

# **A Competitor Analysis for an Emerging Café in Zlín, Czech Republic**

Pavλίna Bujoková

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Bachelor Thesis  
2015



**Tomas Bata University in Zlín**  
Faculty of Humanities

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Univerzita Tomáše Bati ve Zlíně  
Fakulta humanitních studií  
Ústav moderních jazyků a literatur  
akademický rok: 2014/2015

## ZADÁNÍ BAKALÁŘSKÉ PRÁCE

(PROJEKTU, UMĚLECKÉHO DÍLA, UMĚLECKÉHO VÝKONU)

Jméno a příjmení: **Pavčina Bujoková**  
Osobní číslo: **H120207**  
Studijní program: **B7310 Filologie**  
Studijní obor: **Anglický jazyk pro manažerskou praxi**  
Forma studia: **prezenční**

Téma práce: **Analýza konkurenčního prostředí pro nově vznikající kavárnu ve Zlíně**

Zásady pro vypracování:

**Nastudujte literární zdroje pro analýzu konkurenčního prostředí.  
Provedte SWOT analýzu kaváren ve Zlíně.  
Identifikujte očekávání zákazníků ve Zlíně.  
Shrňte poznatky z teoretické i praktické části.  
Zjistěte, zdali by měla ve Zlíně vzniknout nová kavárna.**

Rozsah bakalářské práce:

Rozsah příloh:

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

Seznam odborné literatury:

Dvořáček, Jiří, and Peter Slunečník. 2012. Podnik a jeho okolí: Jak přežít v konkurenčním prostředí. Praha: C.H. Beck.

Fine, Lawrence R. 2009. The SWOT Analysis: Using Your Strength to Overcome Weaknesses, Using Opportunities to Overcome Threats. Charleston: CreateSpace.

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Vedoucí bakalářské práce:

**Mgr. Bc. Barbora Blažková, Ph.D.**

Ústav moderních jazyků a literatur

Datum zadání bakalářské práce:

**28. listopadu 2014**

Termín odevzdání bakalářské práce:

**7. května 2015**

Ve Zlíně dne 23. ledna 2015

  
doc. Ing. Anežka Lengálová, Ph.D.  
děkanka



  
PhDr. Katarína Nemčoková, Ph.D.  
ředitelka ústavu

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## **ABSTRAKT**

Hlavním cílem této bakalářské práce je provést analýzu konkurenčního prostředí kaváren ve Zlíně. Práce je rozdělena na teoretickou a praktickou část. Teoretická část je zaměřena na zpracování teoretických poznatků z oblasti ekonomie a marketingu. Následně vysvětluje pojmy konkurence, SWOT analýza, Porterův model pěti sil a marketingový mix. Praktická část je zaměřena na analýzu dvou kaváren ve Zlíně, srovnání jejich konkurenčních výhod s požadavky zákazníků. Závěr práce pojednává o možnosti vzniku nové kavárny ve Zlíně.

Klíčová slova: konkurence, podnikatelské prostředí, konkurenční výhoda, marketingová strategie, SWOT analýza, marketingový mix

## **ABSTRACT**

The main objective of this bachelor thesis is to analyze the competitive environment of cafés in Zlín. The thesis is divided into the theory and the analysis. The theoretical part comments on findings from economics and marketing. Subsequently, terms competition, SWOT analysis, Porter five forces analysis, and the marketing mix are explained in the theoretical part. The analytical part focuses on the analysis of two cafés in Zlín. It studies whether their competitive advantage meets customers' expectations. The end of the thesis explores the idea whether the new café could be established in Zlín.

Keywords: competition, business environment, competitive advantage, marketing strategy, SWOT analysis, marketing mix

## **ACKNOWLEDGEMENTS**

First of all, I would like to express my gratitude to my supervisor Mgr. Bc. Barbora Blažková, Ph.D. for the helpful advice, guidance, and support.

I would like thank my family and my friends who supported me and encouraged me during my studies.

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## INTRODUCTION

Many people dream about starting their own business. People often talk about new restaurants, hotels, and cafés. Zlín is a place with a number of cafés. Zlín is also a city that is known for its specific architecture. People from all over the country visit this place in order to see something unique. This thesis studies whether Zlín is a place where the new café could be established or if the market is already saturated.

This thesis is divided into two main parts, the theoretical and the analytical part. The first part explains the basic terminology connected to competition and comments on different types of competition. It also explains what is meant by market environment and how it can be mapped and analyzed. For clarity, the terminology used for the first time is in italics.

The analytical part begins with the explanation of the research technique called Mystery shopping, a method that is used throughout the whole analysis. The introduction is followed by the description of two cafés in Zlín: Mr. Coffee café and Kafirna Zlaté Zrnko café. Each café is analyzed by three different marketing methods. These are Porter's Model, marketing mix, and the SWOT analysis. The Porter's model looks at five forces that influence company's processes. Thanks to the marketing mix, product, place, price, and promotion of each café could be examined. By the SWOT analysis, company can evaluate its internal and external environment.

Since the aim of this thesis is to analyze the market environment and because consumers are an important elements of the market environment, the last chapters also discusses customer expectations and their influence on companies. The last part suggests what could be done in order to improve the service provided in cafés. It also opens the question whether a new café in Zlín would be beneficial or not.

## **I. THEORY**

# 1 COMPETITION

## 1.1 Defining Competition

Competition is a complex and a broad topic, therefore there are many different definitions and approaches how people perceive it. It may depend on the purpose of our study, as Vodáček and Vodáčková (2004, 57) suggest. For example, understanding competition from the political, historical, sociological, or managerial point of view. Even though in each sphere competition has its significant characteristics, the basic concept is the same. Two sides (e.g. people, companies, countries, etc.) standing against each other in order to achieve something better.

In managerial and also in some non-managerial areas competition is often misinterpreted. In many cases it is presented rather as a negative element or even a threat. In economics, competition usually means two or more businesses fighting for a better position in the marketplace. People sometimes forget that without competition there would be no variety of products and services, and no motivation for producers to improve their outcomes.

This thesis focuses on the European market, therefore a definition stated by the European Commission (2002, 10) in its *Glossary of Terms Used in EU Competition Policy* will be taken as the key definition. It says that competition is “a situation in a market in which sellers of a product or service independently strive for the patronage of buyers in order to achieve a particular business objective, for example, profits, sales and/ or market share.”

Competition is important in economics because it leads to better conditions in the marketplace. On one side, customers have more options when deciding to buy. For example if a consumer is willing to buy a cup of coffee, he or she would appreciate to choose from the varieties of drinks different cafés offer. On the other hand, producers are more motivated to expand their production, in order to attract their customers.

