has is in its sponsorship activities and these have a strong influence on people.

The company´s successes and profits appear to come from customers between the ages of 21 and 50. The survey confirmed that only a small group of women, mainly over 36 years old are interested in information technology and the company´s service offers. I would like to say that it would be advantageous for the company to focus on attracting more female customers.

In the next part I would like to list few suggestions for how the marketing communication´s strategy could be improved. These ideas would help the company to innovate and update its current situation which would lead to an increased number of satisfied customers.

4 IMPROVEMENT SUGGESTIONS

After analysing the survey´s results, I suggested some additions to the marketing channels which would be beneficial for the company´s marketing communication strategy and would ensure the company has a strong image.

4.1 Free newsletter via E-mail

The marketing research found out that most of the customers would like to receive information from the company via e-mail. This is why I believe that the newsletter implementation would be a positive supplement to the company´s marketing strategy. Using a newsletter as a marketing vehicle is a great tool for many companies. The newsletter should include information of interest and of value to the recipient whether or not they use the company´s services or buy the products.

As I described in the theoretical part, a newsletter is a regularly distributed publication mostly featuring one main topic which is of interest to its readers. Main attributes of newsletters include news and upcoming events of the related company, as well as contact information for general inquiries.

I would suggest that Raab Computer company should send newsletter to customers which would include the following information:

- Special offers and deals

- Upcoming events

- Important messages about changes or improvements

- Updated software

- Virus info, alerts for spyware and virus

- New information technology etc.

The company´s customers would have the option to choose whether they are interested in receiving the newsletter via website. They only need to register their name and e-mail address, and once a month they would automatically receive the newsletter in their mailbox.

4.1.1 Advantages

In my opinion, Internet has become a well-known communication medium with large number of users. This is why some people find using e-mail much easier and quicker than the usual post. Furthermore, the customers are able to read the newsletter anytime and anywhere. So it is not conditional on their permanent post address.

A great advantage is also the fact that a newsletter is more environmentally friendly. What is more, we know that a lot of people dislike having printed leaflets delivered to their letterbox. A newsletter would avoid this kind of junk mail.

In addition, sending information electronically would be simpler for the company. It does not need to spend money and time using the post office to arrange everything to be make sure that all potential customers get the leaflet.

Due to the fact that Raab Computer company specializes in IT and provides wireless Internet connection, the costs to provide the newsletter service would be insignificant. This means that the service would be very easy and useful for the company.

4.1.2 Disadvantages

It is evident that even newsletters have some negative points. In the main, electronic leaflets are able to reach only the section of customers who have regular network access and use the e-mail. However, this could mean that the company will miss some potential customers. In spite of this fact, I would suggest the company to implement an electronic newsletter as a communication supplement service.

4.2 Discussion Forum

Another suggestion beneficial for improving communication between the company and its customers would be to create a discussion forum on its website.

It would be designed for customers who could join chat on variety of themes without any registration, such as hardware, software, wireless Internet connection, as well as customers´ interests, questions, demands and problems.

On the other hand, it would also be effective for the company´s customers´ service. The technicians would advice and help customers with their problems.

4.2.1   Advantages

In the main, the company would improve communication with the public and provide important information.

Due to the fact that this service is also related to company´s website, the costs to provide discussion forum will be reasonably low. However, it will depend on company´s organisation of staff.

Moreover, the great advantage for the company would be receiving customer´s responses – a feedback. The company would learn about customers´ interests and demands in a simple and inexpensive way and then it could focus on customer´s individual needs.

4.2.2   Disadvantages

The biggest disadvantage is the same as for the newsletter. A discussion forum on the website is able to reach only a limited target group of potential customers.

It is apparent that answering all the customers´ questions will be time-consuming. Customers participating in certain discussions will obviously be expecting replies from the company as soon as possible. In spite of this fact, implementation of online discussions would ensure the company has a strong public presence.

I think that every one of us has at some stage participated in some online chats or discussion forums. As we know, there are also some crude disputants whose vulgar opinions could discredit a company´s name and image. In this case, I would suggest to implement the service without any customers´ registration. However, if there were problems of this kind, the company should permit discussion entry only to registrated disputants.

