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PROPOSALS FOR EXPANDING THE MARKETING COMMUNICATION OF A COMPANY

NÁVRHY NA ROZŠÍŘENÍ MARKETINGOVÉ KOMUNIKACE PODNIKU

BACHELOR'S THESIS

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Proposals for Expanding the Marketing Communication of a company

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Introduction
Aim of the thesis and Methodology
Theoretical background
Analysis of the current situation
Proposal suggestions
Conclusion
References
Attachments

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JAKUBÍKOVÁ, Dagmar. Strategický marketing: strategie a trendy. 2. vyd. Praha: Grada, 2013. ISBN 978-80-247-4670-8.

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Abstract

The bachelor's thesis focuses on the marketing communication of the café Férová Palačinkárna in Hradec Králové. The thesis is based on definitions and terms defined in the theoretical section, which is followed by an analytical section and a description of today's pandemic situation connected with the coronavirus and its influence on Férová Palačinkárna. Based on the described analysis and gained data, this thesis provides recommendation for improvements in marketing communication with a focus on the customers of Férová Palačinkárna.

Key words

Marketing, communication, service, marketing mix, communication mix, SWOT analysis, social media.

Abstrakt

Bakalářská práce se zaměřuje na marketingovou komunikaci kavárny Férová Palačinkárna v Hradci Králové. V teoretické části práce jsou popsány základní definice a pojmy marketingu. Následuje analytická část a popis dnešní pandemické situace spojené s korona virem, která ovlivnila fungování společnosti Férová Palačinkárna. Na základě popsaných analýz a obdržených dat, bakalářská práce prezentuje doporučení pro zlepšení marketingové komunikace se zaměřením na zákazníky Férové Palačinkárny.

Klíčová slova

Marketing, komunikace, služba, marketingový mix, komunikační mix, SWOT analýza, sociální média.

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Statement of the originality

I declare that the submitted bachelor's thesis is original, and I prepared it separately. I declare that the citation of the sources used is complete, that I have not infringed the copyright in my work (in the sense of Act No. 121/2000 Coll., On Copyright and on Rights Related to Copyright).

In Brno on May 16, 2021

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Signature

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INTRODUCTION

The café Férová Palačinkárna must deal with an increasing amount of competition. The company's competitive advantage can be, among other things, effective marketing and suitable marketing communication with the external environment. That is the reason why this bachelor thesis focuses on proposals for expanding the marketing communication of the café Férová Palačinkárna, which operates in Hradec Králové since 2016. The main product of the company is homemade pancakes from two types of batter which can be customized according to the customer specific needs and taste.

The online and offline visibility of the company has never been more important than in today's situation when the society and the economy are facing a coronavirus pandemic.

The bachelor's thesis consists of three main sections. The first section is theoretical, and it is focusing on the needed theoretical background connected with marketing. Thanks to the used literature and online sources can be in the thesis defined basic marketing terms and definitions.

The second section of the bachelor thesis is practical, which is furthermore split into the analytical part. In this chapter will be introduced the company Férová Palačinkárna and its provided services. The external environment of the company will be analyzed by STEP analysis. The internal environment will be analyzed by tools of the marketing mix, with a focus on marketing communication and promotion of the company, together with Porter analysis. All obtained results and findings will be later summarized into SWOT analysis.

In the last, the third section, there will be proposed own suggestions for expanding the marketing communication and promotion of the company Férová Palačinkárna while using the data obtained from the performed analysis.

AIM OF THE THESIS AND METHODOLOGY

Aim of the thesis

This bachelor's thesis aim is to propose an improvement of marketing communication of the café Férová Palačinkárna which operates in Hradec Králové. The proposals will be based on the analysis of the current situation and analysis of the internal and external environment of the company. Performed analysis should lead to increased awareness of the company, retaining existing and acquiring new customers.

Methodology

The thesis consists of three main parts. The first part is theoretical, and it defines the needed theoretical background of the bachelor thesis. For theoretical part scientific literature, articles and the online sources will be used. Thanks to the sources can be defined basic marketing terms and definitions.

The second part is practical which is furthermore split into analytical part. In the analytical part, I will introduce the company Férová Palačinkárna and its provided services. External environment of the company will be analyzed by STEP analysis. Internal environment will be analyzed by tools of marketing mix with a focus on online marketing communication and promotion of the company and Porter analysis. All obtained findings will be summarized into SWOT analysis.

In the third, proposal suggestions part will be described own findings. According to the findings will be presented four events and one proposal for expanding Férová Palačinkárna's services. Organizational process of suggestions will be described together with online and offline form of the marketing communication.

1 THEORETICAL BACKGROUND

1.1 Marketing

Strategic marketing can promote growth for a business, but what is marketing? Although definitions describing marketing differ, they have one thing in common - the aim of marketing is to identify and satisfy the customers' needs and wishes.

Kotler (2007) defines marketing as the process of planning and implementation of the price point concepts, propagation and distribution of ideas and products for creating exchanges which leads to satisfying individuals and companies.

According to the American Marketing Association (2017) *“Marketing the activity that is employed by an institution which creates processes for communicating, delivering, and exchanging offerings that have the value for customer, clients, partners, and society at large.”*

Whereas Vašítková (2008), describes marketing as a managerial process responsible for identification, envisioning and the satisfaction of the customers' needs while achieving profit.

1.2 Service marketing

1.2.1 Product

According to Kotler (2001) the product is any offer on the market which leads to satisfying the customer's needs or wishes. Basic offers are goods, services, experiences, events, people, places, ownerships, organizations, information and ideas.

Kingsnorth (2015) says that a product is anything that can be sold. It can be a product that is physically available, or it can be an intangible offer of services. The most important aspect is to serve customers and satisfy demand.

The thesis provides more information about the product in chapter 1.4 Marketing mix

1.2.2 Service

Many services are provided by the state, such as education, legal services, health services, state defense or security of inhabitants. The state is also responsible for financial services, social services and transportation services. There is also a space for non-profit organizations such as charities, civic associations or church associations.

The entrepreneurial or private sector provides services generating profit. It includes services such as banks, hotels, insurance companies, tourism or commercial consultancy (Vašítková, 2008).

Services are provided in three sectors, which are; 1) public- services provided by the state 2) voluntary sector – non-profit organisations and charitable initiatives 3) private sector – driven by profit and growth (Vašítková, 2008).

According to Kotler and Armstrong (2004), a service is any activity or advantage which can be offered by one side to another. It is intangible, and its resolution is not ownership. Production of service may or may not be connected with a tangible product.

According to Kotler and Payne, as cited by Staňková (2007), the service sector can be divided into four smaller elements:

- Prime benefit - the core of service, minimal requirements
- Expected level - prerequisites for provision of the service
- Extended service - something offered above the standard service
- Extra service - other additional services connected with the prime service

The definitions above illustrate that services are the intangible feature of products. They are difficult to identify because the connection in between product and service is inseparable. When we buy some service there is no ownership connected with it, there is a right of usage the service. Services cannot be transported or sorted and come into existence at the time they are bought or consumed.

1.3 Marketing environment of the company

According to Jakubíková (2013) as may be seen in Figure 1 is marketing environment of the company very dynamic, consisting of a chain made by opportunities and threats. These threats and opportunities may be in both the microenvironment and macroenvironment. The well-timed reaction of the company is needed not only for the survival of the company but also for its prosperity in a long run.

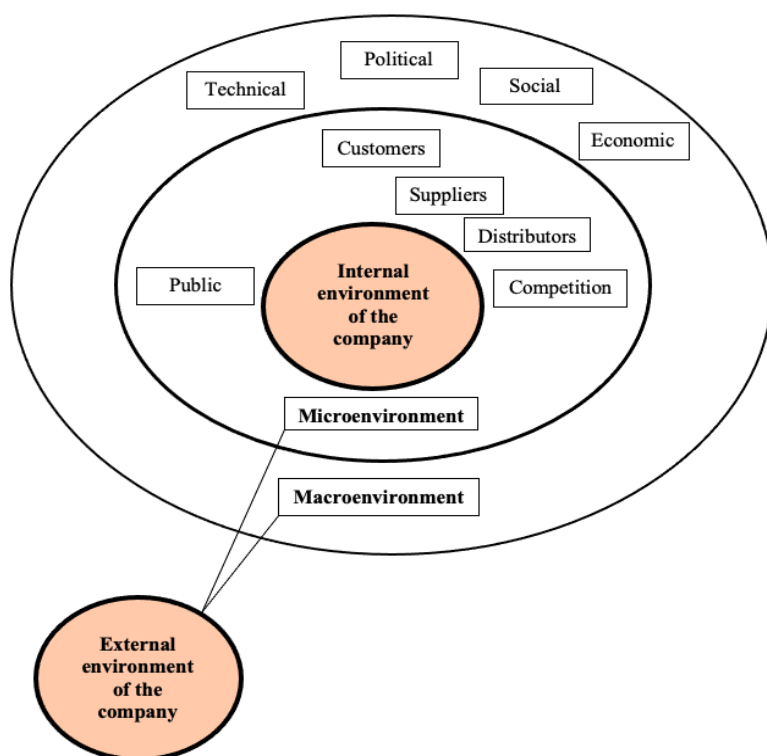


Figure 1: Internal and external environment of the company (Own processing; Jakubíková 2013)

1.3.1 Macroenvironment

The macroenvironment of the company has more distant influences, such as technical, political, social, or economic factors, which mostly cannot be controlled by the company alone (Kašík, 2012).

Macroenvironment, is the external environment in which the company operates, is fulfilled by factors which can offer new opportunities for the company, but equally these factors may threaten the company (Kotler, Armstrong, 2004).

The macroenvironment is according to Foret (2011) consisting of six factors which influence the company. The company must be familiar with these factors to be able to react quick enough and consider next steps.

A useful tool for macro environment analysis is SLEPTE analysis which can be modified according to specific needs and industry of the company to STEP analysis, SLEP analysis and other modifications.

Social

Demographical also so-called cultural or social factors refer to the population. Social factor works with a number, age, employment or density of settlement of inhabitants. The cultural part of social factor is characterized as complex of values, ideas, and attitudes of the specific group. This complex is usually handed over generations. All these aspects are influencing the customer's behavior on the market (Boučková, 2003).

Technical

The Technical factor describes the level the company has delineated to operate in the market. It depends on the company budget, and how much it is willing to invest in modern technologies or machinery.

Economic

Economic factor collects data about the customer's purchasing power and structure of their expenses. It depends on the income of inhabitants, amount of savings or on changes in the structure of spending.

Political and Legislation

The market can easily be affected by political or legislative changes. The legislation establishes the conditions and regulates its control by laws, norms and regulations.

Ecological

The company environment can be affected by the sense of ecological responsibility of its customers. The company should choose a responsible approach to rising levels of pollution or contamination by reducing the use of single use items and plastics which are not compostable (Jakubíková, 2013).

1.3.2 Microenvironment

The Microenvironment consists of the company, customers, suppliers, distributors and competition. These factors influence the company's ability to serve customers Boučková (2003). There are many tools available for the analysis of the microenvironment of a company. This thesis provides a theoretical background using the Porter analysis, customer analysis, competitor analysis and a SWOT analysis.

Porter analysis

Porter (1993), states that a competitive advantage is the company's core of efficiency in the markets where the competition exists. It is the core efficiency of the company that creates success. The goal of a competitive strategy is to construct a profitable and sustainable position towards front-runners who decide what the competition is in the given line of business. Competitive advantage grows from the value which the company is able to create for its purchasers, it is essentially by providing a product that purchasers are willing to pay for.

The behavior of the company is not only influenced by the competitive space as Jakubíková (2013) says, but also by the behavior of customers, suppliers, substitutes and new potential competitors. This cycle of five dynamical competitive factors which decide on profitability in the sector is exemplified in Figure 2 below.

- Threat of newcomer into the sector - the threat of new competitors.
- Rivalry in between current companies - competition in the sector.
- Threat of replacement - the threat of substitution of goods and services.
- Negotiation skills of purchasers - market position and negotiating skills.
- Negotiation skills of suppliers - market position and negotiating skills.

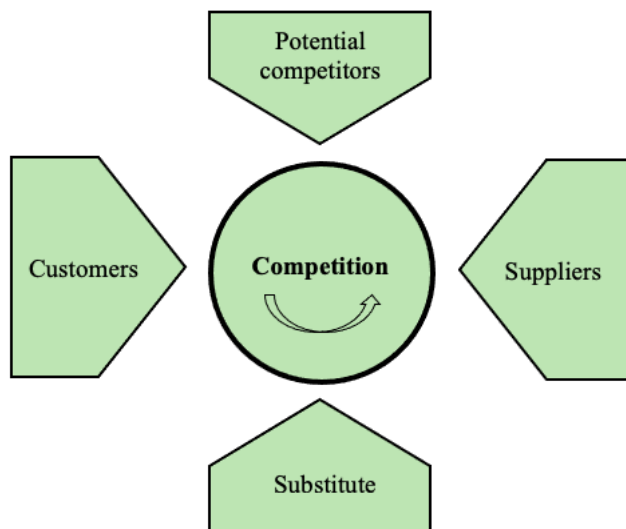


Figure 2: Five dynamical competitive factors (Own processing; Porter, 1993)

Customer analysis

Customer analysis is important for customer differentiation, effective targeting of campaigns, lowering expenses and increasing profitability. Customers can be analyzed by RFM analysis which provides customers segmentation according to Recency, that is when a customer most recently bought the product, Frequency, how often customer buys the product and Monetary, how much money the customer spent. Nejedlý, (2018), says that RFM analysis can lower the marketing costs and increase recoverability. RFM analysis can answer the company's question such as: Who are the best customers? Who are the most loyal customers? Which customers can the company not afford to lose? Thanks to RFM customers differentiation can be defined in 11 segments:

- VIP - recent customers, frequent buyers, spent a lot
- Loyal - usually spent higher amounts, react on campaigns
- Potential - recent customers, bought something more than once
- New - recent customers, not often buyers
- Promising - the newest customers, not high spending
- Need to focus on - above frequency and monetary value, long time ago
- Sleeping - above average, the company can lose them if not active

- Risky - spent a high amount of money, frequent buyers, need of returning them
- Do not lose them - frequent buyers with high monetary value, long time no see
- Hibernation - low spending, long time ago
- Lost - the lowest accuracy, frequency and monetary value

Results of RFM analysis can help the company with improvement in e-mail marketing, loyalty program, return on investment or to reduce dormant customers (Nejedlý, 2018).

Competitiveness

Competitiveness is according to Pitra (2001) a quality of company which leads to success in the competition with other companies - competitors from the same segment of the market.

There are two factors of competitiveness which are price competitiveness and quality competitiveness. Flexibility is an important aspect of competitiveness, which is shown by being able to adapt to changing the conditions in which products or services are offered and market position of the company (Klvačová 2008).

1.4 Marketing mix

The marketing mix is a complex combination of chosen tools which considers four aspects, these are, price, product, place and promotion. All the components of the marketing mix are used for the creation of the market position. The purpose is to create individualization of the product and at the same time create a position different from other competitors. If the company wants to change the customer's perception of its goods or services, it may be necessary to change some or all aspects of the marketing mix (Kantorová, 2003).

According to Kotler (2005), the marketing mix is a collection of marketing tools used by the company to reach marketing goals in the target market.

The marketing mix gained its title because all the components included in the mix are variables, which can be combined, and the usage of each variable can be modified

according to the needs of the exact product or service. The marketing mix presents and concretizes all steps which the company can use to create demand for the product (Bárta, 2009).

1.4.1 Product

The product is not only the goods or the services (the core of the product) but also the assortment, quality, design, package, the image of the company, brand, guarantee and other factors which from the point of customer decide how the product will satisfy customer's expectations (Bárta, 2009).

According to the American Marketing Association (2017), is the product defined as a complex of attributes which can be exchanged or used. Usually, it is the combination of tangible and intangible forms. Product act as a tool of exchange which satisfies individuals and organizations goals, which means everything which can satisfy customer's wishes or needs.

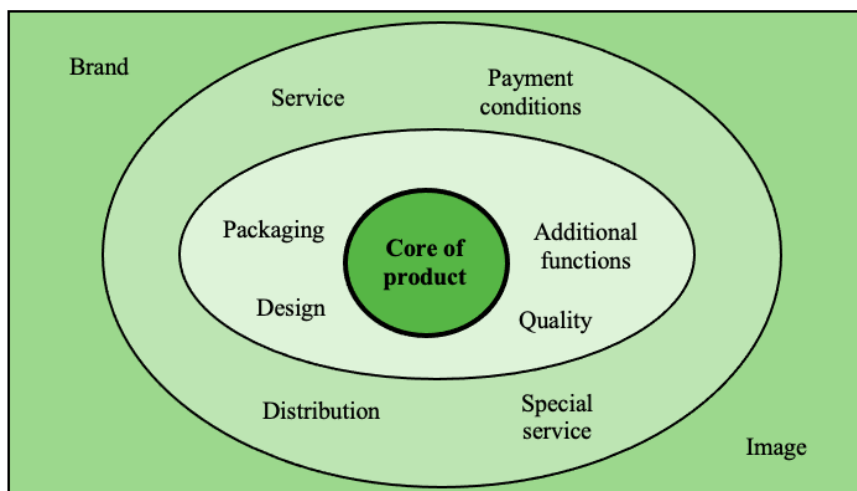


Figure 3: Complete product (Own processing; Kotler, 2001)

1.4.2 Price

As stated in the Securities act (1990), the price is the monetary amount agreed at the time of buying and selling goods, or detectable according to the specific legal regulation for a different purpose than exchange act.