## 1.2 Forms of Competition

In economy there are many different models of competition. Before explaining each type, it is necessary to clarify a term *market structure*. Brian (2009, 115) understands market structure as a “way that suppliers and demanders in an industry interact to determine price and quantity.” As he suggests, there are two important agents – suppliers and demanders

who play the crucial role in the market and in the competition itself. This will be explained in detail in chapter 1.2.2.

Keřkovský (1997) states that there are two main market structures: perfect competition and imperfect competition. Imperfect competition could be further subdivided into monopoly, oligopoly and monopolistic competition. Brian (2009) argues that these terms are main idealized market structures used in the trade theory. It is important to highlight that these models are only theoretical models and nowadays it is almost impossible to see them functioning.

Even though many theoretical models do not exist in day-to-day life, it is essential to know them because it helps to predict certain situations and behavior of interacting agents. Following chapters concentrate mostly on these theoretical models in order to be familiar with possible situations in the market.

There are certain criteria how different authors perceive competition. Three main constructs will be now explained. Even though it was already mentioned, the first one comments on perfect and imperfect competition. The second approach is competition from the view of suppliers and demanders. The third differentiation is a price and a non-price competition.

### **1.2.1 Perfect and Imperfect Competition**

One of the criterion for classifying competition is the market environment. There are two models: perfect and imperfect competition. Perfect competition is an abstract situation in the market where all entrants have same conditions when joining the market. There are no significant restrictions. Most of the producers make homogenous products, everything produced is the same. No one has a crucial ability to influence the market price. Although perfect competition is a construct that is not visible in European economy, there are some examples that have similar features like perfect competition, as Tuleja, Nezval, and Majerová (2011, 42-43) state. One of them is a commodity market. To be more concrete it will be demonstrated on the example of fish markets in Spain. If the owner of a restaurant wants to buy some fresh fish, s/he should come to the fish market. There are many sellers who all offer fish. There could be some small distinctions when selling different types of fish but it will be still considered as homogenous products. They also all sell under similar conditions. Some quality and price standards are generally given but they affect all sellers. Price can be negotiated by both sides and that is the feature significant rather for imperfect competition, as noted bellow.

Imperfect competition according to Dohnalová (2008) is the situation when at least one of the economic units can control the market price. Types of imperfect competition were already mentioned at the beginning of chapter 1.2. Authors concerned with microeconomics study them in larger extent but Adam (1986) gives brief and clear description on each model.

Monopoly, as Adam (1986, 309) noted is a situation in the market when there is one commodity being sold by a single producer. A few years ago a Czech Railways company was the example of monopoly in the Czech Republic. It was the only company who offered train transportation. But with the time, new competitors joined the market and nowadays even it has the largest market share of rail transport in the country, it is not as strong as it was before.

Oligopoly simply means small amount of firms in a market. Tuleja, Nezval, and Majerová (2011) stress that those sellers are large enough to influence prices within the whole sector. Therefore when deciding on the quantity produced for what price they must respect other competitors. Regiojet and Leo Express, new entrants mentioned in the previous paragraph, are now with the Czech Railways companies representing oligopolies in the Czech Republic.

Monopolistic competition is the last form of the imperfect competition and is similar to the perfect competition. There are many companies offering similar items but not identical goods/ services as in perfect competition. By differentiating their production they can set own prices. Dohnalová (2008) suggests that barriers for new entrants are not difficult to be overcome.

Monopolistic competition and oligopoly are the most frequently occurring types of competition in the European market. There are smaller companies offering similar products/ services. They have same conditions for entering the market and they take advantage of own product/ service differentiation. That is why the analytical part of this thesis focuses only on these two types of competitors.

### **1.2.2 Suppliers and Demanders**

Looking closer to what Brian (2009) claims in 1.2, not only suppliers but also demanders are those who determine price and quantity. Therefore it is possible to subdivide

competition a) between demanders<sup>1</sup>, b) between suppliers<sup>2</sup>, c) across the market (Tuleja, Nezval, and Majerová 2011, 41-42).

In the first case – competition between demanders, consumers (demanders) usually want the lowest price for the largest amount purchased. It often results in competing among other buyers. That causes high demand for a certain product/ service and the outcome is a higher price of the demanded product/ service.

A competition between suppliers is based on the desire to sell as much as possible in acceptable conditions. Suppliers are competing for a better position in the marketplace and therefore are trying to weaken a position of their competitors. If the supply is lower than the demand, (people want more than is offered), sellers can take it as an advantage and raise prices.

As Dohnalová (2008, 37) explains, across the market competition means that the supply clashes with the demand. Profit-making organizations come to the market with the aim to maximize their profit whereas consumers want to satisfy their wants and needs for the lowest price. Dohnalová suggests a solution for this tension in the way of a trade-off (compromise). Both sides agree on an equilibrium price that means “when the total demand is just satisfied by the total supply” (Adam 1986, 178). In other words, demand and supply are in balance.

### **1.2.3 Price and Non-price Competition, Competitive Advantage**

“Competitive rivalry between firms may take place in terms of price, quality, service or combinations of these and other factors which customers may value” (The European Commission 2002, 10). According to this quotation and based on what Tuleja, Nezval, and Majerová (2011, 42) claim, sellers can choose from two main strategies in order to be in a better position compared to other competitors. In other word, they can select what will form their competitive advantage. One strategy is called a price competition and the other a non-price competition.

Starting with a non-price competition. It is “a market situation where rival sellers are competing for trade not by price but by offering attractions such as better quality of product and packaging, free installation, servicing, etc.” describes Adam (1986, 113). On the other hand a price competition represents the situation when producers cut prices of

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<sup>1</sup> Not same as *competitive demand* (Adam 1986, 147-148).

<sup>2</sup> Not same as *competitive supply* (Adam 1986, 428).

their products/ services with the aim to attract broader range of customers. As it was already mentioned at the beginning of this chapter, companies can “mix” their strategies and be both price and non-price competitors. This idea is mainly supported by customers who prefer lower prices for the best quality.

Previously mentioned term competitive advantage is “a set of unique features” (Lamb, Hair, and McDaniel 2014, 23) of a firm and its products/ services. Customers distinguish that firm from other competitors based on those unique features. Therefore it must be something “significant and superior” compared to other businesses.

Lamb, Hair, and McDaniel (2014) identify *cost competitive advantage*, *product/ service differentiation competitive advantage*, and *niche competitive advantage*. As Kermally (2003, 27) states “winning competitive advantage is not enough; you have to sustain it.” She believes when producers differentiate their products/ services they are close to win and maintain competitive advantage. According to Dustin, Bharat, and Jitendra (2014), two main approaches (a structural and a resource based view) concur that innovation is crucial in achieving and keeping competitive advantage.