4.3   Employees´ clothes uniformity

The next improvement which I would like to suggest to the company is related to company´s image and its internal culture.

There are some technicians who are responsible for the whole network system - installing the wireless Internet connection and helping the customers to precede and solve several technical problems or defects. These technicians use the company´s cars to get directly to the customer.

However, I noticed that these employees are not clearly recognisable because they usually wear their own clothes. Due to this fact, I would suggest to unify the emloyees´ clothes to improve company´s image.

In my opinion, Raab computer Company should establish uniformed T-shirts, shirts, full zip sweatshirts and jackets. Every technician would get two T-shirts, one long-sleeved shirt, one short-sleeved shirt, two sweatshirts and one winter jacket. All these clothes would be dark blue and would have Raab Computer company logo at the back. I should mention that the clothes will be replaced by new ones every year, except for the winter jacket. Another important detail is that all the staff would wear a company identification card which would clearly state their name.

4.3.1 Advantages

First of all, unique technicians´ clothes will lead to better image and what is more they will have an advertising impact on customers.

In addition, visits to customers will be more formal. Due to the identification cards, customers could deal with the technicians on a more friendly basis and would remember their names. Customers could also compliment on their work to the company´s director. On the other hand, if they were not satisfied with the work, they could complain about the person concerned.

Another important fact would be that improved technicians´ identification will provide customers´ safety. There are many thieves who are able to utilize the opportunity, introduce themselves as the network technicians of Raab Computer company and steal expensive items in customer´s house. Even if the customers pay for the service and give the money to anonymous person, it would seem to be very unprofessional.

Furthermore, the unique clothes will be beneficial for the technicians as they will save on wear and tear of their own clothes.

4.3.2 Disadvantages

When thinking about the disadvantages of this suggestion, I found out that there is only one main disadvantage – increase of the costs.

4.4 Internet Café

Finally, I would like to introduce my project created for Raab Computer company and suggest to establish the first Internet coffee lounge in the town of Bystřice pod Hostýnem.

My marketing research confirmed that the majority of customers would welcome the opportunity to use the Internet somewhere in the towncentre because they do not have Internet access at home. Due to the fact that there is no coffee lounge providing Internet in the town, in my opinion, it would be a new interesting and profitable business for the Raab Computer company.

Apparently, it will be a long-term process. The company should start with the project nine months earlier. Everything has to be well-organised and prepared before the coffee lounge gets opened.

Location

The company bought new business premises in Čs. Brigády Street in Bystřice pod Hostýnem one year ago and it is expected to move the whole company to these premises in a few months. I learnt more about it from the company´s director. These premises are under reconstruction at the moment. Apparently, there is one room available for this project.

The main advantage of these premises is its location as it is situated near the town centre. This very positive fact would attract a large number of customers.

Description

The Internet Café would be equiped with five new computers with wireless Internet connection. In addition, there would be a possibility to order from the wide range of hot and soft drinks. The opening hours would be the same as the company´s shop, so that the new Internet Café would be open from 9 am to 5 pm.

Employees

It is evident that new employees would be needed. The company should engage three waiters who would be responsible for the visitors´ refreshments. They would work in shifts. I would suggest that they should have some computer knowledge if there were some technical problems. Otherwise, the network technicians of Raab Computer Company would help.

Promotion

Logically, the company would need to give the new Internet Café wide publicity and utilize all possible marketing communications to attract customers, such as advertisements in local newspapers, on billboards and on leaflets.

In addition, I believe that several special offers would attract the users. The company could provide free Internet for the first fifty visitors. Furthermore, certain number of customers would get one free hot drink with thein first Internet usage.

I would also suggest a special promotion event focused at teenagers, including competitions and Internet knowledge quizes with small presents for the winners.

4.4.1 Advantages

As I mentioned, the company would gain a new profitable business, enlarge provided services and strengthen its market position.

First Internet Café in the town of Bystřice pod Hostýnem would improve the goodwill of the Raab Computer Company which would attract more customers not only to the coffee lounge but also to the company´s shop.