Historically, prices were estimated by negotiation between the seller and buyer. Nowadays, prices are estimated by intricate processes and businesses must take into consideration various factors. The price is usually the most important factor which influences the buyer to buy or not. Consumers and buyers who have access to the price information may pressurize storekeepers to reduce prices (Kotler, Keller, 2013).

The price represents a combination of variables such as quality, brand, distribution, place, competition and so on. Customer is willing to pay the price set by the company. The client needs to know what is in price included, e.g. insurance, guarantee or complaint. As well as what is not included and what necessitates additional payment from the client. Plus, what the company is offering as the benefit. Lack of transparency about the components of the price is unethical and also risky for the relationship with customers (Staňková, 2007).

Sinek, (2009), describes different levels of pricing in marketing. In the beginning, when the price is created, the company tries to impress the customer with price that compares to the price of the product which has been on the market for a long time and customers have become used to its price.

According to Foret (2011), there are three types of price making principles:

- Cost function - the most common principle
- Competitor's price - principle common for small companies or startups, derived from the market price of the competitor
- Customer's demand schedule - price oriented on the customer, according to the value awarded by customer.

The price can be also regulated by the sale - lowering the price as part of a benefit for the company's customers. The most common types of sale are quantity sale, the more the customer buys, the lower the price for each unit or piece. The seasonal sale, which offers a lower price for off-season equipment or clothes (Vysekalová, 2006).

1.4.3 Promotion

A marketing promotion is a communication used to notify or to persuade the target audience of the advantages of the product, service or brand. The goal of the promotion is

to maximize awareness, create interest and generate profit along with building a relationship with customers (McCarthy, Brogowicz, 1981).

Another goal of marketing promotion is to influence the image and placement of the company to enhance its status. Often, nowadays the company must cultivate a global image. The surroundings can affect the company and the company can affect the surroundings. The relationship between the surroundings and the company is then double-sided (Black, 1994).

Further discussion of promotion in the marketing mix is described in chapter 1.6, Communication mix.

1.4.4 Place

The place also called placement or distribution. Distribution is of key importance in terms of easy access to the service by the customer. It relates to placement and a choice of distributor. Services are usually connected with a tangible part of the product which needs to be distributed and placed (Vašítková, 2008).

Distribution is connected to the sale of the product, including services connected with a product and communication of the product with the customer. The distributing strategy is to find the most effective connection between producer and customer (Vysekalová, 2006).

1.5 Extended marketing mix

The basic marketing mix of product, price, place and promotion is not sufficient for service providers and that is why it is necessary to extend it with three more elements according to the service's characteristics. These are people, process and physical environment (Vašítková, 2008). A further explanation continues in the following paragraphs.

1.5.1 People

People are a fundamental factor in manufacturing and distribution of services. Thanks to human resources can be service improved and differentiated. Employees can also lower the quality of provided services, a group of ineffective employees can damage the company and its reputation (Staňková, 2007).

People have a direct influence on the quality of services. Customer is the part of the service and that is why the customer is influencing the quality of service for example by his behavior or approach. There is the importance of setting the rules of behavior from employees to customers, to create positive relationship and customer loyalty (Vašítková, 2008).

1.5.2 Process

The processes of the service marketing mix includes everything connected to actions, operations and mechanism from the creation and the distribution of the service to the end customer. It is important to organize and coordinate processes effectively so that processes can be continuously updated and improved (Staňková, 2007).

The elaborate system of actions and mechanism is the know-how of the company. Well-designed processes create positive results which can be used for assessing the company and possible expansion (Vosoba, 2004).

1.5.3 Physical environment

The intangibility of service means that the customer is not able to describe the quality of the service until it is used. This raises the risk of purchasing the service. The material environment can be understood as a proof of the quality of service and can help the customer to make a decision about the purchase. It also includes the building where the service is provided or the catalogue where the service is described (Vašítková, 2008).

The service itself is intangible and that is the reason why all companies must focus on elements of the physical environment. Corporate identity includes internal company

communication with employees and also external, with customers. When the customer enters the company, he or she makes an impression of the company and its provided services (Staňková, 2007).

1.6 Communication mix

Communication mix is a summary of all tools used by the company for communication with current or potential customers. In Figure 4 it may be seen that unified marketing communication mix is a cycle of direct marketing, sponsoring, advertising, personal selling and public relations. Each feeding into and responding to the other components. Through the right composition of the communication mix, the company can achieve marketing goals and influence customers. By optimizing tools can the company offer interesting information, build customers trust and more importantly, persuade customers to buy (FEO Digitální agentura, © 2002).

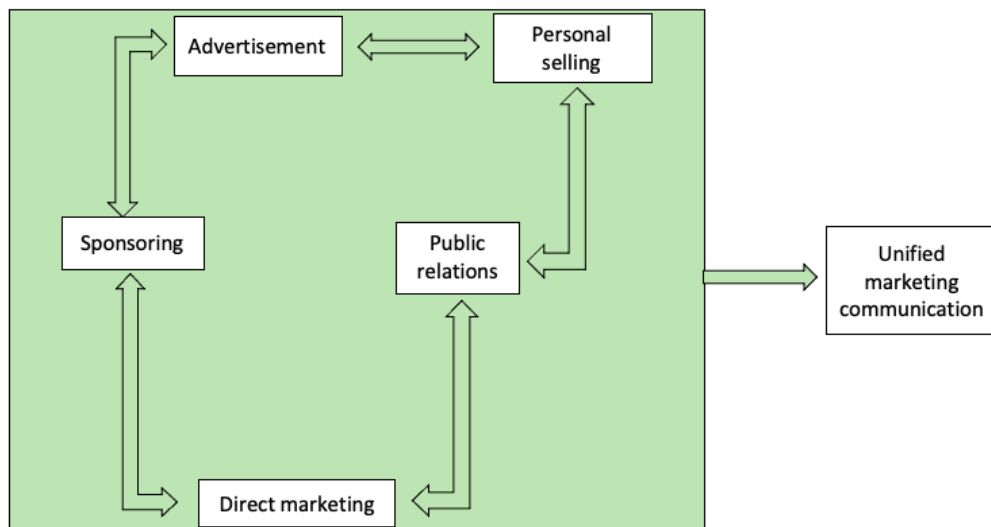


Figure 4: Unified marketing communication (Own processing; Kotler, 2004)

1.6.1 Personal selling

How the name says, personal selling is personal type of communication. Personal selling is usually used while communicating with end customers or in communication with other companies. Personal selling is understood as an additional part of communication with a

low reach but very high intervention. The goal of personal selling is the selling and tightening the relationship with customer (Bennett, Coleman, 2020).

Personal selling may involve face-to-face communication, in which a salesperson tries to convince the customer to buy. Getting a customer to buy is not always the motive behind face-to-face communication. Companies may also use this approach with customers to make them aware of a new product launch or service (Bennett, Coleman, 2020).

1.6.2 Advertisement

Vysekalová (2006), asserts that an advertisement is a presentation of the company, product or service where the goal is to support sales. The aim is to engage potential new customers and strengthen relationships with current customers. Advertisements are also useful tools for announcing the sales period, new product launches or special promotions.

1.6.3 Direct marketing

Direct marketing is characterized by Kotler (2007) as the building of individual relationships among customers and the company. Direct marketing involves private and customized communication which may be by email or telephone sales, as opposed to through retailers. It is designed to engage specific customers in the market.

1.6.4 Public relationship

The public relationship consists of all subjects with an active relationship with the company. It is not only about customers but also includes employees, owners, managers, stakeholders or politicians (Janouch, 2010).

According to Smith (2016), public relationships must be planned, maintained and intentional. The principal intention is to build a strong relationship between the company and its customers which is essential for maintaining effective communication in any kind of business.

1.6.5 Sponsoring

Sponsoring is a financial or other type of donation to cultural, social or media activities with a goal to support the name of the company, brand and its image. Sponsoring is a necessary part of the communication mix connected with the promotion of the service or product. Sponsorship is an opportunity to communicate the values of the company, about utility and responsibility. It may also offer the opportunity to build emotional relations with the sponsorship company which creates differentiation from the competitors in the same segment (Teorie V – Marketingové komunikace, 2005).

1.7 Customer relationship management

Customer relationship management (CRM) is about active creation and maintenance of the long-term relationship with customers. CRM presents already existing integration of solutions, it is the organizational unit, which is above marketing, personal relationships or controlling departments in the company's hierarchy. There are three main components of Customer relationship management - people, sales processes and technology. There is the hand-to-hand connection between main components, completed by data as the fourth component. The purpose of CRM is to perceive all four components as the whole concept, not as separate individual parts (Wessling, 2003).

1.8 On-line marketing

On-line marketing is the largest sector of digital marketing. It relates to the whole marketing communication of the company which uses digital technologies, which includes the company website and an active social media presence (Frey, 2011).

On-line marketing has a significant advantage for small and middle-sized companies. Visible results can be achieved with a small investment into an on-line campaign. The aim is to target and set the campaign effectively for the end customer (Jurášková, Hornák, 2012).

Although the internet is not the only communication platform, it is an important tool for marketing communication. The internet offers a wide variety of information and content, and it may be used to target the customer precisely. It is able to individualize the content for each customer and user of on-line media (Přikrylová, 2010).

Online marketing communication is linked to other tools from the communication mix which leads to increased company or brand awareness. It can be used to compete for customers or event marketing. Online activities enable the company to build and maintain a community. It also allows for customization, where the customer can create his or her own product according to personal needs. It may also be interactive which enables the customer to participate in the process (Karlíček, 2016).

1.8.1 Webpage

A company webpage is a marketing tool that serves to communicate with the external environment of the company. The webpage communicates with current and potential customers. It may be used to build relationships with different interest groups and to create an arena for two-way communications (Přikrylová, 2010).

The web page can function as a tool for direct marketing and also as a tool for public relations, because it allows communication with target groups of customers. The webpage can be a vital tool for promotions and brand development (Karlíček, 2018).

1.8.2 Social media

Social media facilitate building the brand, the image or the community. Social media can help the company or individual to understand the ambient environment and target audience (Čumrik, 2020). Figure 5 illustrates the usage of different social media platform in the Czech population over 16 years of age in 2020. The data reveals that Facebook has the most usage at 91% of the population, whereas Tiktok is only used by 8% of the population.

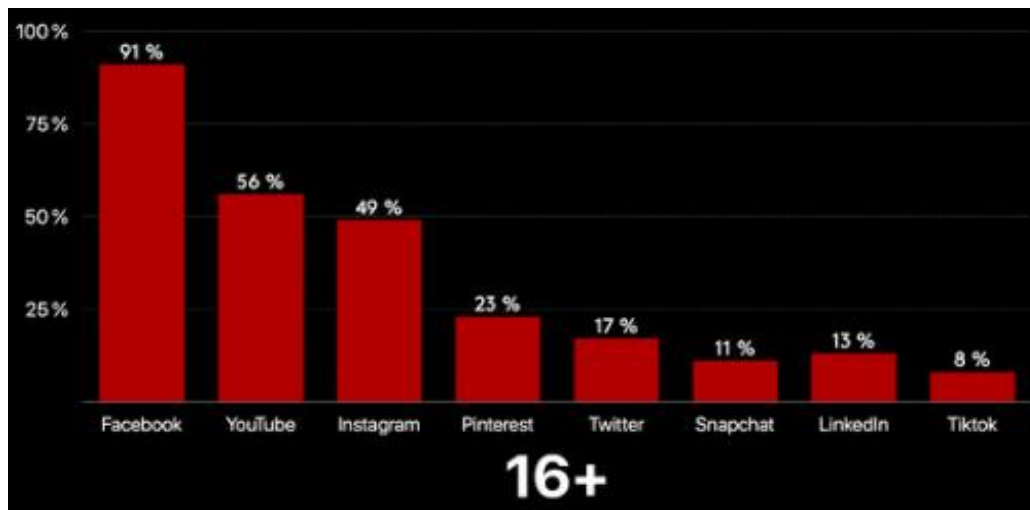


Figure 5: Percentage composition of Czech population using social media (Source: Čumrik, 2020)

1.8.3 Facebook

Facebook has become the most popular tool for communication in the Czech Republic in 2020 in users over 16 years of age (see Fig. 5). It is an indispensable component of on-line communication that propagates public interaction. To be present on Facebook is often an essential element of the company's communication and visibility (Bednář, 2011).

Čumrik (2020) argues that it is an invaluable selling channel, with an ability to effectively target audiences, customize advertisements and attract potential new customers with a low amount of investment.

1.8.4 Instagram

Instagram users have increased dramatically in recent years which according to Oberlo, (2020) is due to the app changing from people sharing holiday pictures into a platform full of influencers, advertisements and brands. Instagram is growing continuously as one of the most popular social media platforms amongst 49% of Czech users (see Fig. 5).

According to Statista (2018), Instagram has globally one billion monthly active users and more than 500 million people use the app on a daily basis. This data shows that Instagram has become one of the most popular social networks worldwide.

According to the most recent data available collected in the Czech Republic from September 2018 to October 2020, there were 2, 873 000 Instagram users aged 13+ years old (Johnson, 2020).

1.9 Marketing trends

Marketing environment is continuously developing, expanding and changing. According to Kotler (2013), these changes are due mainly to globalization and urbanization, which increases competition and facilitates the integration of communication channels. Information is inextricably interconnected with our daily lives.

1.9.1 Advertisement

According to the research of Vysekalová from Česká Marketingová Společnost (2020), people are most often irritated by advertisements on commercial TV such as Nova TV and Prima TV. In second place internet advertisements in general, bother 65% of the Czech population, on Facebook it is 48%. In addition, advertisements at the point of sale, or in-store marketing, are rising. Vysekalová's findings show that customers appreciate different methods of promotion such as tasting events. More than a half of Czech population confessed to making purchases because they had been influenced by advertising. These advertisements were for food, cosmetics and electronics, by brands such as Kaufland, Lidl, iPhone or Coca-Cola.

1.9.2 Event marketing

Event marketing is used for building relationships and creating a stronger image for the company. The purpose of the event is for personal interactions. These develop emotional bonds and make the customer feel that they are unique and appreciated. Event marketing can be interconnected with experience marketing because of the memories which the event creates, and positive experience connected with the event (Kaňovská, Schüller, 2015).

1.9.1 Customization

Customization aims to deliver personalized experiences. Each customer is thought of as an individual in the market with his or her own complexity and unpredictable behaviours. By using real time communications, the process increases quality, trustworthiness and speed of making the product according to customer's wishes. The customer is no longer anonymous and is potentially satisfied due to the customized product or service (Světlík, 2005). The advantages of customization are that it is faster and provides optimal results.

1.9.2 Affiliate marketing

Affiliate marketing is a symbiotic relationship between companies to earn commission from sales through a process of cooperation in the field of on-line marketing communication. The aim is to raise the effectivity of their promotion together. Nowadays affiliate marketing is most common between four parties, the provider of the product or service, the affiliate partners, the customers and the moderator who provide optimization of on-line communication and the payment method (Kaňovská, Schüller, 2015).

1.9.3 Content marketing

The strategy of content marketing is to focus on creating content online, such as educational articles, videos, podcasts or blog posts with the intention of creating a clearly defined community around the company and indirectly interesting them in its products or services. It builds loyalty and trust which strengthens the customer relationship, it also encourages active subscribers to the content. It is also common that subscribers receive bonuses for their subscriptions, for example, links to special educational topics, insights from the company or discounts on the company's products or services (Linn, 2018).

1.10 SWOT analysis

A SWOT analysis can help a company to understand and identify key concerns in the business, though it may not offer solutions, it can possibly predict what the business can expect to achieve. The SWOT analysis examines the strengths, weaknesses, opportunities and threats to a business. The SWOT analysis aims to identify how the current company's

strategy is ready to react to changes which are happening in the environment of the company (Jakubíková, 2013).

The strengths and weaknesses of the company are factors which create or lowers the internal value of the company such as, assets, know-how or the company funds. In opposition to strengths and weaknesses are the opportunities and threats, which are external factors that cannot be controlled by the company. The company may only be able to identify them according to suitable analysis. The SWOT analysis is always made as the last analysis as a summary of results from previous analyses that were made in the company. The table below illustrates that the SO factor from SWOT uses strengths for obtaining the advantage, WO strategy overcomes weaknesses by using opportunities. SW strategy uses strengths for facing up the threats and last part of SWOT analysis, WT strategy minimalizes costs by facing up to the threats (Kaňovská, Schüller, 2015).