### 1.3 Dealing with the Competition

As the European Commission (2012) specified a term competition, a word *independently* in 1.1 cannot be overlooked. Sellers can either choose to compete or be passive to their competitors. Based on Vodáček and Vodáčková (2004) some modern economists recommend three following solutions to deal with the competition.

The first one is when a company tries to be better than other businesses and through certain means starts fighting. The second approach is simply being aware of the existence of own competitors but deciding not to intervene. Another option is choosing to cooperate with the competitors. Each of the mentioned suggestions has its advantages and disadvantages, but as the authors propose, modern economists see potential if some of them, or all together, are interconnected.

Kermally (2003, 41) claims that nowadays some firms use “very sophisticated technology” for assembling information about the customers. Next step is to use this knowledge in order to win and retain competitive advantage. According to her studies, Michael Porter in his *Competitive Advantage: Creating and Sustaining Superior Performance* interprets the attaining competitive advantage as grounded in understanding company’s *value chain* and also in adapting to the whole *value system* (2003, 65).



## 1.4 Summary

As discussed above there are several perspectives how to classify competition. One main view is based on who sets prices and quantity of the produced goods and services, whether suppliers or demanders. Deciding if a company influences market by price or finds non-price strategies is another aspect how to differentiate from other competitors. Further categorization is according to conditions given in the marketplace. Important factors are the number of entrants, their strength and position among other businesses, and type of their production. When a firm concludes to compete with its competitors, they should not only create a strategy for winning, but primary for maintaining competitive advantage.

## 2 ANALYZING COMPETITION

As Parasuraman, Grewal, and Krishnan (2006) claim, marketing research is essential for understanding consumers and their position in the competitive environment. Before providing examples of ways how to analyze market and competition, it is important to describe business environment and look at some factors that influence companies, in order to improve their production.

### 2.1 Business Environment

Business environment is understood by everything that surrounds company and directly or indirectly influences its outputs (Dvořáček and Slunčík 2012, 1). Business environment includes internal environment and external environment.

Just as Dvořáček and Slunčík (2012) state, internal environment represents forces that directly determine processes in the company e.g. goals that company sets, resources business uses, organizational structure, etc. On the other hand there is the external environment that is represented by forces that influence not only processes within the company but also company as a whole. That is for example political forces, economical factors, demographics and so on.

From the marketing point of view, business environment can be subdivided into micro and macro environment (Foret, Procházka, and Urbánek 2005, 45-46). A distinctive criterion is whether factors that have impact on companies can be somehow controlled or not. When we speak about the micro environment, customers, suppliers, competitors, and even the company itself with its employees are elements, company can in some way influence. The macro environment is considered to be as forces that have impact on firms, but companies cannot influence them.

According to Lamb, Hair, and McDaniel (2014, 23), there are six main micro environmental forces that have been studied for ages: social, demographic, economic, technological, political and legal, and competitive. As Collins (2009, 266) points out: “assess your company’s fit with its environment.” That is one of the steps in strategic planning process. Another step is to examine company’s strengths and weaknesses and compare them with other businesses. The following chapter therefore describes these analytical approaches.

## 2.2 SWOT Analysis

A SWOT analysis examines both internal (SW) and external (OT) environment (Grewal and Levy 2008, 35). This method is often called an *environmental analysis* (Collins 2009, 266). SWOT is an acronym for the following words: S stands for *strengths*, W for *weaknesses*, O for *opportunities*, and T illustrates *threats*.

Hill and Westbrook (1997, 46) believe that among the large quantity of methods analyzing “company’s strategic position, one of the most straightforward is the SWOT analysis.” Because the practical part of this thesis maps strategic positions of different cafés in Zlín, portfolio of each café includes the SWOT analysis.

According to Dyson (2002, 631), a SWOT analysis helps formulate company’s competitive strategy, and as Lamb, Hair, and McDaniel (2014, 23) suggest, also “identify their competitive advantage.” Therefore each company should be able to evaluate its market position in order to discover its competitive strategy, and consequently work on its competitive advantage.

A problem with a SWOT analysis could be seen in its subjectivity. Dvořáček and Slunčík (2012) argue that those who conduct the analysis must respond objectively and not being subjective. It is well known that people are formed by the social environment, by own values, beliefs, etc. Even though people are trying to be objective, the question is whether their evaluation could be, in fact, objective.

Kermally (2003, 143) explains that despite some marketers see a problem in an incorrect classification of strengths as being weaknesses, and seeing opportunities as threats, the only thing that matters is the “careful identification of these external and internal factors” and their further assessment.

### 2.2.1 Conducting a SWOT Analysis

Lawrence (2009) claims that when conducting SWOT analysis, the most important is to set clear objectives of the analysis. In other words, know the reason why to analyze. Collins (2009) proposes to start with the analysis of external factors. A person formulating a SWOT analysis should think about what factors have either a positive or a negative impact on an observed company. A process of collecting and interpreting data from the external environment is called an environmental scanning (Lamb, Hair, and McDaniel 2014, 22). Collins is being specific with examples of external forces: “customers’ expectations”, “economic conditions” or “emerging technologies” (266).

Lamb, Hair, and McDaniel (2014) mention six larger areas that are connected with analyzing external forces (see 2.1). They also consider information about events and relationships in the external environment as relevant to the company's long-term functioning and therefore important in the opportunity/ threat analysis.

After analyzing external factors, company must focus on the internal forces such as management and workforce as Collins (2009) describes. As Lamb, Hair, McDaniel (2014) claim also marketing skills, company image, resources, production expenses, and historical background, etc. are internal factors that should not be overlooked.

### **2.2.2 Competitive Strategies According to the SWOT Analysis**

Dvořáček and Slunčík (2012, 16) conclude the SWOT analysis with four basic strategies company can choose from. These strategies (listed below), of course, depend on the evaluation of the internal and external forces and their relation.

- a) SO – a company is in a strong position, benefits from internal strengths and takes advantage of given opportunities, acts proactively.
- b) WO – a company uses market opportunities in order to overcome its weaknesses, acts rather carefully and its decisions are usually reserved.
- c) ST – a company is capable of overcoming external threats by own strengths. A strategy is to daunt other competitors.
- d) WT – a company is in a weak position. The goal is to minimize internal weaknesses and to avoid threats. Vodáček and Vodáčková (2004) see the cause of a weak position in stronger competitors, unstable situation in the market, etc.

### **2.3 Porter's Model**

Next to the SWOT analysis is also a different method for analyzing market position of a company. It is named after the professor Michael Eugene Porter. Kermally (2003, 58) summarizes Michael Porter's model with words: "in any industry the rules of the competition are governed by five competitive forces." These are according to Michael Porter (1998, 4): threat of new entrants, rivalry among existing firms, threat of substitute products or services, bargaining power of suppliers, and bargaining power of buyers.