Moreover, the great advantage for the company would be their own premises. In these days, it is a great positive advantage for the company if it does not need to pay an office rental.

4.4.2 Disadvantages

Apparantly, establishment of the new Internet coffee lounge would increase the company´s costs. The company should invest in the equipment of Internet Café, such as computers, tables, chairs, restaurant facilities etc. Moreover, through the whole year the company should give salary to three more employees. However, the company has been profiting and is able to invest some financial resources in such project.

In addition, enlargement of company´s enterprise subject would bring more responsibilities as well as new problems.

CONCLUSION

The purpose of this Bachelor´s Thesis was to analyse marketing communications in Raab Computer Company and to suggest some improvements in communication with its customers.

The important step in the practical part was to define sectors where improvements were needed. With the help of marketing research it was found out that the customers were reasonably aware of the company´s marketing communications. This was a positive fact. However, I made up a few improvement suggestions. First of all, I would suggest to implement regular newsletter via e-mail and discussion forum on the company´s website which would make communication between the company and its customers much easier and quicker. Next suggestion was concerned with employee´s clothes unification for their better identification and also as a part of a company´s promotion. The final suggestion was to set up a first Internet coffee lounge in Bystřice pod Hostýnem. A profitable project would move the company to a new business area and raise the number of customers.

I hope that these improvement suggestions will be useful and benefitial for the Raab Computer Company. It is obvious that the continual improvements, investments and communication supplements are constantly needed. Only this way could bring the company competitive advantage and strethen its market position.

REFERENCES

[1] APPLEBY, Robert C. *Modern Business Administration*. 5th edition. London : Pitman Publishing, 1991. xv, 462 s. ISBN 0-273-03332-8.

[2] FORET, Miroslav. *Marketingová komunikace*, 1.vyd. Brno: Computer Press 2006. 443 s. ISBN 80-251-1041-9.

[3] KOTLER , Philip, et al. *Marketing Management : An Asian Perspective*. 3rd edition. Singapore : Pearson Education, 2003. 771 s. ISBN 0-13-106625-0.

[4] KOTLER, P., ARMSTRONG, G. *Principles of Marketing,* 11.vyd. New Jersey, USA: Pearson Education 2006. 651 s. ISBN 0-13-146918-5.

[5] KURTZ, David L., BOONE, Louis E. *Principles of Marketing*. 12th edition. Mason, Ohio : South-western, Thomson Learning, 2006. 656 s. ISBN 0-324-32379-4.

[6] MOHAMMED, Rafi A., FISHER, Robert J., JAWORSKI, Bernard J., PADDISON, Gordon J. *Internet Marketing : Building Advantage in the Networked Economy*. 2nd edition. New York: McGraw-Hill/Irwin, 2004. 743 s. ISBN 0-07-253842-2.

[7] NĚMEC, P. *Public Relations – praxe komunikace s veřejností,* 1.vyd. Praha: Management Press 1996. 167 s. ISBN 80-85943-20-4.

[8] PERREAULT, William D., MCCARTHY, E. Jerome. *Basic Marketing : A Global - Managerial Approach*. 15th edition. New York : McGraw-Hill/Irwin, 2005. 793 s. ISBN 0-07-252523-1.

[9] TAPP, Alan. *Principles of Direct and Database Marketing*. 3rd edition. Harlow, England : Pearson Education Limited, 2005. xiv, 489 s. ISBN 0-273-68355-1.

[10] TELLIS, Gerard J. *Reklama a podpora prodeje*. 1. vyd. Praha : Grada Publishing, 2000. 620 s. ISBN 80-7169-997-7.

[11] VITALE, Robert P., GIGLIERANO, Joseph J. *Business to Business Marketing : Analysis and Practice in a Dynamic Environment*. 1st edition. Mason, Ohio : South-western, Thomson Learning, 2002. 534 s. ISBN 0-324-07296-1.

[12] *Advertising* [online]. Wikipedia, 2007 [cit. 2007-02-22]. Dostupný z WWW: <http://en.wikipedia.org/wiki/Advertising>.

[13] *Business Link: Practical advise for business* [online]. Small Business Service, 2007 [cit. 2007-02-27]. Dostupný z WWW: <http://www.businesslink.gov.uk/bdotg/action/layer?topicId=1073902327>.