Table 1: SWOT analysis (Own processing; Kaňovská, Schüller, 2015)

	S - strengths	W - weaknesses
O - opportunities	SO strategy	WO strategy
T - threats	ST strategy	WT strategy

1.11 Summary of theoretical background

The theoretical section of this thesis has focused on the theoretical background connected to the topic of the thesis, which is how the company Férová Palačinkárna can increase sales through a more effective and proactive marketing strategy. Initially I described and defined marketing because the practical study has focused on the services of a café. Next, I presented the difference between product and service. I also described the company environment, service marketing mix and on-line tools used for communication. I also described current marketing trends and types of marketing research which are both qualitative and quantitative. In addition, I have inserted figures and tables as visualizations of the presented topic.

2 ANALYSIS OF THE CURRENT SITUATION

The second section of the thesis focusses on the analysis of the current situation in the company Férová Palačinkárna in Hradec Králové. The chapter will provide information about the company Férová Palačinkárna and its organizational structure. Later, the chapter will provide Marketing mix analysis of 7P and Communication mix analysis. It will examine the macroenvironment of the company by utilizing a SLEP analysis.

The microenvironment of the company will be examined by Porter analysis. In the analytical part of the bachelor thesis will be also present information about the need to adapt services due to the current corona pandemic situation.

All obtained data from analytical section will be summarized into a SWOT analysis which will serve as a resource for the third part of the bachelor thesis, that is my own proposals and suggestions for expanding the marketing communication of Férová Palačinkárna.

2.1 About the company

Férová Palačinkárna was established in 2016 as a limited liability company with share capital to the sum of 20 000 Kč. The company has only one executive Martina Telecká who at the same time works as a director of Férová Palačinkárna. Palačinkárna is seated in the heart of the city Hradec Králové, in the Masaryk's square. The space of café is consisting of 24 seats for customers, divided into two rooms. Férová Palačinkárna has an open kitchen so the customer can see in a real time how pancakes and drinks are made and prepared for serving. The buckwheat batter has been found add value and competitive advantage for the business. Pancakes can be sweet and savory.

The system of ordering the pancake is that the customer should choose the batter and then they can customize their pancake according to a range of offered ingredients. Each customer can customize their own pancake according to his or her needs and flavors. At the rear of the establishment there is second kitchen where employees bake cakes, pastries or prepare the soup of the week which is also offered by Férová Palačinkárna.

2.1.1 Data about the company from the Business Register

Name of the company: Férová Palačinkárna s.r.o.

Date of establishment: 6th October 2016

Type of legal entity: limited liability company (s.r.o.)

Seat: Masarykovo náměstí 396/15, 500 02 Hradec Králové

IČO: 054 57 742

Scope of the business: production, trade and services which are not listed in appendices 1 to 3 of the Trade Licensing Act, bakery, confectionery, hospitality, sales of alcohol and spirits (Veřejný rejstřík a Sbírka listin - Ministerstvo spravedlnosti České republiky, 2016).

Below is the business logo of Férová Palačinkárna.



Figure 6: Business logo of Férová Palačinkárna (Source: Férová Palačinkárna, 2016)

2.2 Organizational structure of the company

Férová Palačinkárna has ten employees. Martina Telecká is the director of the company, there is one Service manager responsible for attendance, organizing working hours, the internal communication between employees and for preparation of meetings. One employee is responsible for online communication with customers and suppliers and also responsible for communication media. Férová Palačinkárna uses Facebook, Instagram, the company website and email. There is only one part-time employee, and the other employees are university students employed according to the agreement to perform work, which is Dohoda o provedení činnosti.

2.3 Macroenvironment analysis

2.3.1 SLEP analysis

The SLEP analysis examines the macroenvironment of Férová Palačinkárna from the point of view of social, legislative, economic and political factors which can affect activities of the company. According to the statistics from Facebook page manager and Instagram, the majority of customers and followers are from Hradec Králové and that is the reason why the most social and economic factors are connected directly with Hradec Králové. The reason for creating SLEP analysis was to provide an overview of the social and economic factors that affect the population of Hradec Králové, together with political and legislative factors which influence the company's operations and activities.

Social factors

According to Facebook page manager and Instagram statistics mentioned above in the chapter online communication, we can see that the most followers are in the age 18 to 34 years old and same applies for the age of usual customers of Férová Palačinkárna, they can be described as young mothers on maternity leave and students from the surrounding schools and university. Category of social factors is connected with population, their age and gender. According to data published by Český statistický úřad (2019), Hradec Králové has 92,939 inhabitants, and the average age in Hradec Králové is 44 years of age. The customers' category from the age of 18 to 34 forms part of 18.48 % from the whole population of Hradec Králové. Because of the location of Férová Palačinkárna in the city center the company can assume that their customers are from the middle or above middle social level that live in the historical part of the city.

Political and legislative factors

Political and legislation factors are connected because each legislative regulation precedes political suggestions and proposals. The café follows the Regulations of the European Parliament and of the Council n. 852/2004 regarding food hygiene issued to companies in the food service industry. The Hazard Analysis and Critical Control Points (HACCP) summaries the most critical points of risks of violation of the health and food safety (Hygienická stanice Praha, 2016). The system is based on principles of good

manufacturing practice and the requirements of hygiene regulations. A document is provided that must be displayed in a workroom and made clearly visible to all employees. Additionally, the same applies to the list of allergens which must be the part of the menu and clearly visible to customers.

One of the legislative factors which arose from the political party in the Czech Republic is the mandatory usage of the EET system since 2016, that is the elektronická evidence tržeb in services. EET is a matter of course in Férová Palačinkárna to have an overview of gross sales but at the same time, this system bears fixed costs for the software and its usage.

Economic factors

Economic factors which can influence the company's activities are the average salary, GDP, inflation rate and unemployment rate. GDP per capita in Hradec Králové is 450 842 Kč. The average gross wage in Hradec Králové is 31 925 Kč. The unemployment rate in Královéhradecký region is 3.11% (this information is from the end of the year 2020), so an increase is anticipated due to the corona virus pandemic. The Figure 7 shows that the unemployment rate in Královéhradecký region is the second lowest in the Czech Republic compared with other regions. The average inflation rate in the whole Czech Republic is approximately 3.2% (Český statistický úřad, 2019).

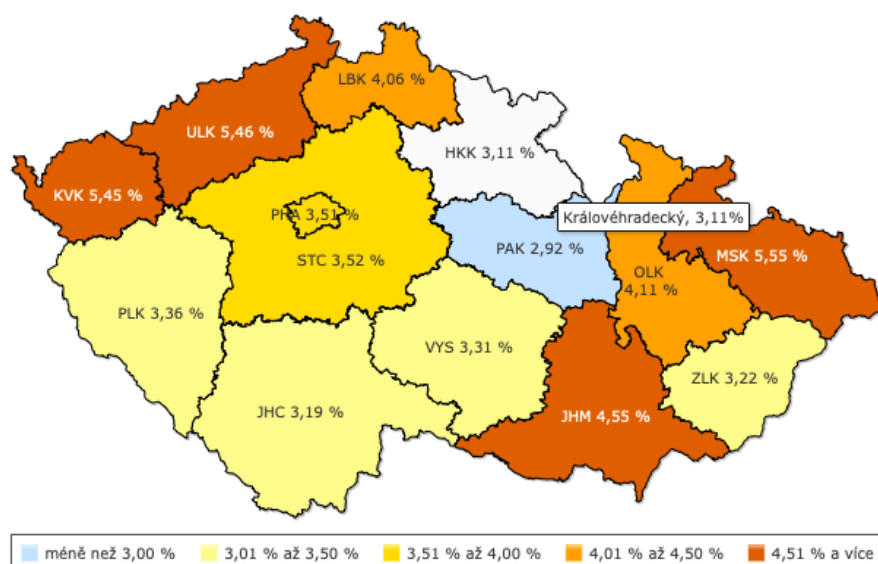


Figure 7: Unemployment rate in regions of Czech Republic (Source: www.czso.cz)

2.4 Microenvironment analysis

2.4.1 Porter analysis

The Porter analysis examines the microenvironment of the company, it can help the business to understand whether new services or products are potentially profitable, as well as helping a business to avoid making costly mistakes. The model describes 1) already existing competitors in the industry, 2) risks connected with new competitors entering the market, 3) suppliers, 4) customers and 5) available substitutes of the product or service.

Existing competitors

All the cafes and restaurants in Hradec Králové are in competition with one another. The quantity and quality of services continues to improve as the economy of Hradec Králové relies predominantly on the student population. Férová Palačinkárna sells pancakes, fair-trade coffee and offers vegan or vegetarian options, so I decided to choose the top three competitors which have something in common with Palačinkárna. I will describe their location, range of products and social media communication.

Simple Café

Simple café is an espresso bar close to Férová Palačinkárna, in the city center of Hradec Králové. Simple Café was established in 2018. The main focus of the company is on high-quality coffee, its professional preparation and delivery. Customers can not only buy coffee but cakes, breakfast, soups and other beverages. There is also a small shop inside the café where customers can buy everything needed for preparation of coffee at home. The design of the space is minimalistic and clean and at the same time it is comfortable with plenty of daylight and calming music in the background, please see Figure 8 below for the layout of the café. Simple Café also focusses on home-made products and local coffee roasteries. They have a presence on Facebook, Instagram and a business website. The business actively promotes its products and regularly updates its customers effectively on Instagram. Simple Café shares photos taken by their customers frequently, which is useful for regular and potentially new customers to see. It gives the business a friendly persona and shows the range of products available for purchase. Simple Café

operates with a sales window during the pandemic and sells a limited range of products, which are coffee and other beverages.

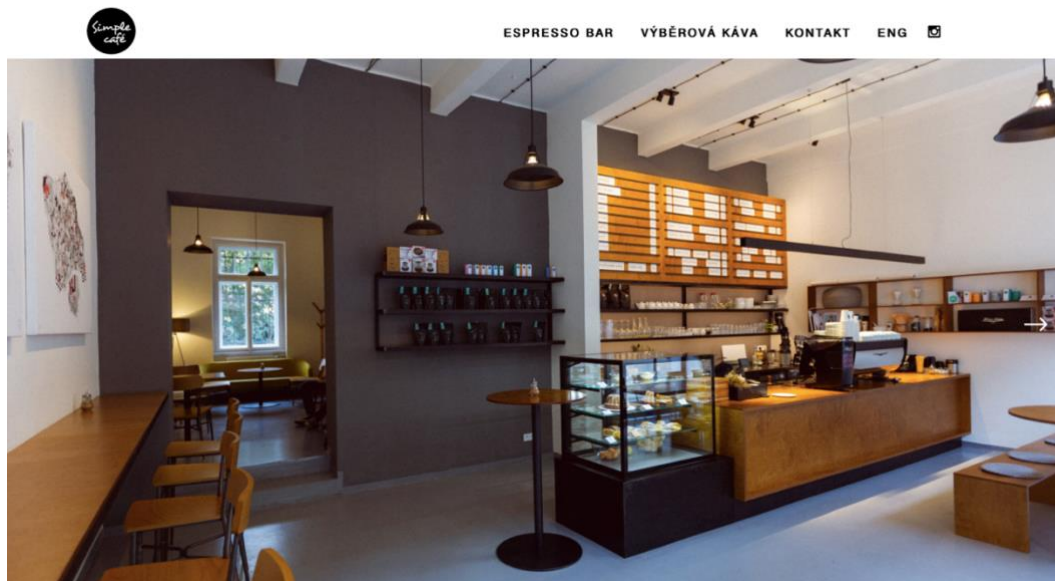


Figure 8: Design of Simple Café (Source: www.simplecafe.cz)

Le Waff

The second competitor selected is Le Waff because they sell sweet and savory waffles and coffee. Le Waff was established in 2019, it is also located in the city center of Hradec Králové, close to the shopping mall. The company focusses on homemade waffles in two variants - sweet and savory which are very close to the range of Férová Palačinkárna and it can be seen as a substitute product. Though, unfortunately, there is no gluten or lactose free option. Customers can choose from already composed variants of waffles, without the possibility to choose ingredients according to their taste. Le Waff also sells coffee, lemonades and other beverages. Even though they are quite new to the market, they have already managed to collect almost 1,600 followers on Instagram. On Instagram, they are active and constantly updating their feed. They share an abundance of photos of their waffles and drinks, so the customer can know exactly what they are buying and what to expect. The business webpage is minimal and consists of a homepage with a link to their social media, these are Instagram and Facebook, plus a affiliate link to Dáme jídlo webpage where can customers order waffles and drinks. I think that popularity of Le Waff relates to already mentioned Dáme jídlo, it makes it more accessible for people far from the city center and at the same time it helps the company to increase its income even in the pandemic situation when they are selling through selling window because space as

itself must be closed. Figure 9 illustrates samples from the menu in house and from the take-away menu.

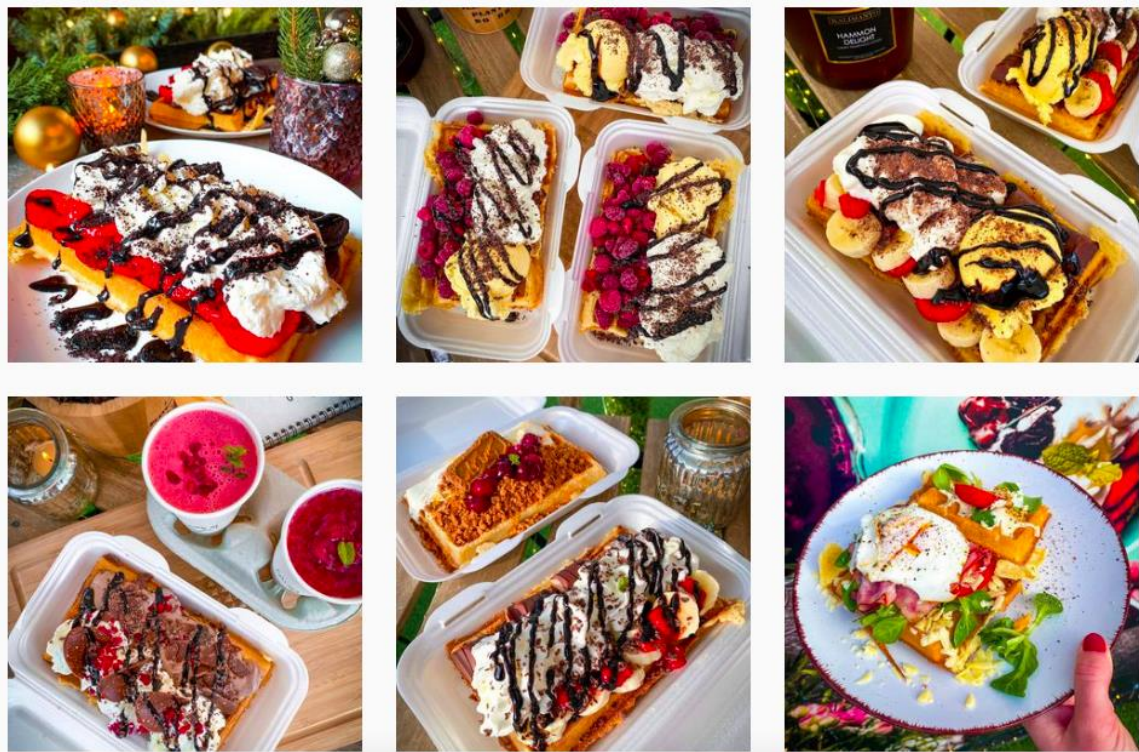


Figure 9: Instagram of Le Waff (Source: Instagram Le Waff)

Café Na Kole

The last competitor, is Café Na Kole, established in 2014, located in the old historic neighbourhood of Hradec Králové. The interior space of Café Na Kole is small, with around 10 seats, though it has a garden in a calm courtyard in the summer. The Café sells a wide range of different local coffee roasteries and equipment for coffee preparation. Café Na Kole is well known in Hradec Králové because it offers many alternative methods of coffee preparation such as Hario v60, Chemex and Aeropress for example. Customers can buy homemade and vegan cakes, sandwiches and other local products from the small shop inside the café. Café Na Kole was the first café in Hradec Králové serving and selling high-quality coffee, mostly from local roasteries. One feature is that it shows customers different methods of coffee preparation, this aspect has increased the popularity of Café Na Kole. Café Na Kole's online presence includes a business web page and social media, which are, Instagram and Facebook. The web page provides information to customers about contacts, opening hours and also a coffee menu with a description of all

different methods which café uses. They are the most active on Instagram with almost 1,900 followers. Their profile is filled with photos of cakes, coffee beans and presentation of their employees. The business has worked hard to remain visible and active during the pandemic. They have a sales window where can customers buy takeaway coffee or cakes, and they may also buy coffee beans and equipment for a homemade coffee. Fig. 10 illustrates menu options from the café.