Vodáček and Vodáčková (2004, 60-66) claim that Porter's competitive forces are dependent on characteristics of concrete businesses. That is mainly influenced by the industry a company belongs to. It means that a company in an oil industry will probably have different entrants than for example companies from the textile industry. Important is

the identification of these forces and subsequently the effort to find ways how to deal with them. That should help when compiling competitive strategy and its following implementation.

Going one by one, the first force is represented by potential entrants. Even though conditions for entering the market are often difficult to be overcome, there are some situations when firms should pay more attention to this force. For example, if new companies have better management systems.

Speaking of the conditions for new entrants, a government and its regulations, infrastructure, and financial support are often seen as barriers that cause complications for newcomers. New businesses are also not considered as threat, as long as their outputs are less innovative than products or services of current companies. That brings the idea that if new businesses want to be successful and are willing to join the industry, they should be able to provide something additional or better than the rest of competitors.

The second competitive force is seen in “the strength and intensity of competition” among firms in the same industry sector, and depends on “the number of firms and key players, seller concentration, the relative size of the firms, market share, profitability, margins earned, added value, excess capacity available, and the strength of the brands” (Kermally 2003, 59). In other words, if the competitors are small and weak compared to the observed company, it does not play any key role in its competitor analysis.

New competitors with a substitutive product or service are another threat for existing businesses. That means products/ services that are in some way better than those offered. Customers can either stay loyal to the preferred brand or they can choose to become a buyer of the newly presented product or service. Afterwards it depends on sellers whether they improve their products or services.

Last two forces that influence processes in companies are buyers and suppliers. The more competitors, under the bigger pressure companies are. Customers have more opportunities and that is associated with higher expectations. Demand is oriented on product/ service prices, quality, quantity, shipping costs and delivery time, or/ and customer services (Vodáček and Vodáčková 2004, 62-65). Suppliers usually cooperate with companies but at the same time they have own requirements and companies on the other hand have their standards. The result is that both sides compete for what is beneficial for them and that can cause problems.

It is similar as with buyers. Both sides seek for a reasonable price that is consistent with the offered resources. Companies also take into consideration shipping costs and

delivery time whereas suppliers look mainly for terms of payment. Relationships between suppliers and companies that are buying, and between sellers and customers, play a key role in doing business. Crucial is that one of the sides can generally determine whether to compete or to cooperate, and hence drive the orientation of company's competitive strategies. Because the last two forces are similar to all cafés in Zlín, they will not be analyzed in the practical part of this thesis.

### 2.3.1 Michael Porter's Competitive Strategies

After coming up with five competitive forces, Michael Porter (1998, 35) invented three "potentially successful generic strategic approaches" in addition to be better than other competitors, and to establish and maintain competitive advantage. Being a low-cost producer is the first of the three strategies. We speak about *cost leadership* (Kermally 2003, 66) or *cost competitive advantage* (Lamb, Hair, and McDaniel 2014, 23). In other words, a company concentrates on its expenditures and tries to lower them.

According to Dvořáček and Slunčík (2012), a negative side of the first strategy is the easiness of imitation by other competitors. By observation, other companies can easily find out what competitor's costs are. Another negative aspect is that company usually concentrates only on its costs and therefore overlooks the situation in the market and offered products/ services. It often causes that a company in a long run becomes obsolete.

A product or a service differentiation is another competitive strategy based on Porter's theory. Companies are trying to avoid substitutes for their products/ services so they can be the "only" ones. In order to differentiate their products and services they focus on strong marketing strategies, creativity, an investment in a research and development, uniqueness, and so on. This approach can also be easily copied by other businesses. To defy competition, company cannot forget about investment in management that determines all processes within the company and within the marketing environment.

Previous two strategies are rather broader whereas the last one focuses on a concrete segment in a market. The focus strategy could be further divided into *cost focus* and a *focused differentiation*.

Companies with a differentiation strategy beat the competitors because of the uniqueness of their products or services. They concentrate on own products or services while companies with market segmentation strategy concentrate on customers and their preferences. The focus is so narrow that there is a risk that there will be only a few buyers.

## 2.4 Marketing Mix

From the SWOT analysis as Foret, Procházka, and Urbánek (2005, 89-115) claim, follow not only marketing strategies and a marketing plan but also one of the marketing tools called marketing mix. Marketing mix, or often interpreted as *four Ps*, consists of four factors by which a company can in some way influence a demand for their products or services. A four Ps stands for *Product, Price, Place* and *Promotion*. Each of them is further subdivided into detailed concepts.

### 2.4.1 Product Strategies

Product in marketing is understood as tangible or intangible items offered in the market with the aim to satisfy consumer's or user's wants and needs. It could be for instance an organization, a service, a person or a tangible object. Product mix focuses on main attributes of certain products.

The first feature is a *quality*. In general, quality of a product means fulfilling given standards of a certain product such as utility or functionality. From the marketing point of view, a quality is defined as customers' perceived value. Some consumers may prefer lower prices for large quantity. A different target group could be interested in the brand prestige, and other customers in something completely different.

Creating a competitive advantage based on the image and name of the product is so called *branding*, another feature observed when creating a product mix. According to the BusinessDictionary.com a goal is to attract potential customers and retain loyal customers.

Foret, Procházka, and Urbánek (2005) claim that *design* in the Czech Republic is even nowadays often trivialized. Products seem then outdated and unattractive compared to foreign markets. But as they suggest, companies should realize that having a competitive advantage based on a product design is usually more difficult to be imitated by competitors whereas for example competitive advantage based on technical features. Design of a product fulfills two major functions – practical that leads to a satisfaction of consumers, and aesthetical (visual) that adds value to the product.

Closely related to design is another product attribute – *packaging*. Packaging is mostly associated only with tangible products and therefore is not considered as the essential feature, as in the case of providing services. But if the product includes packaging, it has several reasons. Foret, Procházka, and Urbánek (2005) suggest four main functions: a) a protection against any damage, b) a source of information about the product, brand or a company, c) a function of promotion, and d) product identification.

### 2.4.2 Pricing Strategies

Setting prices is a complex process and needs to be analyzed in great detail. A marketing department should be flexible and open to changes in the market. There are several strategies for setting prices. Beard (2013) suggests three basic pricing strategies: *cost-based*, *customer-based*, and *competitor-based strategy*. As each strategy name indicates, the focus is either on company's expenses, product demand or on competitor's prices. Foret, Procházka, and Urbánek (2005) also comment on pricing strategies according to company's marketing objectives. They suggest that the narrower goals are, the easier final pricing is.