[14] *Internet* [online]. Wikipedia, 2007 [cit. 2007-02-22]. Dostupný z WWW: <http://en.wikipedia.org/wiki/INTERNET>.

[15] *Marketing by Dave Dolak* [online]. Dave Dolak, 1999-2007 [cit. 2007-02-15]. Dostupný z WWW: <http://www.davedolak.com/promix.htm>.

[16] *Marketing Teacher* [online]. 2000-2007 [cit. 2007-03-27]. Dostupný z WWW: <http://marketingteacher.com/Lessons/lesson_sales_promotion.htm>.

[17] Oficiální www stránky společnosti Raab Computer [online]. Dostupné z WWW: <http://www.raab.cz>.

[18] *Online Advertising* [online]. Wikipedia, 2007 [cit. 2007-02-22]. Dostupný z WWW: <http://en.wikipedia.org/wiki/Online_Advertising>.

[19] *Public Relations* [online]. Wikipedia, 2007 [cit. 2007-02-22]. Dostupný z WWW: <http://en.wikipedia.org/wiki/Public_Relations>.

[20] *Sales Promotion* [online]. Wikipedia, 2007 [cit. 2007-02-22]. Dostupný z WWW: <http://en.wikipedia.org/wiki/Sales_Promotion>.

LIST OF FIGURES

LIST OF TABLES

APPENDIX

A I.   Questionnaire of marketing communications impact

A II.   Company´s leaflets

A III. Company´s sponsorship

APPENDIX A I/1 : QUESTIONNAIRE

Dear Sir or Madam,

I wonder if you could spare a few moments filling in the following questionnaire. Your views are very important for my project. I am a 3rd year student at Tomas Baťa University in Zlín, finalising my Bachelor Degrese. My project involves a marketing research to find out what impact marketing communication has on customers of Raab Computer company.
I would like to asure you that the questionnaire is totally anonymous and your response will be strictly confidential, used purely to assist in my Bachelor Work.

Thank you in advance for your cooperation.

Zuzana Blažková

1. Age group:
   a) 15 – 20
   b) 21 – 35
   c) 36 – 50
   d) 51 and over

2. Sex:
   a) male
   b) female

3. How did you first hear of Raab Computer company?
   a) Advertising
   b) Recommendation
   c) Internet search
   d) Purely by accident

4. Do you remember the company logo colour?
   _____

5. Did you notice any advertising of Raab Computer?
   a) Yes
   b) No

   If the answer is yes, please tick the relevant boxes:
   a) Billboard
   b) Company cars
   c) Leaflets
   d) Newspaper
   e) Other   _____

APPENDIX A I/2 : QUESTIONNAIRE

6. How much impact did the advertising have on your purchase? (Please tick.)

	None	Little	Strong
a) Billboard			
b) Company cars			
c) Leaflets			
d) Newspaper			
e) Other			

7. Do you get the company´s leaflets delivered to your letterbox?
    a) Yes
    b) No

8. How would you prefer to receive information?
    a) Letterbox
    b) E-mail
Please state reason: _____

9. Can you think of any Raab Computer sponsorship?
_____

10. Are you aware of the facility to use Internet in the shop free of charge?
    a) Yes, I use it.
    b) Yes, I know but do not use.
    c) No, I have never heard about it.

11. Would you utilize the Internet for a fee, if there were a facility in the towncentre?
    a) Yes, I would welcome it.
    b) No, I would not utilize it.
Please state reason: _____

12. What is your most frequent reason to visit the Raab Computer shop?
    a) Buy hardware
    b) Buy software
    c) Seek advice
    d) Use free Internet
    e) Other _____

13. Have you ever visited Raab Computer website?
    a) Yes
    b) No

If the answer is yes, please mark the following features using 1 - 5.
   (1 being the highest, 5 being the lowest score)
    a) First impression
    b) User friendliness
    c) Website graphics
    d) Sufficiency of information

APPENDIX A II/1 : COMPANY´S LEAFLETS

APPENDIX A II/2 : COMPANY´S LEAFLETS