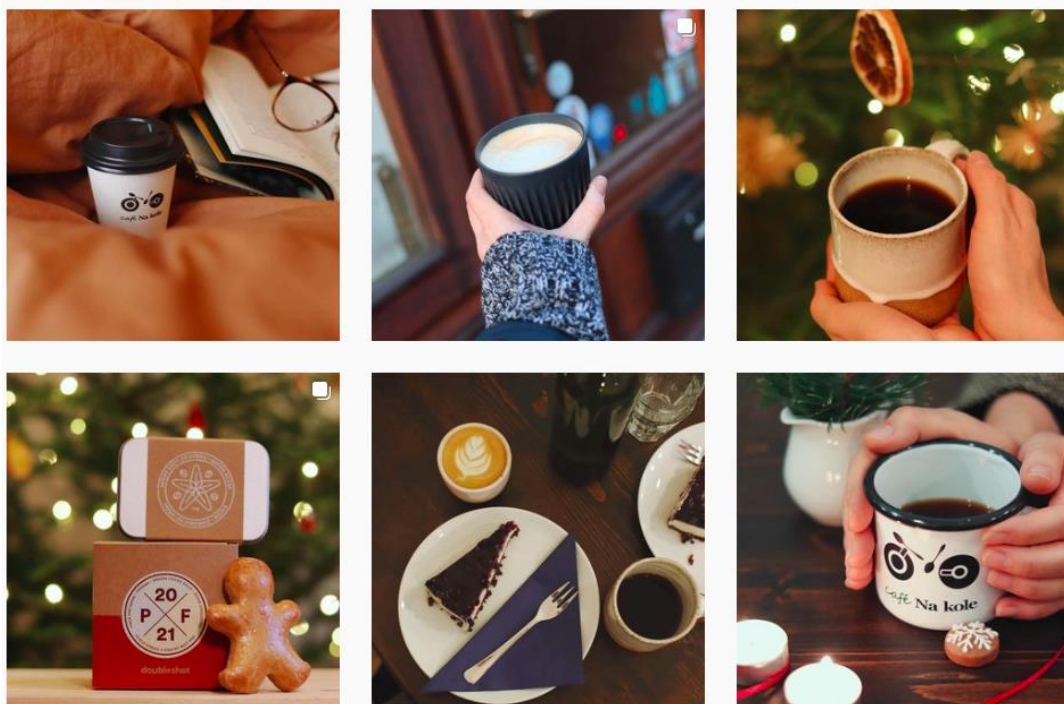


Figure 10: Instagram of Café na kole (Source: Instagram Café na kole)

Competition comparison

Analysis of the three main competitors and their performance in marketing and marketing communication is summarized in the table 2 below. All criteria are compared with a performance of the company Férová Palačinkárna. From the table we can see that each of chosen cafés are using social media, Instagram is updated and actively used in all cases. Same applies for business pages of companies where can customers find address, contacts and information about opening hours. From the table we can see that only the company Le Waff is using food delivery platform Dáme Jídlo. Unlike Simple Café, all companies organize events for their customers - whether special price offers or participation in external events within the city Hradec Králové.

Table 2: Summary of competitor's analysis (Own processing)

Summary of competitor's analysis						
Competitor	Instagram (activity)	Facebook (activity)	Webpage	Dáme jídlo platform	Events	Participation in external events
Simple Café	yes	no	yes	no	no	no
Le Waff	yes	yes	yes	yes	yes	no
Café Na Kole	yes	yes	yes	no	yes	yes
Férová Palačinkárna	yes	yes	yes	no	yes	yes

Risks connected with new competitors entering the market

Risks to Férová Palačinkárna from new competitors entering the market is neither high nor threatening. Hradec Králové has lively social activity due to the presence of many schools and the University. The restaurant sector involves a high level of bureaucracy because of hygiene regulations, together with quite a high initial investment for specialized equipment and space. Rivalry exists between some cafes but there is no risk attached to it.

It may be seen that there is a low level of risk from new competitors by such establishments as Eggsit which opened in July 2020, its location is close to Férová Palačinkárna, in Masaryk's square. Eggsit café offers breakfast and brunch with a focus on free-range eggs, coffee and drinks. Freší Na Pěší, also opened in July 2020, next door to the Eggsit café. Freší Na Pěší focusses on customized salads, sandwiches and poke bowls. Customers can select from the set menu or choose bespoke ingredients. When these businesses opened, Férová Palačinkárna did not record any change in the level of income or the number of customers.

Suppliers

As previously mentioned, Férová Palačinkárna focusses on local producers and supports small entrepreneurs. The café's principal products are pancakes which are made only from local ingredients. The wheat flour is from Mlýny J. Voženílek, from the neighborhood Předměřice nad Labem. The buckwheat flour is from Mlýny Šmajstrla, Frenštát pod Radhoštěm. Next, Mamacoffee, is from the oldest coffee roastery in central Europe which produces fair trade coffee and cocoa. Elyia is the supplier of organic tea from Sri Lanka. Marmalades and chutneys supplied by Marmelády od Tetičky from Liberec or from the family company Monamy, in Pardubice. All fruits and vegetables are supplied by Gira, the largest supplier in the Královéhradecký region. Other local suppliers are for example, Karamel od Vaška in Český Krumlov, BonBon chocolate in Vysočina or macarons by Malý princ from the village of Černilov, close to Hradec Králové.

Férová Palačinkárna has an ecological policy which it demonstrates by using organic straws made from rye straw supplied by We-Straw and uses compostable takeaway boxes.

Customers

The customer base can be divided into two groups according to the locations of purchasing Férová Palačinkárna's products. These are customers at Férová Palačinkárna's city location and the second group are customers at external events that Palačinkárna participates in.

The Facebook page manager and Instagram statistics reveal that most followers on social media are aged between 18 to 34 (Instagram Férová Palačinkárna, 2021) which reflects the age range of Palačinkárna's typical customers. The café provides a children's play area with toys and tables for drawing. This provision attracts mothers on maternity leave or families with young children. The soups of the week are popular with mothers because they are also suitable for children. Palačinkárna offers decaffeinated as well as caffeinated fair-trade coffee from Mamacoffee.

Students make a large contribution to Palačinkárna's customer base, as it is close to the surrounding schools and it provides a quiet space to study. Palačinkárna provides a Wi-Fi connection and a good value bottomless coffee cup. Students most frequently order a

pancake with Nutella and banana together with homemade fresh fruit lemonade (Telecká, 2020).

Finally, there are random or incidental customers at external events in Hradec Králové or nearby venues. Férová Palačinkárna participates in as many external events as possible to generate and attract the attention of new customers. For example, Férová Palačinkárna, engages in the annual, popular and well attended Regional Theatre Festival in Hradec Králové. Palačinkárna supports Salinger charity events in Hradec Králové which is in aid of a group of young single mothers. During the pandemic there are no events, but it hoped that they will begin again when the situation improves.

Limited storage and preparation space restricts the range of products offered at external events. Férová Palačinkárna's set events menu consists of four sweet and four savory pancakes made from buckwheat or wheat batter. There is no bespoke option at the external events. At the external events the café distributes leaflets publicizing the café in Hradec Králové which contains essential information such as address, opening hours and contact.

Substitutes

Presently, only one substitute has been identified for pancakes at Férová Palačinkárna in Hradec Králové. Le Waff offers a comparable product which is sweet and savory waffles. The primary distinction between the two establishments is that Férová Palačinkárna offers a bespoke menu. Freší Na Pěší, offers bespoke salads with a wide range of ingredients. Though it could be said that Férová Palačinkárna maintains the upper hand because it also provides a wide range of vegan, vegetarian, lactose-free and gluten-free options.

It is possible to find substitutes for the services and products of Férová Palačinkárna from other cafes in the city, such as high-quality coffee from local coffee roasteries, cakes or homemade pastries. To summarise, there is not yet another business in Hradec Králové that serves sweet and savory pancakes.

2.4.2 Summary of Porter analysis

The Porter analysis was used to analyze the microenvironment of the company Férová Palačinkárna. I described three main competitors of Palačinkárna in Hradec Králové, their marketing performance has been taken from their respective social media and business pages. The results of the analysis show that there is no high risk from new competitors entering the market. I described the core suppliers which Palačinkárna depends on together with their products. Followed by description of customers of the city center premises and customers on external events which Palačinkárna participates in, together with product substitute availability in Hradec Králové.

2.5 Marketing mix analysis

The 7P marketing mix was selected to analyze Férová Palačinkárna services. Product, price, promotion, placement, people, process and physical environment will be examined.

2.5.1 Product

The café Férová Palačinkárna in Hradec Králové provides services related to serving coffee and meals to its customers. As the company name suggests the principal products are pancakes. Sweet and savory, from wheat or buckwheat batter which is lactose and gluten-free. Apart from pancakes, the café provides a wide range of cakes, soups or local ice cream in the summer as well as coffee, homemade lemonades or wine. An example of product presentation, (see Fig. 11) such as an espresso tonic with a rye straw is publicized on the company's Instagram profile.



Figure 11: Summer drink Espresso tonic (Source: Instagram Férová palačinkárna)

Palačinkárna cooperates with local suppliers to source local and exotic products, for example: Eliya tea, Monamy marmalades or Bat'ka's herbal syrups. Palačinkárna services also include rental of the café space for personal events such as birthdays, friends' meetings and other community events.

The added value of Palačinkárna is that the customer may customize his or her own pancake according to specific dietary needs, by providing vegetarian, vegan, lactose or gluten-free options. There are set menu combinations of pancake ingredients which may be useful to newcomers or indecisive customers.

In spring and summer customers often buy sweet pancakes from wheat batter because wheat is more digestible and thinner. In the warmer seasons customers often buy pancakes with ice cream as illustrated by the cherry pancake, in Fig. 12, or fresh fruit accompanied by iced coffee and cold homemade lemonades from herbs or fruit puree. As the temperature declines, customers tend to buy savory pancakes from buckwheat batter, which is thicker and heavier, together with homemade soups full of vegetables to keep warm. One of the favourite drinks in colder months is Chai latté which has a mixture of Indian spices with hot whipped milk.



Figure 12: Wheat pancake with ice cream (Source: Instagram Férová palačinkárna)

2.5.2 Price

The price for the principal product (pancakes) at Palačinkárna, is variable because of the process of customization, it depends on customer's preference and the number of ingredients added to the pancake. Customers can get the basic sweet pancake for 35 Kč, savory for 40 Kč and then add as many ingredients as they want, each ingredient has a set price in addition to the basic batter price.

Prices are always created according to the price from the supplier and then a margin is added. There is 100% or higher margin on each additional ingredient to pancakes and on products which are made on the premises, such as cakes, soups or pastries. The margin is lower on products from external suppliers, but it is still sufficient for both Palačinkárna and the suppliers of local products.

The price list of all sweet and savory ingredients is presented in tables 3 and 4 below. The price of the batter for savory pancakes is higher because the customer can choose basil pesto, dried tomatoes or chilli in the savory variant of the pancake. Even though the price of buckwheat flour is higher than wheat flour, the owner of Palačinkárna chooses not to

make a price difference between gluten-free and lactose-free options in contrast with other restaurants which may price differentiate special options.

Table 3: Price list of sweet ingredients (Own processing; www.ferovapalacinkarna.cz)

Sweet pancakes		
Batter	Wheat 35 Kč	Buckwheat 35 Kč
Ingredients		
Bulk	Cinnamon - 10 Kč	Gingerbread - 10 Kč
	Ground poppy seeds - 10 Kč	Coconut - 10 Kč
	Cocoa - 15 Kč	Lentils - 15 Kč
	Lotus biscoff - 15 Kč	Nuts - 18 Kč
Fruit	Marmalade - 15 Kč	Plum jam - 15 Kč
	Date syrup - 15 Kč	Maple syrup - 25 Kč
	Fresh fruit - 20 Kč	
Classics	Sour cream - 15 Kč	Cottage cheese - 15 Kč
	Honey - 15 Kč	Skyr yoghurt - 18 Kč
	Vanilla sauce - 20 Kč	Nutella - 20 Kč
	Babeta (Czech Nutella) - 15 Kč	
Vegan	Dark chocolate - 20 Kč	Caramel - 20 Kč
	Lotus spread - 20 Kč	Vegan Nutella - 25 Kč
	Peanut butter - 25 Kč	

Table 4: Price list of savory ingredients (Own processing; www.ferovapalacinkarna.cz)

Savory pancakes		
Batter	Wheat 40 Kč	Buckwheat 40 Kč
Ingredients		
Vegetable	Corn - 10 Kč	Wild rocket - 15 Kč
	Olives - 10 Kč	Lamb's lettuce - 15 Kč
	Jalapeños - 10 Kč	Baby spinach - 15 Kč
	Fresh tomatoes - 20 Kč	Dry tomatoes - 20 Kč
	Spinach - 20 Kč	Mushrooms - 20 Kč
Vegan	Fried onion - 10 Kč	Nuts - 18 Kč

	Tempeh - 25 Kč	Tofu - 25 Kč
	Vegan cheese - 25 Kč	
Classics	Sour cream - 15 Kč	Ham - 20 Kč
	Dried-cured ham - 20 Kč	Fried bacon - 20 Kč
	Mozzarella - 20 Kč	Gouda cheese - 20 Kč
	Blue cheese - 20 Kč	Cheddar cheese - 25 Kč
	Goat cheese - 25 Kč	Tuna - 25 Kč
	Smoked salmon - 25 Kč	Smoked chicken breast - 25 Kč

2.5.3 Promotion

Online and offline visibility is essential for all businesses. Finding a successful promotion strategy is the key to gaining new and maintaining customer loyalty. The promotion strategies of Férová Palačinkárna will be described later in chapter 2.6 Communication mix analysis.

2.5.4 Placement

Due to the Coronavirus pandemic Férová Palačinkárna functions from a sales window. Customers are no longer able to enter the premises for health and safety reasons. Figure 13 illustrates the business operation from the café. During the pandemic measures the customer must order in person or via phone and collect the order at an agreed time, then the order is handed over through the window of the café premises. The working hours are shorter than usual. Monday - Friday from 11:00 to 17:00 and at weekends the café is closed. Usually the opening hours are Monday - Friday from 9:00 to 19:00, Saturday from 11:00 to 18:00 and Sunday closed.



Figure 13: Selling window (Source: Instagram Férová palačinkárna)

The map in Figure 14, shows that Férová Palačinkárna is situated in the heart of the city of Hradec Králové, directly on Masaryk's square which is surrounded by restaurants, bars and small shops. Palačinkárna is easy to reach by public transport or car. There are two bus stops within a short distance and parking is possible in the nearby streets. The riverside is close to Palačinkárna, which is popular for picnics with friends or family in nature while being in the city center.

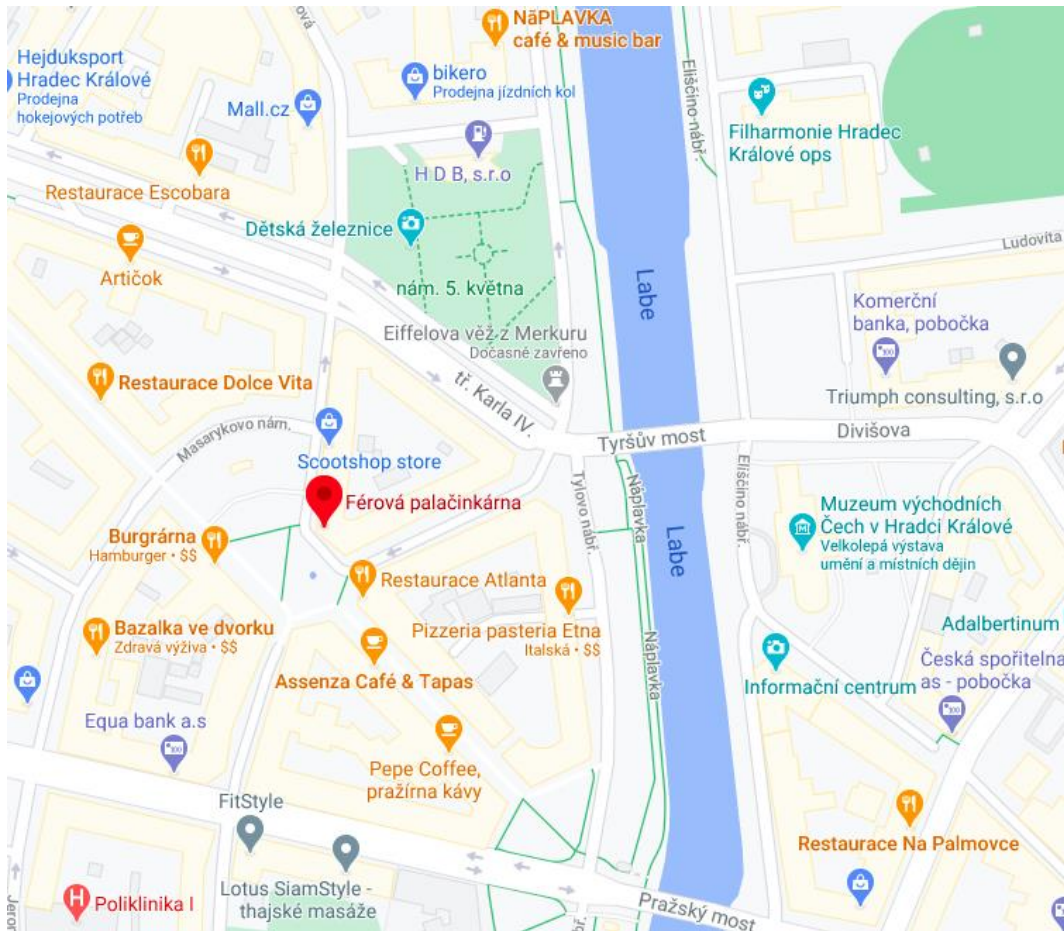


Figure 14: Location of Férová Palačinkárna (Source: www.maps.google.com)

2.5.5 People

Palačinkárna's customers encompass a wide demographic because of its central location together with the provision of bespoke pancakes which accommodate specific dietary needs. Customers include office workers, bank employees, students from neighboring schools and young parents. Palačinkárna provides food and drink services, this leads to direct personal contact between employees and customers.