As it was previously mentioned, setting prices is a difficult process. Therefore conclusions made in the practical part will be based only on the personal evaluation from the customer's point of view.

### 2.4.3 Distribution/ Place

Distribution simply means how, where, and when the product gets to the consumer. Before goods and services reach the customer, they go through some intermediaries – channels, or in other words distributors. The process involving all subjects somehow connected to the transfer of a product is called a *distributional channel*. There are three main types of distribution: intensive, selective, and exclusive strategy.

Intensive distribution is usually oriented on products that are used daily (e.g., grocery, alcohol, cigarettes, etc.). As Foret, Procházka, and Urbánek (2005) claim, the aim of this strategy is to make a product fully accessible to all consumers, for example buying newspapers at a gas station. If offered products are from some reasons inaccessible, consumers are likely to buy different substitutes.

Selective distribution strategy assumes that offered goods and services are for their customers somehow important that they would willingly make an effort to get them. It means products are less accessible, for example cars.

The exclusive distribution strategy targets customers with high expectations who are seeking for luxury and unique products such as luxury jewelry, cars and so on. Therefore the access to these products will be at the lowest point.

### 2.4.4 Promotion Strategies

Promoting strategies mainly focus on the image of a company towards the general public. That includes business partners, customers, competitors, etc. One of the key steps when choosing promotion strategy is market segmentation, in other words, selecting company's



target market. Based on what Foret, Procházka, and Urbánek (2006) claim, marketers should be able to answer what is the aim of their promotion, whether they expect the attention, interest or the action from the outsiders.

According to obtained results, they can start working on the content of a message, structure, and a form (design). Another key phase is the selection of a marketing media. Based on previous criteria, a company can create own marketing communications mix which includes different ways of advertising, personal selling, public relations, sales promotion, and direct marketing. A company uses these tools to communicate with the general public.

According to Prahalad and Ramaswamy (2005), the internet is a strong medium for promotion. People share there their opinions and their attitudes towards various goods and services. They can recommend what they like or dislike. Companies should therefore take the advantage of this medium and include the internet in their promotion mix.

## **II. ANALYSIS**

### 3 INTRODUCTION

One of the market research tools is the technique called *mystery shopping*. According to Saha (2009, 88), mystery shopping “measures the quality of the service provided by companies to its customers.” A mystery shopping is done by companies who hire individuals – mystery shoppers. It includes processes when mystery shoppers visit various places and act as ordinary customers. They ask questions, buy products and observe personnel during their work. After this process they prepare a report that shows company’s quality results.

This practical part analyzes two cafés in Zlín. They are observed from the customer’s point of view that is based on the mystery shopping technique. Each observed café is described by various theoretical models mentioned in the following paragraph.

The practical part firstly focuses on the Porter’s analysis, subsequently on company’s marketing mix. From the marketing mix a company can analyze its strengths and weaknesses, opportunities and threats. The Porter’s model on the other hand gives the overview of the company’s market position. Selected cafés are concluded by the SWOT analysis. But because the external environment should be the same for all cafés in Zlín, each café portfolio is concluded only by the internal (SW) analysis.

## 4 MR. COFFEE CAFÉ



Figure 1. Mr. Coffee Logo, accessed March 28, 2015, <http://www.mrcoffee.cz>.

### 4.1 General Information

Kavárna v kostce, (loosely translated as Cube Café), was the original name for this café in Zlín, established in October 2013. It is located on the Soudní Street, right next to the trolleybus station Náměstí Práce, and next to the Zlín castle (Zlínský zámek) and its park. The name changed to Mr. Coffee. The owner is Zuzana Lutnerová, who lived three years in London and as the new title suggests, her inspiration was taken from the life abroad.

Mr. Coffee is purposely a non-smoking place and its main focus is on the coffee itself. According to Kavárna v kostce (2015), Mr. Coffee is the only café in Zlín with own coffee roaster. When going down to the basement, there is a coffee roasting room opened to the public. Customers can here learn something about roasting, try and buy from about ten different kinds of coffee, based on a specific time of the year. In the café itself, customers can choose from two types of roasted coffee. Mr. Coffee also provides cakes, sweets and two types of salty croissants. More information about all café products and services is discussed in the Marketing Mix section.

The owner of the company offers cooperation, by supplying their coffee, to other cafés, restaurants, hotels, firms, etc. (Mr. Coffee, 2015). Kafirna Zlaté zrnko, another café in Zlín, accepted this offer and is now serving Mr. Coffee's freshly roasted coffee. An interesting thing is that even though Mr. Coffee café uses own roasted coffee, a time to time they purchase coffee from other Czech and foreign coffee roasters.

### 4.2 Porter's Model

Because Mr. Coffee is the only café in Zlín with own coffee roasting room there is no need to be afraid of the threat of new entrants. It would take a lot of time to build another café with a coffee roasting room. With this huge advantage Mr. Coffee also stands in a strong position among existing cafés.

If some competitors come with the significant innovation, each café should be aware of the threat of substitute products. If all cafés from some reason close, there are still bakeries, restaurants, fast foods where customers can buy coffee drinks. That means that these offered products are easily substituted. Important therefore is to stress additional service each café should provide in order to be successful. As further described in the marketing mix, Mr. Coffee offers this additional service.

### **4.3 Marketing Mix**

#### **4.3.1 Product**

Mr. Coffee café offers ten types of coffee drinks such as espresso, macchiato, cappuccino, flat white, iced coffees etc. Customers can easily find their list on the website [www.kavarnavkostce.cz](http://www.kavarnavkostce.cz) under the *menu* section. If a customer is not sure, what kind of coffee drink s/he wants, there are also pictures explaining main differences between all coffee drinks.

Even though the café's main concern is serving high quality coffee, they provide some other drinks. They offer American tea brand Harney and Sons, hot chocolate, non-alcoholic cold drinks, such as Coca-Cola, fresh juice, and so on. They also provide wide range of alcoholic drinks e.g., wines, beers and liquors.

What cannot be overlooked is how the personnel behave towards its customers. Baristas are nice and they know what they offer. They are ready to give you more information about all products and help you with the selection of coffee. That speaks about their high qualification. Time to time you can meet Mr. Coffee owner working there. That tells you something about the attitude towards her employees. When she works with them she might have the opportunity to know their skills, teach them something new, and so on. This all and even more has a good impact on customers, because they feel respected and welcome.

#### **4.3.2 Price**

As it was explained in the theoretical part, there are several criteria when setting prices. Prices of café's products could be firstly cost-based. That would mean some fixed expenses, for example, rental expenses. In other words, prices could be dependent on the café's location.