The pancakes are prepared in an open kitchen, allowing the customer to evaluate the quality of preparation, serving and cleanliness from the moment he or she enters the café.

There is no dress code for employees, but clothes must be clean, appropriate for working in the kitchen and each employee must wear a clean apron provided by the employer in the same design for each daily shift.

Presently, there is only one employee with a part-time work agreement, the other employees are university students employed according to the Dohoda o provedení činnosti agreement.

2.5.6 Process

Férová Palačinkárna rents the café space out for events or celebrations. Booking is via phone or Facebook where the customer and employee of the café negotiate the date, the number of people, special services and the price. It is common that on special days such as Children's day, the last day of school in June or Valentine's Day, that Palačinkárna is booked for the whole day and is impossible to have a table without a reservation. Unfortunately, there is no digital reservation system, so each reservation is written in physical diary and the customer cannot know without communicating directly with café if there are tables available according to his or her need.

Férová Palačinkárna customers can pay with cash, credit card or with gift vouchers which can be bought in Palačinkárna to an amount the customer requires (see Figure 15 for an example). Meal vouchers cannot be used, and it will not change in the future due to the paperwork involved, as Martina Telecká, owner of Férová Palačinkárna, says.



Figure 15: Gift voucher (Source: Instagram Férová palačinkárna)

2.5.7 Physical environment

The homely design of Férová Palačinkárna is focused on creating of a country cottage. Almost every piece of furniture, including, the open kitchen is made from wood, handmade and crafted by family and friends of the owner Martina Telecká. Férová Palačinkárna is divided into two rooms, and 24 seats. In the first section, there is an open kitchen among the whole space and two tables created as a bar seating with a bench, each table is suitable for three customers.

To support the homely atmosphere, the second, bigger room is called “Obývák”, it is usual for customers making reservations to use this name. This room has five tables which provides 18 seats. The Obývák has a small library, with books available to customers. It has a wardrobe full of toys and a small desk with papers and pencils for children. Therefore, is Palačinkárna preferred by families with children and mothers on maternity leave. The café provides a washroom, which is customized for parents with children, it is a comfortable and private space for nappy changing. In the summer there is a small summer garden with an extra 10 seats in front of Palačinkárna with a view of Masaryk’s statue.

2.6 Communication mix analysis

This chapter focusses on the communication tools used by Férová Palačinkárna to communicate with customers. The business has online visibility to attract potential new customers and to keep the current ones. Palačinkárna uses both online and offline communication. All the tools will be described in this chapter.

2.6.1 Offline communication

Férová Palačinkárna uses offline methods of sales promotion and communication with customers which may be divided into four categories: Personal selling and direct marketing, advertisements, public relationships and sponsorship.

Personal selling and direct marketing

Personal selling is an inseparable part of serving food and drinks in Férová Palačinkárna. As soon as customers walk through the door, they have direct contact with employees

because of the open kitchen and space. The advantage of personal selling is that the customer can give immediate feedback, suggestions for improvement, so individual face-to-face communication between employees and customers is created. Personal selling is supported by the customization of the pancakes. Employees of Férová Palačinkárna are always available to help customers with the selection of the batter, the composition of ingredients or with the most popular combinations.

Palačinkárna offers tastings and promotions of new local products as part of this strategy. For example, a comparative tasting of Nutella and the Czech product Babeta by BonBon was very successful because customers could not tell the difference, since then, the Czech product Babeta is more popular than Nutella (Telecká, 2020).

Palačinkárna supports ecological and sustainable living, customers are encouraged to bring their own cups or boxes for take away to receive a price discount. Férová Palačinkárna is also a collection point for the petition to ban caged chicken farming. Palačinkárna offers a loyalty card, where customers collect stamps, and the tenth drink/coffee/tea is free of charge.

Advertisement

Hradec Králové is a student city, Palačinkárna actively supports new students in cooperation with the University of Hradec Králové. First year students can use an app with a repeatable promo code giving 10% discount. Férová Palačinkárna is also a member of the project Mysli Lokálně which supports and connects businesses from the Královéhradecký region.

When Palačinkárna prepares events for their customers, they usually use leaflets and posters to advertise the event. These leaflets are usually distributed in nearby shops and restaurants in the city center to attract more people and new potential customers.

Public relationships

Public relationships are supported by many events which Férová Palačinkárna creates to gain new and keep loyal customers. The relationship between the company and customers is strengthened by the friendly and relaxed atmosphere in Palačinkárna. The café cooperates with the University of Hradec Králové, project Mysli Lokálně, the Regional

Theatre festival and with the Salinger organization which helps young families. All these companies support the relationship between the public and Férová Palačinkárna.

Sponsoring

Férová Palačinkárna occasionally sponsors student events in cooperation with the University of Hradec Králové by donating vouchers as a prize for competitions or sports activities. Palačinkárna occasionally supports the non-profit organization Salinger and their events by offering free pancakes for children or small-scale catering for clients of Salinger.

2.6.2 Online communication

An online presence is necessary for effective customer targeting along with communication with customers. Férová Palačinkárna uses the social media platforms Facebook and Instagram and also has a business webpage. Email is used mostly for online communications between suppliers and the company.

Facebook page

Figure 16 shows that Férová Palačinkárna's Facebook page has more than 3,500 followers. Customers can find basic information about the company such as opening hours, phone numbers, a direct link to the business web page and the email address. The Facebook page is often used by customers to make reservations or to ask questions about the company's products (Facebook Férová Palačinkárna, 2020).

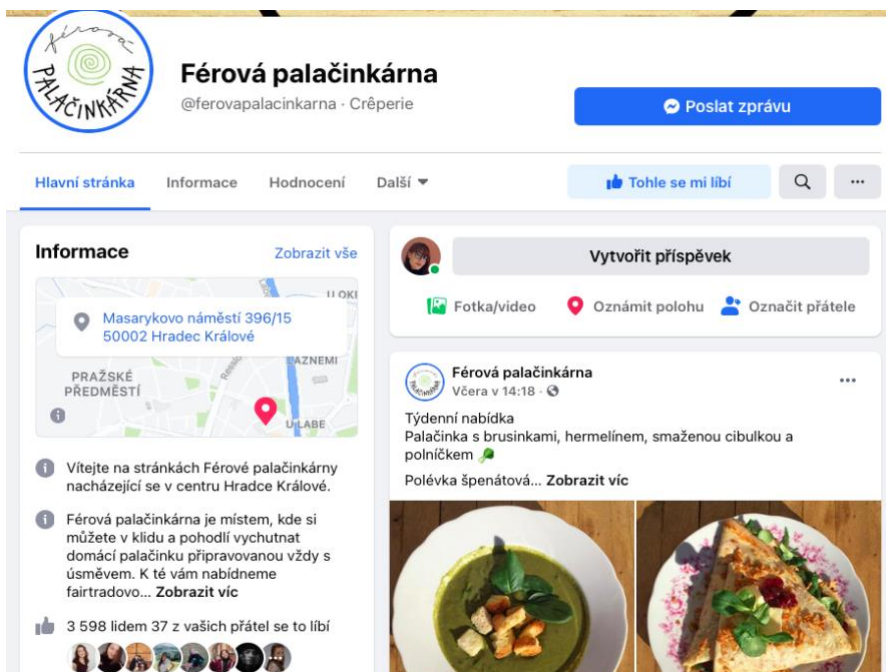


Figure 16: Férová Palačinkárna Facebook page (Source: Facebook Férová Palačinkárna)

The Facebook page manager enables the business to see statistics related to followers, such as likes, reaches or ads. The data displayed in Figures 17 and 18 are from Facebook page manager, from 1.1.2020 until 31.12.2020. In Figure 17 the graph shows the development of followers on the Facebook page of Férová Palačinkárna during the year 2020. It indicates that the number of followers is consistently increasing over each month and that there is no rapid growth or fall in the number of followers (Facebook Férová Palačinkárna, 2020).

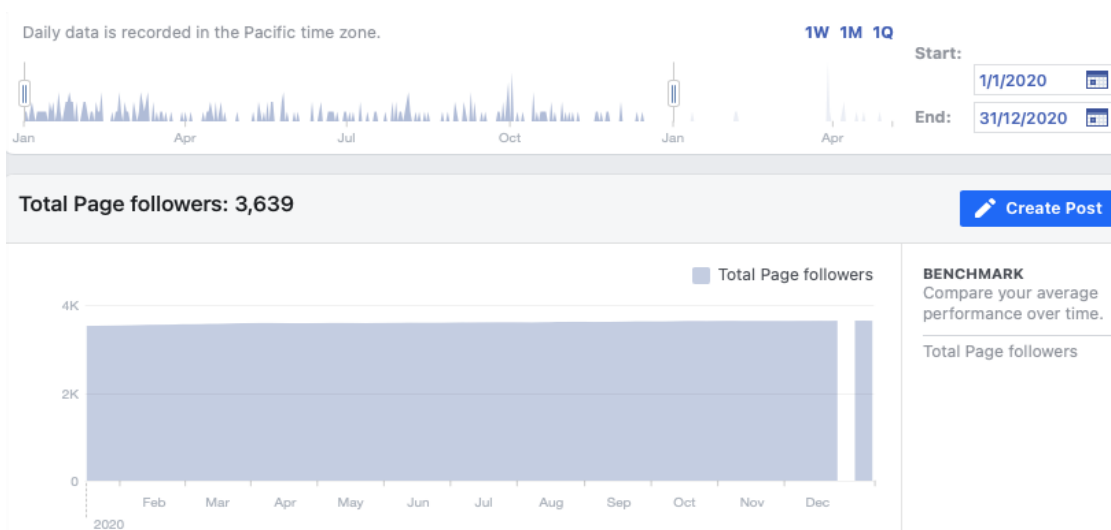


Figure 17: Followers on Facebook page (Source: Facebook Férová Palačinkárna)

Figure 18 shows the reach of posts on the Facebook page. The reach is the number of people who saw at least once any of the posts of Férová Palačinkárna on Facebook. The higher the reach is, the more successful the post was among followers. It demonstrates a significant difference between organic reach and paid reach of the posts (Facebook, Férová Palačinkárna, 2020).

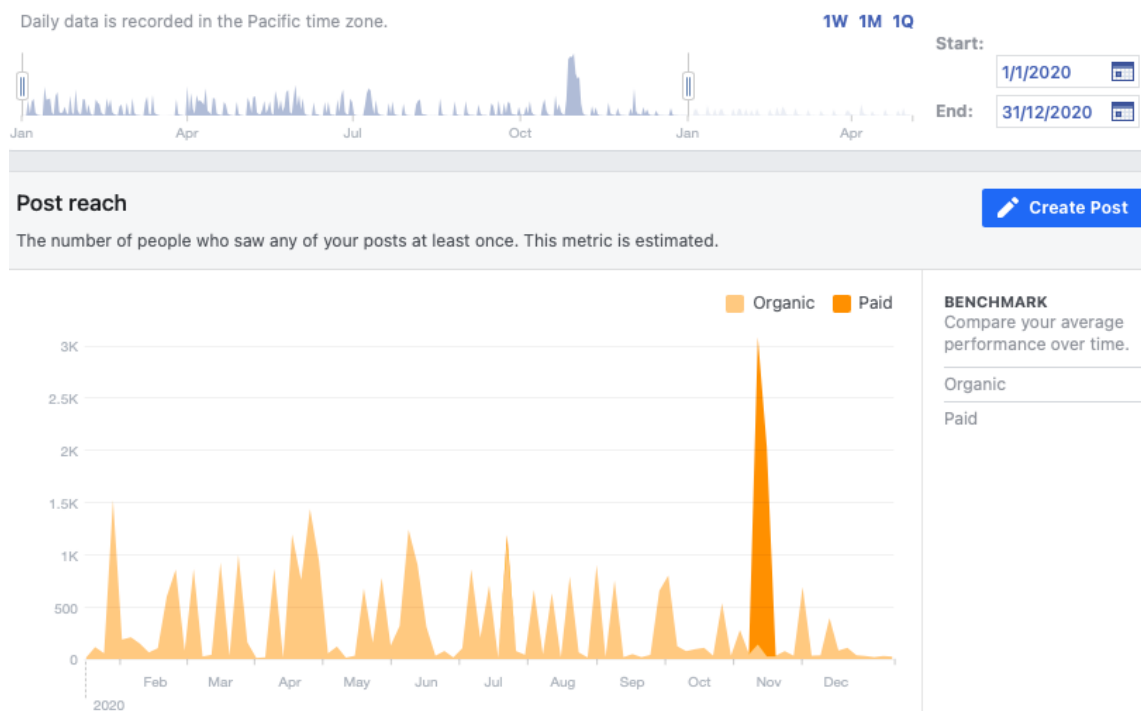


Figure 18: Reach of the content on Facebook page (Source: Facebook Férová palačinkárna)

Instagram

Férová Palačinkárna has an active Instagram account with more than 900 followers. Instagram is used mostly for sharing photos of the weekly special offer, new products and for the daily offerings, such as fresh cakes, quiches or any other pastries (see Figure 19). The company's Instagram is linked to the Facebook page so customers can find the same photos, videos and stories there. It saves time for the company and at the same time, it can double the reach to the customers on a different social media platform (Instagram Férová Palačinkárna, 2021).

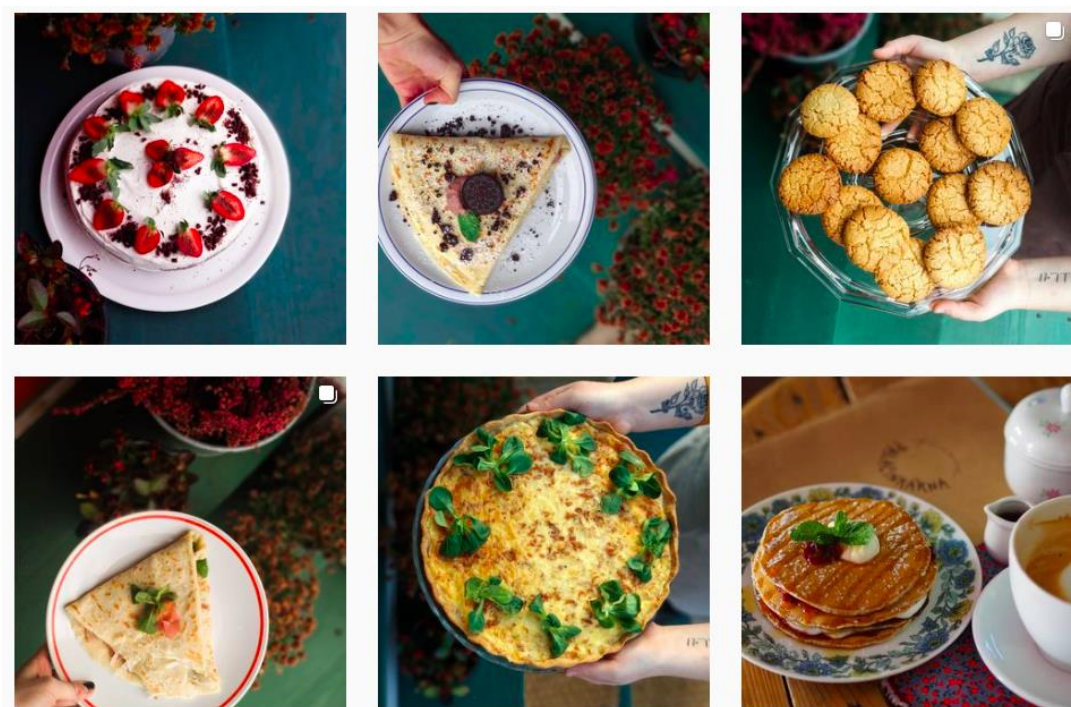


Figure 19: Férová palačinkárna on Instagram (Source: Instagram Férová palačinkárna)

Instagram has statistics available related to gender, age and location of followers and the reach of company's posts. Unfortunately, on Instagram, it is only possible to see statistics for a maximum of 30 days retroactively.

Figure 20 shows Férová Palačinkárna's Instagram statistics, we can see the proportion of followers by gender. The graph shows that the majority of followers on the company's Instagram are women at 85.3% and that only 14.7% of followers are men (Instagram Férová Palačinkárna, 2021).

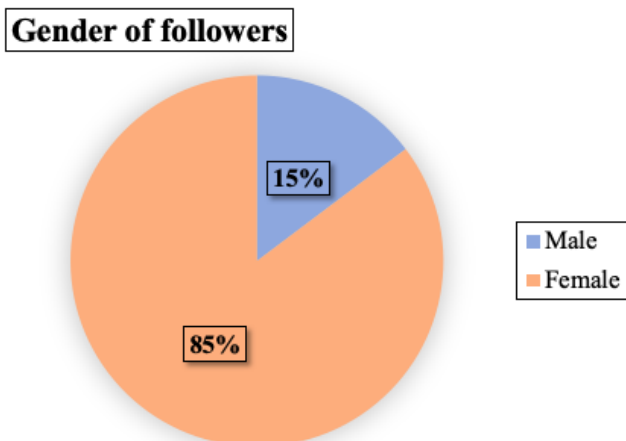


Chart 1: Gender of followers (Own processing; Instagram Férová palačinkárna)

Figure 21 shows the range of users, and the cities that they come from in the Czech Republic. Férová Palačinkárna is in the city Hradec Králové, and the graph shows that 43.2% of Instagram followers are from Hradec Králové. Surprisingly, in second position are followers from Prague, with 9.9% followed by 7.8% from Pardubice, which is the neighboring town (Instagram Férová Palačinkárna, 2020).

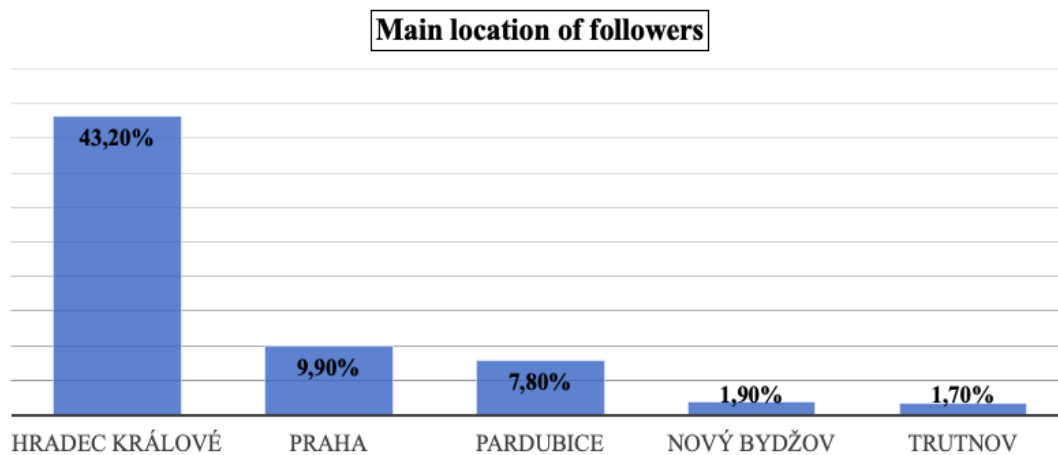


Chart 2: Main location of followers (Own processing; Instagram Férová palačinkárna)

In Figure 22 we can see the proportion of followers on Instagram profile by age. The majority of followers are aged between 25-34 at 44.7%, students take second place in the 18-24 age range with 36.3% of the total followers of the Instagram account.

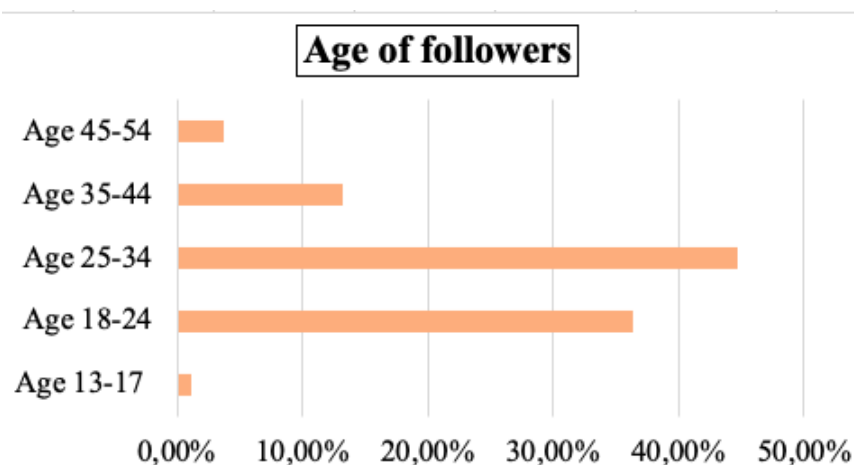


Chart 3: Age of followers (Own processing; Instagram Férová palačinkárna)

Business page

Férová Palačinkárna has a business page www.ferovapalacinkarna.cz, the homepage can be seen in Figure 23. During the pandemic restrictions the company's business page serves as a source of news about opening hours and offers of the week. The website provides contact information, that is, the address, phone number and email. It also has direct links to the social media accounts Instagram and Facebook. It is possible to do a virtual tour of the café, though it is not updated, and the space looks a little different today.

The business page provides a full menu in Czech or English language together with prices and background of Férová Palačinkárna. On the menu customers can also find information about the company's focus on local ingredients, local farmers and brands which Férová Palačinkárna supports. For example, Macarons by Malý princ, Apple magnetic Cider, BonBon chocolate or Miletínské modlitbičky.

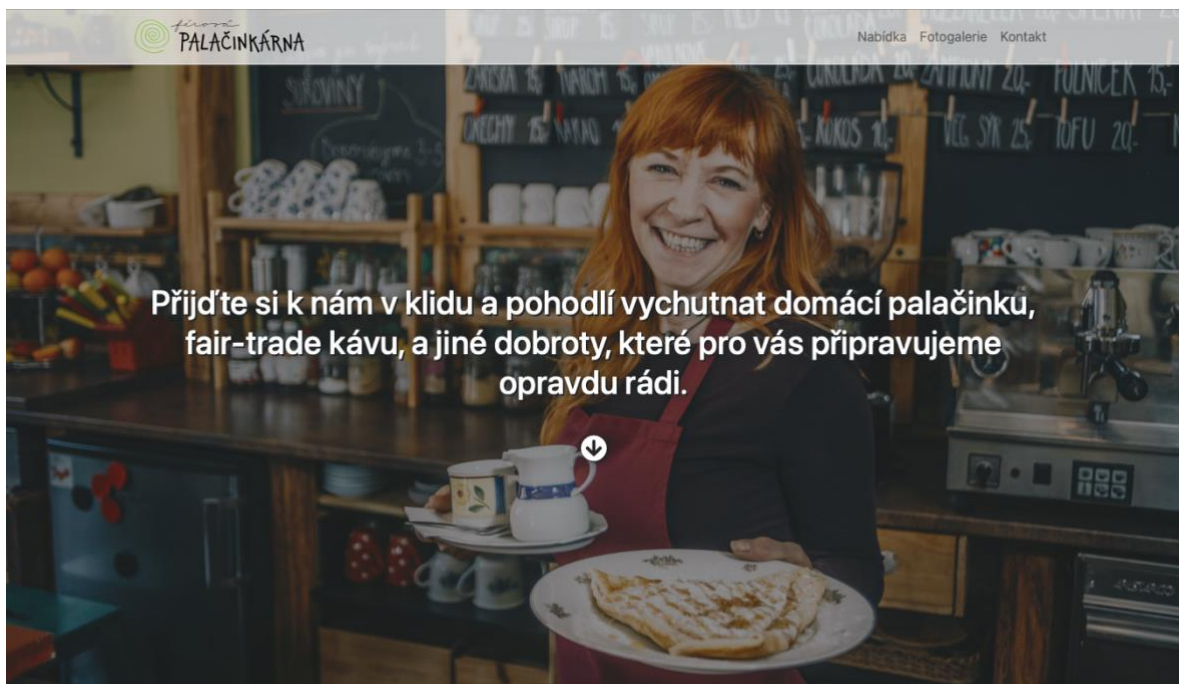


Figure 20: Férová Palačinkárna business page (Source: www.ferovapalacinkarna.cz)

2.7 Pandemic situation

This chapter will describe the situation and adaptations connected to the coronavirus. Later, I will present two companies which I selected, one company from Brno where I study and one company in Hradec Králové where I live. I will describe their positions and flexible approaches to the pandemic situation. The strategies of the two companies will be then compared to Férová Palačinkárna and its adaptation to the current circumstances.

When we take into consideration today's pandemic, it seems that the only possibility for cafés, restaurants or other food outlets is to sell their products through sales windows or by direct delivery service to their customers. Online visibility is more important than ever before. Companies need to attract customers attention and persuade them to support them by buying their products. The pandemic situation is novel for both sides, for the companies and the customers. Companies must adapt to the pandemic situation and try to come up with something new, innovative or even modify their products or services to fit today's customers' needs.

2.7.1 Punkt. Brno

Punkt. is a café in Brno which offers high-quality coffee, cakes, sandwiches and brunches, usually with a vegan or vegetarian option. Customers can buy coffee beans together with all tools needed for homemade preparation, as well as other local products. At the beginning of the pandemic, Punkt. found an effective solution to keep the business running and benefit the customer at the same time. The innovative solution provided a win-win for both sides, the café and its customers. They decided to issue "punktopisy" bonds to customers. On the Figure 22 below can be seen visualization of bonds together with marketing promotion on café's Instagram profile.

They offered bonds to the value of 500 Kč, 1 000 Kč and 2 000 Kč. The customers could choose which amount to send to the company's business account and then the company issued a voucher to the customer offering 20% discount on their products. This generated support from customers and was offered with an unlimited expiration date. This solution enabled the company to cover the fixed costs and provided financial security in the midst

of the pandemic. In the first wave of coronavirus, they issued bonds to the total amount of 200 000 Kč and they decided to continue even in the second wave.



Figure 21: Punktopisy (Source: Instagram Punkt cafe)

2.7.2 Nāplavka Hradec Králové

As the representative of the company with an active approach from Hradec Králové I decided to choose Nāplavka. Nāplavka is bistro, café and music bar. The company created a membership program called Coruny which persuaded customers to spend and order more by offering a discount. On the Figure 23 can be seen marketing promotion of the company's Instagram profile connected with membership program Coruny together with description how does the program work.

The principle of the program “Sbírejte s námi Coruny” is that for each spend of 100 Kč the customer would receive a sticker for a collection card. Each sticker on the card represented 10 Kč discount from an order created between 15:00 - 21:00hrs. The number of stickers which customers can apply to an order is not limited so it is possible to accumulate enough stickers to pay for an entire order. The membership program “Sbírejte s námi Coruny” is valid until further notice or until the end of the pandemic situation, it

has proven to be popular among Nāplavka's customers and may be considered a successful strategy. The next active step forward was made for the support of key workers such as paramedics, firefighters and police of Hradec Králové. These groups were offered 30% discount on all orders and free delivery service to their workplace within the city. The discount is valid for the same time as the membership program, until further notice or until the end of the pandemic.



Figure 22: Membership program Coruny (Source: Instagram Nāplavka HK)

2.7.3 Férová palačinkárna

Férová Palačinkárna adapted to the pandemic by creating a sales window for customers. The range of products and ingredients is more limited than before, but there is still a range of options for people with specific needs, such as gluten free or vegan. During the winter Palačinkárna baked traditional Christmas Czech cookies and customers were able to order a box in advance. Palačinkárna decided to continue with the Christmas baking tradition because the cookies were popular among customers in the previous year. This initiative created additional income for the company. Palačinkárna decided to restrict its opening hours and to close on Saturday. The business initiated a proactive approach to start a delivery service within Hradec Králové, but the promotion was insufficient and had a low reach of customers.

Unfortunately, Férová Palačinkárna did not participate in the delivery platform Dáme jídlo yet because it was not needed before. There was not enough capacity and space to serve all customers inside Palačinkárna together with orders from platform Dáme jídlo when there was a normal non-pandemic situation in the past. It had the potential to create higher demand and increase the number of orders in conjunction with creating an added level of online visibility on a different platform.

At this time the only way to sell and buy Palačinkárna's products is through the sales window, to pick it up personally, or customers can call the café and collect the order at a specified time. Palačinkárna decided to provide all takeaway boxes for free until the end of the pandemic situation. On the Figure 25 can be seen announcement on Instagram profile about starting delivery service, with the minimal order amount of 200 Kč, for free in Hradec Králové.



Figure 23: Delivery service announcement (Source: Instagram Férová palačinkárna)

2.8 SWOT analysis

Based on the performed analyzes and their results, a SWOT analysis has been assembled which reveals the strengths and weaknesses of the company and its opportunities and threats.

2.8.1 Strengths

The analysis revealed seven strengths of Férová Palačinkárna, these are 1) the capacity to cater to dietary needs, 2) actively supports local producers, 3) the sole vendor of bespoke pancakes, 4) convenient location, 5) child friendly environment, 6) rental space for private and public events, 7) full menu in English language.

The greatest strength of Férová Palačinkárna is the provision of a wide range of products and ingredients suitable for vegetarians, vegans and people with gluten and lactose intolerance. As added value, Palačinkárna offers the possibility of assembling a pancake according to specific needs or allergies which gives the product variety and easy to serve more customers.

The focus on local ingredients and products, together with the support of small local businesses is another strength of Férová Palačinkárna. More about the concrete ingredients and products was mentioned above in the chapter 2.4.1 Porter analysis, subchapter Suppliers.

Yet another strength of the Férová Palačinkárna is its main product - pancakes. There is no other company which offers homemade pancakes from local ingredients and moreover from two types of batter, classic wheat batter and gluten and lactose-free buckwheat batter. Pancakes are prepared like French crepes, they are thin, hand poured on the pancake grill where the batter is baked at 200° C and ready to fill in less than 5 minutes.

Location is a further strength of the company. Férová Palačinkárna is located right in the city center of Hradec Králové, on Masaryk's square, its easily reachable by car or by public transport. A great advantage is its proximity to schools. There is kindergarten, elementary school, secondary language school and grammar school in the neighborhood.

Space adapted for small children is another strength of Férová Palačinkárna. It provides toys, a drawing table and a small exhibition of artworks from children and their families. There is a small library with books for children and adults. This space is what makes Palačinkárna family friendly, it is well known in Hradec Králové. That is proved by the fact that mothers on maternity leave and young families are the largest portion of Palačinkárna's customers.

A further strength of the company are the events for customers which Palačinkárna holds. These events are popular among current customers, as well as people living in the center of Hradec Králové. Before the pandemic, Palačinkárna presented a clothing bazar, and pancake cooking workshops in the open kitchen. For the fifth birthday of Palačinkárna, there was a program with local bands, an anniversary cake (see Figure 26) for customers and visitors and finger painting for children.

Full menu in English language, the story behind Férová Palačinkárna included, is another strength of the company. Palačinkárna wants to serve international customers, especially foreign students from the University of Hradec Králové and that is why there is a possibility to read a full menu in the English language online on the business web page or in the branch in a paper version. Both online and offline menus include the story behind the establishment of the company, focus on local production and ingredients together with an ecological policy of Férová Palačinkárna.



Figure 24: Anniversary cake for customers (Source: Instagram Férová palačinkárna)

2.8.2 Weaknesses

According to performed analysis, four weaknesses of the company were discovered. These are 1) insufficient staff training connected with coffee, 2) no given measures of each ingredient, 3) ineffective delivery service promotion, 4) does not accept meal vouchers.

One of the greatest weaknesses of Férová Palačinkárna is insufficient staff training in the field of latté art and general coffee knowledge. Even though the principal product is pancakes, the second best-selling product is coffee. Férová Palačinkárna is the only café in Hradec Králové which sells coffee beans from the family coffee roastery Mamacoffee. Palačinkárna would be advised to focus on training staff in coffee preparation and serving. The café could perhaps invite a specialist from Mamacoffee to deliver a workshop in latté art which nowadays is standard in cafes serving high-quality coffee.

Another weakness of the company involves pancake preparation and the quantity of ingredients. There are no given measures for each ingredient used in each pancake. The result is a different stuffed pancake depending on who prepared it. This can lead to a decrease in profit margins. The quality of pancakes could be standardized with regular measures established for ingredients used.

The third weakness of Férová Palačinkárna was an ineffective delivery service promotion on the social media platforms of Facebook and Instagram during the pandemic. The situation required speedy adaptation of services for businesses to thrive and survive. The café failed to invest in paid advertising or announcements on social media. Instead, they created a post about delivery service which reached too few followers and was cancelled after one month from the social media accounts.

Not accepting meal vouchers is another weakness of the company. Many customers are asking if the company accept meal vouchers because it is very common in restaurants or canteens. As the owner of Férová Palačinkárna, Martina Telecká says, she does not want to change it because it is a complicated process of paperwork together with many different companies issuing meal vouchers in different price values. She prefers payment by cash or card, as it is the fastest process of gaining money.

2.8.3 Opportunities

The analysis revealed two opportunities, these are 1) Dáme jídlo platform, 2) weekend brunch box.

The greatest opportunity for Férová Palačinkárna would be to join the Dáme jídlo platform. Dáme jídlo platform is well-known among people in Hradec Králové and it unites many restaurants on one platform. Dáme jídlo platform operates in wider city center which means there is an opportunity to serve more customers together with stable delivery price which Dáme jídlo offers for their platform users. This would increase exposure and generate orders in the pandemic situation, which in turn would cover all fixed costs.