For the comparison of prices, the following figure shows price list of three cafés in Zlín, including Mr. Coffee café. It compares prices of two coffee drinks: Espresso and

Cappuccino. The chart also shows the relevance of their location. The more central the café is (Káva Jinak café), the higher prices of their products are. That means that most of the cafés in Zlín are cost-based due to their location (rental expenses etc.).

<b>Name of the Café</b>	<b>Location</b>	<b>Price of Espresso</b>	<b>Price of Cappuccino</b>
Káva Jinak	Right in the center, in the shopping mall Golden Apple	45 CZK	59 CZK
<b>Mr. Coffee</b>	Approximately 320 m from GA	<b>35 CZK</b>	<b>50 CZK</b>
Malá Scéna	Approximately 1.5 km from GA	30 CZK	30 CZK

Figure 2. Mr. Coffee: Café's Location and Prices.

Because the Mr. Coffee café's location is near the center and stands next to the Zlín castle park, rental expenses would be higher. Prices are therefore partly cost-oriented.

Another criterion, when setting prices, is oriented towards company's marketing objectives. The owner of the café claims (Lutnerová 2015) that one of the café's objectives is to make high-quality coffee. This is connected to different price categories which they provide with all coffee drinks. Besides the type of roasted coffee, customers can choose the amount of coffee. Mr. Coffee offers 8g coffee or a double shot with 16g of coffee. Prices of "coffee to go" are the same for all coffee drinks, for all coffee sizes. That is 40 CZK per each coffee drink.

The prices, on one hand, reflect the quality and the service. On the other hand, having the opportunity to choose between different price categories is highly customer-oriented. This is a great advantage for café's customers because they pay the average price for high quality coffee.

### 4.3.3 Place

As the majority of cafés in Zlín, Mr. Coffee is not a coffeehouse chain nor has any subsidiaries. That means that coffee drinks are available only in one particular café. The access to get their coffee drinks and their service have only those customers present in Zlín. On the other hand, Mr. Coffee café is often a partner of some Zlín events, such as Zlin Design Week, Project Management Conference (Konference Projektový Management), etc. Also visitors of these events have the opportunity to buy a coffee drink outside the café. It might be concluded that when it gets to coffee drinks, the first target group are people living in Zlín or people knowing Zlín, also visitors of the mentioned events.

When it comes to selling coffee, customers can buy coffee right in the café. And because Mr. Coffee provides own internet store, coffee products are also accessible on the internet. The problem might be seen in a low promotion. They use only few promoting strategies and that causes limitations among potential customers. It also forms another target group, people using the internet.

Based on the theory, even though coffee is one of the products of daily use, this café with all services uses selective distribution strategy. In other words, their coffee could be purchased only in the café or on the internet and that could limit the number of their customers. On the other hand, the advantage they have is their location. Zlín is a student city, so there is a high probability that another target group is students.

When it gets to the interior, they have two separate floors which is beneficial for them. One is with the café and the other with the coffee roasting room. This is not obvious in other cafés, therefore it could be seen as another advantage coming out the marketing mix.

### 4.3.4 Promotion

As it was described in the previous chapter, strong target groups could be students and middle-aged. Based on this information, Mr. Coffee can build a strong promotion mix. And the café is already taking advantage of it, as for example, by providing service “coffee to go”. It is beneficial for busy people, such as working people and students.

Mr. Coffee café has its set of communications mix which includes various marketing media. They are using a social network Facebook where they have two accounts, one promotes Mr. Coffee café together with the coffee shop, and the second one focuses on the coffee shop and roasting room. They regularly post on both sites information about their service and events.

When observing their reports on Facebook, social media could be perceived as the strongest media for their promotion. They also promote on their web pages: *www.kavarnavkostce.cz* and *www.mrcoffee.cz*. The problem might be seen in missing information provided at *kavarnavkostce.cz*. When you for example get to the section offering hot chocolate, the web page is not found, and there are some more links that do not work.

The positive side of using the internet as a medium for promotion is that authors can easily update their information and use countless number of visual aids. Visuals are tools influencing human emotions, so another advantage of using the internet as the promoting medium. The negative side of the internet is that it does not reach all customers. The message usually gets only to the customers using the internet.

Another promoting strategy could be the already mentioned cooperation with other companies and organizations. They can promote their products outside the café and thus attract more customers.

#### 4.4 SWOT Analysis

As it was already mentioned, external environment should be similar for all cafés in Zlín. There are the same political and legal, economic, technological, social, demographic, and competitive conditions for all of them. The following figure points out the most significant advantages and some noticeable disadvantages Mr. Coffee café has.

Internal analysis	
Strengths	<ul style="list-style-type: none"> <li>- Coffee roasting room with shop</li> <li>- Cooperation with other companies</li> <li>- Online coffee shop</li> <li>- Public events</li> </ul>
Weaknesses	<ul style="list-style-type: none"> <li>- Web pages only in Czech</li> <li>- Some internet links not active</li> <li>- No option to pay by a credit card (in café)</li> <li>- Promotion vs. Location</li> </ul>

Figure 3. Mr. Coffee Café: Internal Analysis.



Mr. Coffee café is the one of its kind in Zlín with a great advantage compared to other competitors - own coffee roasting plant. Other benefits arise from this advantage. They can cooperate with other companies and even with the competitors (Kafirna Zlaté Zrnko) by being their suppliers. Another strength is the online store offering freshly roasted coffee. Time to time they organize public events in their roasting room and café. This attracts even more customers and gives them the opportunity to learn something new about roasting coffee.

To the weaknesses, foreign customers would hardly find some information on Mr.Coffee's web pages, due to the lack of English translations. As previously indicated, there are also some links on one of their web pages that are not working. It would be useful to have both, English and Czech version and update them frequently.

Another weakness is a little bit contradictory to what they offer. Customers can buy expensive coffee and some other products, on the other hand they cannot pay by a credit card. The last thing that could be improved is the promotion. They do not have the best strategic position (location) therefore they should use more of promotion tools, such as outdoor advertising, direction signs, etc., in order to be more visible.

There are some other advantages and disadvantages but it is difficult to categorize them for example, the internet promotion. As previously noted, there are positive aspects of using internet and social media as promotion tools (easy to update, visuals, etc.). But there are also negative aspects why this option is not convenient. The promoting content is not accessible for example to elderly people and other people who do not use the internet. My suggestion is the same as in the previous paragraph, they should enlarge their promotion mix. They should for example put more direction signs and posters all over Zlín. They should promote themselves in the regional newspapers and magazines. They can also advertise more on the internet.