Another opportunity could be to create brunch orders for collection at weekends. Presently, Férová Palačinkárna is closed on Sundays, but working for a few short hours would be enough to achieve this aim. In this time, there is only one company in Hradec Králové which is offering special brunch menu for weekends. It is the Eggsit caffè, the company located close by Férová Palačinkárna. Due to this fact, I see a huge opportunity in starting the new service - brunch boxes. The brunch box could be ordered in advance and collected at an agreed from the sales window. Brunch boxes could be an opportunity for the company to creatively engage customers at home by preparing or serving the meal. This could generate extra income during the pandemic. It is a novel idea that could be thematically modified each weekend. There could be special brunch theme such as pancakes and memories connected to childhood, a romantic brunch for Valentine's Day including bottle of wine, thematically selected ingredients typical of different countries, brunch for example from Italy or Greece.

2.8.4 Threats

Analysis further discovers two threats for the company, these are 1) Coronavirus limitations, 2) change in ownership of the premises.

The greatest threat to the business is the Coronavirus pandemic and its limitations. It has not only affected food businesses but the entire economy of the Czech Republic. The lack of movement of the population due to health and safety measures has resulted in a decline

in sales volume. For the time being there are no external events for Férová Palačinkárna to participate in which has led to a loss of additional income for the company.

A further threat to Férová Palačinkárna would be a change in ownership of the building in which Palačinkárna located. Presently, the building is owned by someone that inherited it. Currently the rent is low in comparison to rent in nearby buildings or restaurants of a similar size. If the building was sold, the rent could increase to twice as much as it is now.

2.8.5 Summary of SWOT analysis

Based on all performed analysis above, the SWOT analysis is created. The table below shows the summary of Strengths, Weaknesses, Opportunities and Threats of the company Férová Palačinkárna.

Table 5: SWOT analysis summary (Own processing)

SWOT analysis	
Strengths	Weaknesses
S1: The capacity to cater the dietary needs S2: Focus on local production S3: The sole vendor of pancakes S4: Location S5: Child friendly environment S6: Rental space for private and public events S7: Full menu in English language	W1: Insufficient staff training connected with coffee W2: No given measures for each ingredient W3: Ineffective delivery service promotion W4: Does not accept meal vouchers
Opportunities	Threats
O1: Dáme jídlo cooperation O2: Weekend brunch boxes	T1: Coronavirus limitations T2: Change in ownership of the premises

Nowadays is the company Férová Palačinkárna facing coronavirus pandemic limitations such as closed interior of café, take away is the only option for customers and there are no external events or events held by the company. All of these restrictions lead to lower number of customers and orders together with lower income for the company.

The greatest opportunity for Palačinkárna to start cooperation with Dáme jídlo platform. This cooperation is the solution to two problems at once. Firstly, the company's ineffective delivery service was promoted. Secondly, the ability to serve more customers, even in wider city center, together with a well-known stable delivery service made by the company Dáme jídlo. These orders from the platform would cover all fixed costs and would help Férová Palačinkárna to overcome the pandemic situation.

One of the strengths of Férová Palačinkárna is organizing events for customers. Before the pandemic, Palačinkárna presented many events which were popular among current customers, as well as people living in the city center of Hradec Králové. I would like to develop this strength further in the third section of my bachelor thesis. I would like to provide more events held by Férová Palačinkárna which can lead to improvements in marketing communication with a focus on the visibility of the company together with their customers.

3 PROPOSAL SUGGESTIONS

This chapter provides proposals for extending the marketing communication of the café Férová Palačinkárna which operates in Hradec Králové. Férová Palačinkárna is dealing with the coronavirus pandemic situation which involves newly imposed restrictions and regulations issued by the government.

One of the strengths of the café presented in the SWOT analysis are the events for customers held by Palačinkárna. Before the pandemic, it hosted events which were popular both with current customers, and people living in the center of Hradec Králové. One of the most popular events was the celebration of the fifth birthday of Palačinkárna in May 2020. I would like to take an advantage of this strength and develop more events, to serve more potential customers.

I believe that people would be interested in events because the pandemic has lasted for more than 13 months, and people are missing social contact. Palačinkárna's fifth birthday was organised after three months of closure of the café premises due to the first wave of corona virus. The celebration on 25th May 2020 was the first day that interior spaces and summer gardens were able to open for customers. This event was very successful for both the proprietor and the customers.

I would like to suggest proposals for new offline marketing events which can be held by the café. Suggested events will be designed for the period immediately after the pandemic restrictions are lifted, this means that the company will be able to prepare in advance to ensure the return of customers and to generate new clientele. The intention is to make the café a lively social hub after a long period without personal interaction on the premises and with no outside events.

The pandemic has not only affected Palačinkárna, but also the small businesses which it cooperates with. It is my intention to involve these local companies, to support them and mediate personal contact with events' visitors.

From previous experience, the cooperation with companies mentioned as participants on events, we know that both Férová Palačinkárna and participants will not charge rent or fees for participation. This factor makes it is possible to organize all events without an entry fee for visitors which makes it more accessible to everyone.

In this chapter, I will suggest four events for the café Férová Palačinkárna. These events are 1) Bye School, Hello Holidays, 2) International Pancakes Day, 3) Bake with Férová Palačinkárna and 4) Local Food Festival and Clothing Bazaar. This chapter will also provide the possible extension of Férová Palačinkárna's service - Sunday Brunch Boxes.

The leaflet or poster design will be attached to each event description together with a proposal of online marketing communication on Palačinkárna's social media, that is, Facebook and Instagram. There will be also described offline part of the promotion. At the end of the chapter, there will be presented a time schedule of proposed activities connected with events organization process.

3.1 Bye School, Hello Holidays!

Event called Bye School, Hello Holidays is a celebration of the end of (online) school year and welcoming summer holidays. The event will take place at the end of June, probably during a weekend. The event will target school children and their families and friends. There will be an all-day programme. It will start at 1pm and formally end at 6 pm. In Figure 25 you can see design of the leaflet which will be a two-sided, using company green color. The leaflet is giving more details of the programme such as DIY pancakes and live music at the end of the event Hello School, Bye Holidays.



Figure 25: Bye School, Hello Holidays leaflet (Source: www.canva.com, Own processing)

Bye School, Hello Holidays will be a summer event with four special promotions. Firstly, Kunětická Zmrzlina, will sell local artisanal ice cream with specially created flavours for the event. Secondly, Cider magnetic apple which has cooperated with Palačinkárna for four years will offer a variety of ciders made from Czech apples and pears. Thirdly, Dorty.s, which belongs an employee of Férová Palačinkárna will be promoting birthday cakes, cheesecakes and traditional Czech sourdough buns. This produce is popular with customers of Férová Palačinkárna. The homemade sweets will be available to buy on the day. The last participant will be a local company Makronky Malý princ. The company offers many interesting flavors of French macarons such as matcha tea, salted caramel, cinnamon and many others.

The event will start at 1 pm with a two-hour block of do-it-yourself pancakes. Visitors will have the opportunity to prepare their own sweet pancake in Palačinkárna's open kitchen with the assistance of an employee. Guests can fill each pancake with different sweet ingredients and fresh fruit. The next activity is chalk painting for children, from 2-4pm. Férová palačinkárna is located on Masaryk's square where it is possible to draw outside with chalk. Chalks will be provided by Palačinkárna free of charge. At the end of the session, a prize will be given for the best chalk drawing. For the final part of the program there will be a concert of student bands from Hradec Králové, they will be able to register their band in Palačinkárna in advance.

The marketing promotion of Bye School, Hello Holidays will be both online and offline to reach as many visitors as possible.

The online marketing promotion will consist of promotion on Palačinkárna's Instagram profile and the Facebook page. To reach as many visitors as possible, on Facebook page will be created seven days paid advertisement, shared also on Instagram profile. Figure 26 presents two options of the investment 200 Kč and 300 Kč and their different reach result according to the price. The audience targeting is set for the age 18 to 50 years old people who are living in Hradec Králové. According to the theme of the event, the audience target was chosen to catch mainly students, their friends and families.

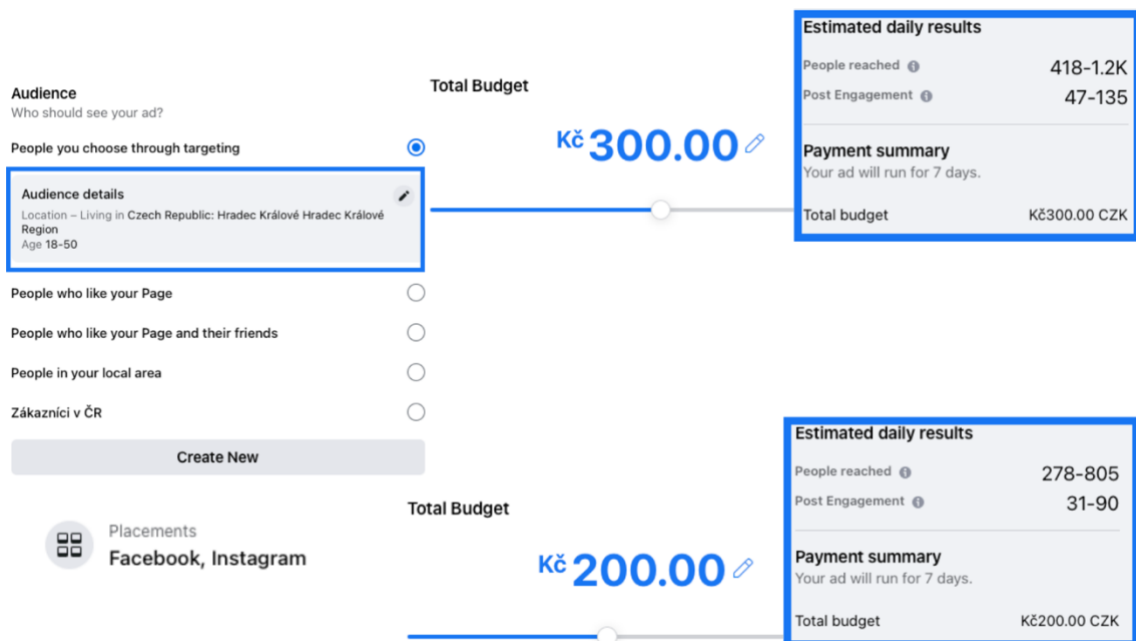


Figure 26: School event - paid promotion (Source: Facebook Férová Palačinkárna, Own processing)

The company's Instagram profile will serve as a platform for introducing the program and participants of the event - Cider Magnetic Apple, Dorty.s and Makronky Malý Princ. Offline promotion will be with double-sided printed leaflets, to be distributed in shops in the locality, posters will be placed in Férová Palačinkárna. A Facebook event page will be created with the location, description and timings. A digital version of the leaflet will be used as part of the promotion. The Facebook event page will indicate how many people would like to attend and how many people are interested in the event. Palačinkárna may also communicate with visitors and answer any questions.

The offline marketing promotion will consist of leaflets and posters which are presented in Figure 25 above. Size A6, double-sided leaflets will be distributed in the closest shops, often the employees of these shops are Palačinkárna's customers, which in effect creates an atmosphere of reciprocity for placing leaflets. The shops are Haberdashery on Masaryk's square, the organic shop Zdravíčko, Textile House second-hand shop, organic groceries Bazalka and cosmetics shop Bodybasic. The leaflets will be distributed to customers of Férová Palačinkárna at the cash desk and on each table in the café premises. In Palačinkárna there will be also posters announcing the event. A3 posters of the same design as the leaflets will be placed on the door and on the window on the side street.

Ten, A6, double-sided leaflets will be distributed to each shop, that is, fifty leaflets. The café has seven tables, three leaflets per table, together with leaflets placed at the cash desk. The total is one hundred printed double-sided leaflets. Four leaflets can be made from one sheet of A4 paper. The posters will not be double-sided, so each poster has two papers, in total four papers for two posters placed in Palačinkárna. Table 6 shows the costs of printing leaflets and posters for the event Bye School, Hello Holidays. High quality photographic paper will be used for brighter colors and sharpness.

Table 6: Printing costs - Bye School, Hello Holidays! (Source: www.centralcopy.cz, Own processing)

Printing costs - Central Copy Hradec Králové			
Type	Quantity	Price per unit	Total price
Both-sided leaflet A6	25x A4 (= 100 leaflets)	34 Kč	850 Kč
Poster A3	4x	120 Kč	480 Kč
Total price			1 330 Kč

3.2 International Pancakes Day

The second proposed event is International Pancakes Day. The event will start on February 28, 2022, which is International Pancakes Day and will continue until March 5, 2022. The event celebrates pancakes and crumpets and introduces a special price menu with new flavors and ingredients. Figure 27 illustrates the design for the poster which shows a stack of pancakes with cream and blueberries, plus it provides information on the duration and location of the event.



Figure 27: International Pancakes Day poster (Source: www.canva.com, Own processing)

The pancakes can be made from wheat or buckwheat batter with three special options of pancakes to choose from. Firstly, a vegan sweet pancake with Oreo cookies, secondly, with homemade apple or pear jam, and thirdly, a savory filling with guacamole. The crumpets will have two special options, again with a choice of two types of batter. Firstly, the iconic American combination of maple syrup and bacon, secondly, with Lotus cookies. The full menu description, together with pricing can be seen on Figure 28 below.

There will be a special discount for the international pancake menu. When a customer chooses pancake or crumpets, they will receive 10 Kč discount for any coffee or tea from fresh mint or ginger.

Usually, customers can only order crumpets until 11 am because crumpets in Palačinkárna are served as a brunch option. During the International Pancakes event, customers will be able to order crumpets all day, without time limitations.

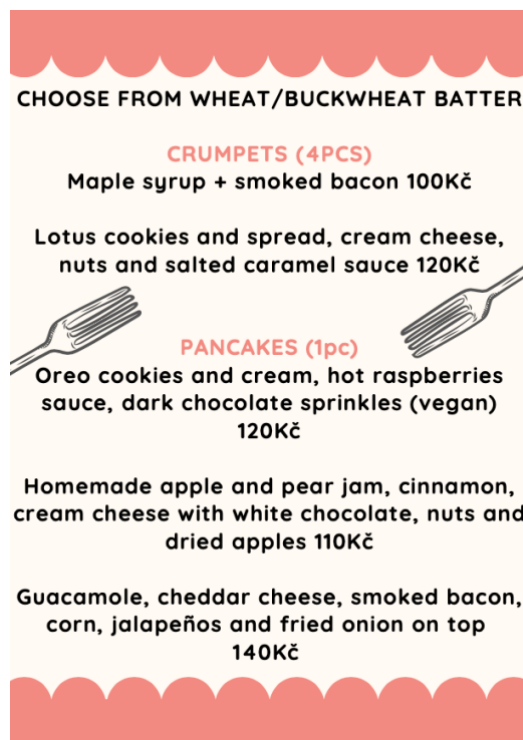


Figure 28: International pacakes celebration menu (Source: www.canva.com, Own processing)

The International Pancake Day celebrations will be promoted both online and offline, to have the maximum reach. The online promotion will be visible on Palačinkárna's social media, that is, Instagram and Facebook as well as the company's business page. The offline promotion will consist of a poster and leaflets placed in Férová Palačinkárna.

Palačinkárna's Instagram profile will show Instagram stories of the menu, together with prices and photos of each option, so customers know what to anticipate. This introduction will take five days, each day in advance of the event followers will be presented with a description of each meal on the menu. The leaflet with a menu on Fig. 28 can be posted on Instagram together with more details of the event and special offers.

Férová Palačinkárna's Instagram and Facebook are interconnected, showing the same posts on Facebook as the Instagram profile. In addition, a Facebook event page will be created using the digital menu and prices (Fig. 28). It is possible to create a one-week event on Facebook divided into separate days, followers can click on their day of choice and Palačinkárna can see, how many people will attend or are interested in the event per day of the International Pancake celebration. Palačinkárna can communicate with customers and answer their questions about the event or menu.

During International Pancake Day celebrations there will be no special lunch offer of the week. This International Pancake menu will be posted in the section "Offer of the week" on Palačinkárna's business page, so customers can see the menu together with prices and photos. Customers will be able to download the menu.

The offline communication with customers will be an A3 poster (see Fig. 27 above) stuck on the entrance door, that will be visible from the street. A6 leaflets in the same design will be printed and placed at the cash desk one week in advance of the event. On the first day of the event the special menu leaflets will be placed on each table for the customers convenience. See Figure 28 for the menu contents and design.

Table 7 shows menu and poster printing costs, for International Pancakes Day. Prices are calculated according to the prices of Central Copy Hradec Králové.