## 5 KAFÍRNA ZLATÉ ZRNKO CAFÉ



Figure 4. Kafirna Zlaté Zrnko Logo, accessed April 26, 2015,  
[www.storyous.com/cz/mista/podnik/zlin-kafirna-zlate-zrnko/](http://www.storyous.com/cz/mista/podnik/zlin-kafirna-zlate-zrnko/).

### 5.1 General Information

Kafirna Zlaté Zrnko (loosely translated as Coffee Bean Café) is a coffee house located on the corner of two streets: Kvítková Street and Lešetín I. Street. The distance between the Golden Apple shopping mall and Kafirna Zlaté Zrnko is about five hundred meters which means close to the center but not right in the center.

Kafirna Zlaté Zrnko is another non-smoking café in Zlín. They do not have any web page, only the Facebook account. It is therefore difficult to find some additional information about their business and service. But on their Facebook page they have many pictures about their products so the customers can see what to expect. The café opened in August 2012.

What firstly catches visitor's attention is the figural sculpture with the mosaic texture embedded in the front door (see Figure 4). It gives the artistic impression that continues when entering café. In the interior there are artworks that owners regularly change. These artworks are mostly from not famous artists and this gives them the opportunity to freely present their works and thus be noticed.

The café provides the outside seating. Customers can therefore enjoy the coffee and sit outside during the nice weather. The café has fresh flowers and decorations which create the pleasant atmosphere and people can feel comfortable when drinking coffee.



Figure 5. Kafirna Zlaté Zrnko – Front Door, accessed April 26, 2015,  
<http://www.firmy.cz/detail/12897219-kafirna-zlate-zrnko-zlin.html>.

## 5.2 Porter's Model

Kafirna Zlaté Zrnko has many loyal customers who repeatedly visit this place and would probably stay loyal even if new competitors enter the market. For other customers, new entrants would have to pay attention to small details to create previously mentioned pleasant atmosphere. They would also have to offer the same or better products than Kafirna Zlaté Zrnko. Even though its products are in some way possibly substituted, it still has a strong position among other competitors. It is mainly caused by those loyal customers and the café's product differentiation.

Kafirna Zlaté Zrnko cooperates with its competitor, Mr. Coffee café. It outsources their coffee. And Mr. Coffee, on the other hand, offers in its café homemade cakes from Kafirna Zlaté Zrnko.

## 5.3 Marketing Mix

### 5.3.1 Product

Kafirna Zlaté Zrnko offers about thirteen coffee drinks, e.g. espresso, latte, espresso lungo, cappuccino, etc. It also provides two bio decaffeinated coffee drinks. The café newly outsources roasted coffee from Mr. Coffee café. Besides quality coffee drinks, customers

can choose between the variety of other hot drinks. Café offers Italian tea brand Coccole, American chai brand David Rio, and Belgian hot chocolate Choc-o-Lait. Café also provides alcoholic and non-alcoholic drinks.

The majority of their products are homemade, manufactured from fresh, quality ingredients. The appearance of their products is an important part of their business. Therefore, they prioritize their decoration and design, in order to make them attractive to customers.

Kafirna Zlaté Zrnko is well known for its cakes, usually gluten-free, fruit cakes or raw cakes. Another significant product Kafirna Zlaté Zrnko provides is homemade lemonade. The most common is the lemonade made from lavender, ginger, and cucumber. They offer homemade tea as well. They extended the range of their goods and offer breakfasts, toasts and some other salty products. Newly added products are fruit milkshakes.

Kafirna Zlaté Zrnko innovates its products and actively reacts to customers' needs. This is also visible on their Facebook profile where they respond to all kinds of posts from their customers. One concrete example would be when one customer posted on their wall because she was not satisfied with new coffee brand. She was willing to have the old brand back. Kafirna Zlaté Zrnko reacted surprisingly positive with the apology and suggestion that some days the old brand will be offered again. The communication with customers and the effort to change are the advantages that many cafés do not have.

### 5.3.2 Price

Kafirna Zlaté Zrnko has average prices when comparing two coffee drinks with two other cafés (see figure 6.). Setting prices is partly cost-oriented. There is a relation between café's prices and its location. The café is close to the center and the prices are not as high as for example in Káva Jinak café.

<b>Name of the Café</b>	<b>Location</b>	<b>Price of Espresso</b>	<b>Price of Cappuccino</b>
Káva Jinak	Right in the center, in the shopping mall Golden Apple	45 CZK	59 CZK

<b>Kafírna Zlaté Zrnko</b>	<b>Approximately 500 m from GA</b>	<b>38 CZK</b>	<b>45 CZK</b>
Malá Scéna	Approximately 1.5 km from GA	30 CZK	30 CZK

Figure 6. Kafírna Zlaté Zrnko: Café’s Location and Prices.

On the other hand, prices of their cakes are higher compared to other cafés. This could be caused by high quality ingredients they use for the cake’s production. This is again the cost-based strategy for setting prices.

Prices of “coffee to go” depend on the size of the cup. For a small cup customers pay 35 CZK and for the large cup they pay 40 CZK. This is similar to Mr. Coffee café. Customers can choose whether to stay in the café and pay more for the service or they can pay less for drinking coffee out of the café.

Even though prices of some products are higher compared to other cafés, it refers to the quality and the service. Some people might take it as a disadvantage but on the other hand, the café guarantees the highest quality.

**5.3.3 Place**

Kafírna Zlaté Zrnko is not a coffeehouse chain as well as it does not have any subsidiaries. Its coffee drinks are available only in the café. But if a customer wants to drink coffee out of their place, it is possible to buy coffee to go. They also have the outside seating which enlarges café’s space.

The owners of the café pay attention to small details such as decorations and flowers. There are also small things that show how they take care about their customers. They have for example blankets for customers sitting outside. In the bathroom they have a hand lotion, and for families with small children they have toys.

When it comes to the distribution strategy, alike Mr. Coffee café, Kafírna Zlaté Zrnko uses selective distribution strategy. Its coffee drinks are available only in the café. The café’s cakes are however available also in Mr. Coffee café.

The selective strategy in this case is not café’s disadvantage. This is what makes most cafés unique. Customers are attracted by café’s products that they are willing to sacrifice

something (time, money, etc.) in order to obtain café's products. This is the café's advantage.

#### **5.3.4 Promotion**

Kafirna Zlaté Zrnko is using the social medium Facebook to promote its goods and services. It does not have any web page, only its Facebook account. This narrows its target market to customers using Facebook.

On their Facebook account, they inform about their daily menu, coffee and their innovations. Customers have the opportunity to see some of the products before they visit the café because Kafirna Zlaté Zrnko shares its photos. People visiting their Facebook profile can also learn something new because Kafirna Zlaté Zrnko puts there articles related to chosen topics. The important thing missing on their Facebook account is the information about the company itself. Customers thus do not have a chance to find out something about, for example, café's culture.

Facebook, in the café's case, is the major promoting medium. It is considered as a fast and easy way when promoting. On the other hand, it should not be the only promoting medium because the message does not get to all people. To improve café's promotion, new promoting tools should be added, for example the outdoor advertisement.

Kafirna Zlaté Zrnko café cooperates with other companies. If you buy a cake and coffee you get a toss. You can win a discount to some of the café's partners or to some products in Kafirna Zlaté Zrnko. This strategy seems beneficial rather for its partners than for café itself. People buy cakes and coffee in order to get a toss and to use it in a different company. The café could benefit even more from this partnership. If for example customers buy some goods in those partners' stores, they could win Kafirna Zlaté Zrnko gift voucher.

Kafirna Zlaté Zrnko regularly participates in Coffee Week Brno. And thanks to this event it becomes more visible. There are posters distributed all over Zlín and in other cities where this coffee festival takes place. But because this happens only once a year it is not a strong promoting strategy.

Kafirna Zlaté Zrnko can take inspiration in events, such as Coffee Week, and produce something own. The idea with tosses is not useless but Kafirna Zlaté Zrnko should think how to take advantage of it and make it more beneficial. If they want to attract more customers, it is necessary to use other promotional tools, such as banners posted in the center, leaflets promoting their offer, etc.

### 5.4 SWOT Analysis

As the following figure demonstrates, Kafirna Zlaté Zrnko has four major advantages that are stronger compared to other competitors. The first one refers to homemade products. Kafirna Zlaté Zrnko is so good in making these cakes that even their competitors offer them in own cafés.

The second advantage is that outside seating is opened even off-season. Many cafés close their outside seating right when the summer season ends. Another competitive advantage refers to the café’s interior. Besides coffee and cakes, visitors can come and look at some artworks. This is mainly attractive to people who like art.

The last significant competitive advantage is based on the café’s innovation. Kafirna Zlaté Zrnko frequently offers new products. On the other hand, the only visible promotion is their Facebook account that does not include some of the basic data. This is the crucial disadvantage that should be improved. The owners should work on their promotion mix and create a web page. They can also add more promoting banners in order to inform more people about their café. The last weakness is that customers do not have the option to pay by credit card, only cash is accepted. This might be a problem for foreign guests.

Internal analysis	
Strengths	<ul style="list-style-type: none"> <li>- Homemade products</li> <li>- Outside seating</li> <li>- Decorations, expositions</li> <li>- Innovative</li> </ul>
Weaknesses	<ul style="list-style-type: none"> <li>- Weak promotion</li> <li>- No web page</li> <li>- Lack of information</li> <li>- No option to pay by a credit card</li> </ul>

Figure 7. Kafirna Zlaté Zrnko Café: Internal Analysis.

## 6 CUSTOMER EXPECTATIONS AND THE NEW CAFÉ IN ZLÍN

Based on the previously mentioned research, consumers in general usually want a large amount of goods for the lowest price. Or they desire the best quality of purchased goods or services for reasonable prices. This applies as well to café's customers and to their expectations. When buying coffee, they usually expect the best service and the best price.

People who want a coffee drink have many options where to get it. They can buy ground coffee and prepare it at home. Or they can "buy" the service where someone prepares the coffee drink for them. When preparing coffee by yourself, you usually know what to expect. But when you pay for coffee prepared by someone else, you should be ready to pay for the additional service that is included in the preparation of the coffee drink. Therefore, not only sellers but also buyers should reach a compromise between own expectations and the offer.

There are many places where to buy a coffee drink. It all depends on what the consumer prefers. Whether s/he desires ordinary or a high quality coffee drink. Based on these individual expectations, customers can choose where to buy it. There are public coffee machines, fast foods, restaurants, cafés, etc.

Contrary to other places, cafés should have coffee of the highest quality because it should be their main concern. But most of customers have experienced bad coffee even in cafés. In Zlín, there are many good cafés. As analyzed in previous chapters, there is also a number of cafes with high quality coffee.

Cafés' owners should take into consideration that investing in customers should be their main priority. When it comes to café's promotion, customers can be one of the best promoting tools. People share their experiences with others and if those experiences are negative, other people will take note of it and remember it. Consequences could be for instance, leaving customers, company's bad reputation, etc. Therefore, owners should create a place where customers would feel welcomed and comfortable.

There are many cafés in Zlín but only a few of them meet all of these requirements. Another problem with observed cafés in Zlín is that they do not have a good promoting strategy. Their disadvantage though could be the opportunity for new entrants.

As Mr. Coffee's owner noted (Lutnerová 2015), she expects some real competitors to enter the market. And she might be right. There is still space for cafés that would be noticeable and that would completely meet customers' expectations.



## CONCLUSION

Each of the observed cafés was analyzed from three different perspectives. Porter's model showed that both cafés have stable position among other competitors. Even though coffee is a product that is easily substituted, both cafés have created own competitive advantage. Mr. Coffee café has a supreme advantage in own coffee roaster. Kafirna Zlaté Zrnko on the other hand frequently innovates its products but the aim remains the same – to provide homemade products manufactured from quality ingredients.

By the marketing mix, café's product, price, place and promotion were analyzed. Each of the observed cafés differentiates its product and therefore attracts many customers. Prices are in both cases mostly cost-based due to their position that is near the center. But there are other factors that influence the price of the service. Customers can choose different cup sizes, type of beans, the country of beans' origin, and whether to stay in the café or buy coffee to go. Because customers are those who decide, cafés are highly customer-oriented and prices reflect the quality of the service.

Even though both cafés have a strong competitive advantage, their major disadvantage might be seen in the poor promotion strategy. They regularly promote on the internet but they do not inform people about their internet promotion. Consequences might be that potential customers would go to other cafés.

Results from the Porter's model and the marketing mix were concluded in the SWOT analysis, the last method used when analyzing two cafés in Zlín. Nevertheless, the external environment in Zlín should be the same for all cafés, only strengths and weaknesses were observed. Each portfolio was concluded by suggestions how the café's weaknesses could be improved.

Besides the high quality coffee, owners of the cafés should be aware that there are some other factors that have an impact on customers and their expectations. It includes for instance, how the owners communicate with their employees, personnel behavior, but mainly the way customers feel in the café.

Competition is in some way a motivator that forces companies to innovate their goods and services. Therefore, new cafés in Zlín would benefit not only customers but also already existing cafés. If Mr. Coffee café and Kafirna Zlaté Zrnko café improve their promoting strategies and continue improving their service, people will notice the changes and remain loyal.

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