Table 7: Printing costs - International Pancakes Day (Source: www.centralcopy.cz, Own processing)

Printing costs - Central Copy Hradec Králové			
Type	Quantity	Price per unit	Total price
Leaflet A6	5x A4 (= 20 leaflets)	17 Kč	85 Kč
Leaflet menu A5	25x A4 (= 50 leaflets)	17 Kč	425 Kč
Poster A3	1x	120 Kč	120 Kč
Total price			630 Kč

3.3 Bake with Férová Palačinkárna

The third event will be Bake with Férová Palačinkárna. The date is flexible and to be decided by Palačinkárna though, I suggest a Saturday because of shorter opening hours from 11 am until 6 pm. The purpose of this event is to raise the profile of the café by opening the kitchen to customers, so that they can have fun and experience pancake preparation and use the machine used for the preparation.

Photographs will be generated for online publicity. This event will have special hashtag #bakewithFP which can be used on Palačinkárna's Facebook and Instagram. At the beginning of the event, this hashtag will be introduced to visitors, to use with their photos as the part of event competition. At the end of the event a winner will be chosen and awarded a gift voucher of 250 Kč to spend in Férová Palačinkárna.

Wheat and buckwheat batter will be available as well as any necessary equipment. Customers will be able to choose from a variety of sweet fillings, some of which will be suitable for vegetarians or vegans. Customers can use the company's aprons and take photos of the event to be shared online.

The price of the batter will be reduced to encourage more visitors to try it for themselves. The usual price of the sweet pancake batter is 35 Kč, for this event, it will be reduced to 25 Kč, but the price of fillings will stay the same. That means that there is a fixed price for the batter, but the final price is up to the customers depending on the quantities of ingredients used.

Promotion of the Bake with Us event will be online and offline.

The poster design for online promotion can be seen in Figure 29, it has two images, one showing the raw ingredients of the pancake and the other showing the finished product. It also uses the café's logo. This poster will be shared on Palačinkárna's social media, that is, Instagram and Facebook. The online promotion of this event will start just a few days before the event because Palačinkárna has limited space and seating. The purpose of this event is not to attract as many visitors as possible but to create an intimate and friendly atmosphere with staff and to generate positive publicity photos.

The poster will be used on the Instagram profile, together with Instagram stories and details of the event. Férová Palačinkárna's Instagram and Facebook are interconnected,

showing the same posts on Facebook as the Instagram profile. The offline will have an A2 poster on the door (Fig. 29) and a second poster in the same design but size A3 will be placed on the window to the neighboring street. Posters will be placed the day before the Bake with Us event starts. As mentioned above, this event is not meant to attract as many visitors as possible, but to create a friendly atmosphere and generate photographs for online use. No leaflets will be distributed in surrounding shops or placed in Palačinkárna in advance.



Figure 29: Bake with us! poster (Source: www.canva.com, Own processing)

Posters will be printed on thicker paper, which is still high quality but at a lower price than photographic paper used for poster printing for previous events. All posters will be printed by Central Copy, Hradec Králové. Table 8 below shows printing costs for the A3 and A2 color posters.

Table 8: Printing costs - Bake with us! (Source: www.centralcopy.cz, Own processing)

Printing costs - Central Copy Hradec Králové			
Type	Quantity	Price per unit	Total price
Poster A3	1x	50 Kč	50 Kč
Poster A2	1x	100 Kč	100 Kč
Total price			150 Kč

3.4 Local food festival and clothing bazaar

The final event proposal is a Local food festival and clothing bazaar. This outdoor event is ideal for a Sunday in September as summer changes to autumn. The event will promote small, local food businesses. It is hoped that the pandemic restrictions will not apply by September so that it will be possible for Palačinkárna to organize an open-air event in the heart of the city Hradec Králové, on Masaryk's square. As the event will be held outside, there are no space limitations for stall holders.

In addition to the local food festival, there will be a clothing bazaar prepared by the employees of Férová Palačinkárna who will sell clothing and accessories to visitors.

The event will start at 10 am. Food will be served by Palačinkárna and local companies until sold out.

Stall holders will be producers such as Marmelády od tetičky, Monamy Pardubice, Gingerrr Beer, Cider Magnetic Apple, Miletínské modlitbičky, Dorty.s, Macarons by Malý princ. If the weather is warm enough it is hoped that it will be possible to invite local artisan ice cream Kunětická zmrzka. All the above producers cooperate with Palačinkárna and they will prepare special offers and products for this event. The event aims to increase the visibility and awareness of small local food producers as well as the café.

The leaflet design for the Local Food Festival can be seen in Figure 30. It has an autumnal theme, stating the companies that will participate and the location of the event.



Figure 30: Local food festival leaflet (Source: www.canva.com, Own processing)

The Local Food Festival will be promoted online on Instagram and Facebook, using the leaflet in digital format to share details of the event (Fig. 30). There will be daily posts in advance to introduce local vendors and their homemade products together with Instagram stories sharing photos of unique clothing pieces available from the clothing bazaar.

Facebook will share the same posts to introduce local vendors. Moreover, there will be an online Facebook event created with a detailed description and space for answering questions from potential visitors. The online publicity will use a digital poster seen in Figure 32, this will also be printed for offline promotion. The online publicity will broaden the reach to attract as many visitors as possible, as well as monitor how many people would like to attend or how many are interested in the event.

To reach as many visitors as possible, on the Facebook page will be created seven days paid advertisement, shared also on company's Instagram profile. Figure 31 presents two options of the investment 200 Kč and 300 Kč and their different audience reach result according to the price. The audience targeting was set for the wide age group 18 to 65 years old people living in Hradec Králové to catch attention of as many people as possible.

Audience
Who should see your ad?

People you choose through targeting

Audience details
Location – Living in Czech Republic: Hradec Králové Hradec Králové
Region
Age 18-65+

People who like your Page
People who like your Page and their friends
People in your local area
Zákazníci v ČR

Create New

Placements
Facebook, Instagram

Total Budget
Kč **300.00**

Estimated daily results
People reached 393-1.1K
Post Engagement 49-143
Payment summary
Your ad will run for 7 days.
Total budget Kč300.00 CZK

Total Budget
Kč **200.00**

Estimated daily results
People reached 262-757
Post Engagement 33-95
Payment summary
Your ad will run for 7 days.
Total budget Kč200.00 CZK

Figure 31: Festival event - paid promotion (Source: Facebook Férová Palačinkárna, Own processing)

The offline promotion will consist of size A6 leaflets (Fig. 30) which will be distributed to the five closest shops located around Masaryk's square. Each shop will receive ten leaflets. Leaflets will also be distributed to customers in Férová Palačinkárna. There will be two leaflets per table and more will be placed at the cash desk. Further, there will be two A3 size posters (see Fig. 32). One for the entrance door, the second one for the window to the neighbouring street. To attract as many people as possible, leaflets and posters will be distributed sufficiently in advance of the event.



Figure 32: Local food festival poster (Source: www.canva.com, Own processing)

Printing costs are presented in table 9. There will be one hundred A6 leaflets and two A3 posters printed on high-quality photographic paper.

Table 9: Printing costs - Local food festival (Source: www.centralcopy.cz, Own processing)

Printing costs - Central Copy Hradec Králové			
Type	Quantity	Price per unit	Total price
Leaflet A6	25x A4 (= 100 leaflets)	17 Kč	425 Kč
Poster A3	2x	120 Kč	240 Kč
Total price			665 Kč

3.5 Sunday Brunch boxes

The final suggestion is to expand the services offered by Palačinkárna. This would be to make provision to make online orders of themed brunch boxes. The outcome of the SWOT analysis revealed that this is an opportunity for the company. Although the café is usually closed on Sundays it would be an appropriate day for brunch preparation for customers to use as a click and collect service. This new service would generate extra income for Palačinkárna together with a creative engagement with customers at home by

preparing or serving the brunch. The brunch box themes could be modified each Sunday, offering customers variety and fresh culinary experiences.

An advantage of brunch boxes is that should the pandemic situation continue, boxes can be introduced online and they would serve as extra income for the company when only the sales window is in use and the interior of the café is closed due to government restrictions.

The online promotion will take place on Palačinkárna's social media, that is, Instagram and Facebook. Figure 33 represents the design of the first post suitable for social media.

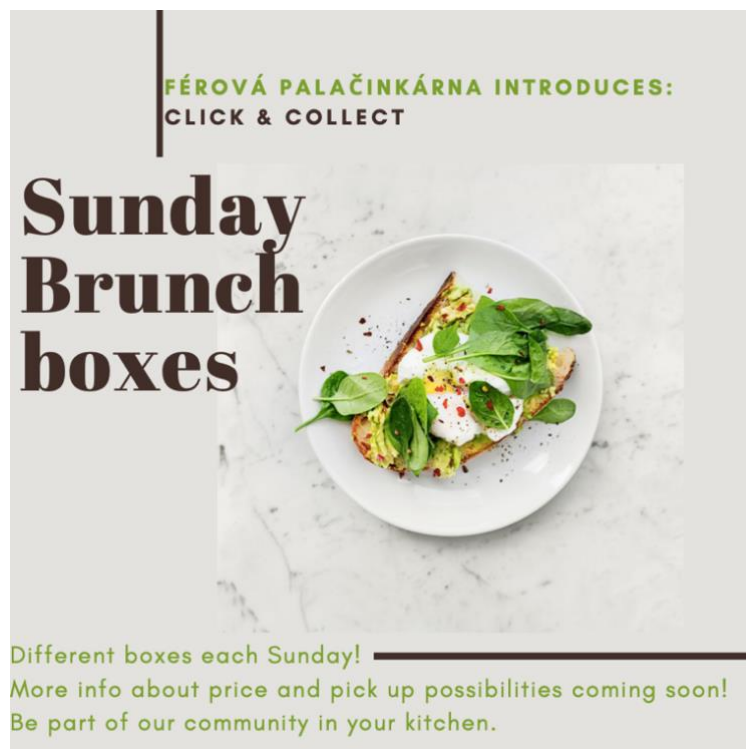


Figure 33: Social media post - Brunch boxes (Source: www.canva.com, Own processing)

The first post on Palačinkárna's social media will introduce the new click and collect service, with pricing and menu details.

The online promotion of weekend brunch boxes will show photos of the brunch box in advance, enabling customers to see exactly what they are buying and the prices. A monthly schedule of Sunday brunch themes will be prepared. This schedule will be uploaded on Palačinkárna's social media on the first day of each month for the customer to choose from.

Customers can select how many people the box will be for, although the prices online will always be for brunch box per person. Each brunch box will contain one cold drink such as fresh juice, homemade lemonade, iced tea or sparkling bottled lemonade. One hot drink such as coffee, fresh tea from mint or ginger, hot cocoa or chai latté. According to the theme of the brunch, there will be an appetizer or homemade soup. The most important element of weekend brunch boxes are pancakes or crumpets from pre-selected wheat or buckwheat batter. Table 10 presents the approximate pricing of this new service. Of course, that the prices in this table, serves as an estimation only, the real price of Brunch boxes must be counted according to the theme of brunch and used ingredients, expected costs and margin on all products from the box. Variability of brunch boxes means that each brunch can have a different price according to the theme of the box. Table 10 is also presenting purchase and selling price, the difference between is the company's margin on each part of the box.

Table 10: Brunch box example (Own processing)

Brunch box menu	Purchase price	Selling price	Margin
Cold drink - fresh juice/homemade lemonade/iced tea 0,5l	30 Kč	60 Kč	30 Kč
Cold drink - bottled lemonade 0,33l	30 Kč	55 Kč	25 Kč
Hot drink - cappuccino/latté/hot cocoa/chai latté 0,35l	20 Kč	60 Kč	40 Kč
Hot drink - fresh tea from mint/ginger + honey 0,35l	20 Kč	50 Kč	30 Kč
Appetizer/homemade soup	25 Kč	50 Kč	25 Kč
Crumpets - wheat/buckwheat 4pcs	60 Kč	100 Kč	40 Kč
Sweet pancake - wheat/buckwheat 1pc	50 Kč	90 Kč	40 Kč
Savory pancake - wheat/buckwheat 1pc	70 Kč	120 Kč	50 Kč
Packaging: Cutlery, paper and thermo boxes, napkins, cups	50 Kč	50 Kč	-
Total pricing for one brunch box (all drinks and meals included)	355 Kč	635 Kč	280 Kč

Table 11 is showing an example of one brunch box order for two people, how it can look like. Customers can choose what they want from the menu and according to that is the final price of the brunch box calculated.

Table 11: Brunch box order example (Own processing)

Brunch box menu	Brunch box order example	Selling price	Margin
Cold drink - fresh juice/homemade lemonade/iced tea 0,5l	1x	60 Kč	30 Kč
Cold drink - bottled lemonade 0,33l	1x	55 Kč	25 Kč
Hot drink - cappuccino/latté/hot cocoa/chai latté 0,35l	2x	60 Kč	40 Kč
Hot drink - fresh tea from mint/ginger + honey 0,35l	-	50 Kč	-
Appetizer/homemade soup	2x	50 Kč	25 Kč
Crumpets - wheat/buckwheat 4pcs	1x	100 Kč	40 Kč
Sweet pancake - wheat/buckwheat 1pc	-	90 Kč	-
Savory pancake - wheat/buckwheat 1pc	1x	120 Kč	50 Kč
Packaging - cutlery, paper and thermo boxes, napkins, cups	1x	50 Kč	-
Total		605 Kč	275 Kč

Themes of weekend brunch boxes can be modified according to the season to coincide with such events as St. Valentine's Day, International Woman's Day or International Children's Day. They can also offer themes from cuisines around the world.

It will only be possible to make orders online via direct message or social media, but it will be possible to do this a few days in advance. There will not be a possibility to pick up brunch box without reservation in advance. This will enable Palačinkárna to know exactly how many boxes to prepare for Sunday pick-ups.

3.6 Time schedule of events

I decided to prepare detailed tasks time schedule for events International pancakes' day celebration and for the Local Food Festival and Clothing bazaar. The organization of two other events would look very similar in the case of event's preparation, online and offline promotion. I also prepared an organizational time frame for the new service provided by Férová Palačinkárna - Sunday Brunch boxes.

The events presented in previous chapters have been given approximate dates. The only event with a fixed date is International pancakes day on February 28. I suggest that this celebration can be extended to one week to maximise the number of customers trying a special event menu. Table 12 presents all tasks connected with the International pancakes' day celebration organization and the proposed time frame for each of the task. Tasks are divided into three main parts 1) printing materials, 2) offline promotion and 3) online promotion.

Table 12: International Pancakes organization (Own processing)

EVENT	INTERNATIONAL PANCAKES CELEBRATION	2022	Mo	Tue	Wed	Thu	Fri	Sat	Sun
TASKS	Event duration	February		1	2	3	4	5	6
	Printing - event leaflets and posters		7	8	9	10	11	12	13
	Offline promotion - hanging posters, leaflets on tables		14	15	16	17	18	19	20
	Online promotion - Instagram, Facebook - photos, info		21	22	23	24	25	26	27
	Online promotion - Business page - event menu upload		28						
		March		1	2	3	4	5	6
			7	8	9	10	11	12	13
			14	15	16	17	18	19	20
			21	22	23	24	25	26	27
			28	29	30	31			

Bake with Férová Palačinkárna could be held on any Saturday, because of the shorter opening hours and on Sunday the café is closed, allowing extra time for cleaning after the event. The company would select which Saturday to use for the event. Hello School, Bye Holidays celebrates the end of (the online) school year and the beginning of the summer holidays, I suggest that Friday, June 25 would be best.

The Local Food Festival celebrates the beginning of autumn, the dates are flexible but perhaps Friday, September 24 would be ideal. In table 13 you can see all tasks connected with the preparation of this event. An important task for this event is the announcement at the City hall in advance of the event, together with contacting possible vendors and participants of the event. An inseparable part of the event organization process is the

meeting with Palačinkárna's owner and employees to prepare shifts and get ready for the day of the event.

Table 13: Local Food Festival organization (Own processing)

EVENT LOCAL FOOD FESTIVAL		2021	Mo	Tue	Wed	Thu	Fri	Sat	Sun
TASKS	Day of the event - September	July				1	2	3	4
	Event announcement at the City hall - July		5	6	7	8	9	10	11
	Contacting vendors and participants of the event - July		12	13	14	15	16	17	18
	Posters and leaflets printing		19	20	21	22	23	24	25
	Offline promotion - leaflets distribution to shops		26	27	28	29	30	31	
	Offline promotion - leaflets and posters in Férová Palačinkárna				1	2	3	4	5
	Meeting - organization of shifts and event with employees		6	7	8	9	10	11	12
	Online promotion - Instagram, Facebook - announcement of upcoming event	September	13	14	15	16	17	18	19
	Online promotion - Instagram - presentation of participants and program of the event		20	21	22	23	24	25	26
	Online promotion - Facebook - online event creation		27	28	29	30			

Brunch boxes can be collected each Sunday, but Férová Palačinkárna will decide when will this new service will be offered. Table 14 is presenting tasks connected with this service, I suggest starting the first pick up Brunch box on Sunday, September 14. There is a need to organize a meeting before the first brunch box event together with employees who will be responsible for brunch preparation and issuing boxes.

Table 14: Brunch Boxes organization (Own processing)

EVENT SUNDAY BRUNCH BOXES		2021	Mo	Tue	Wed	Thu	Fri	Sat	Sun
TASKS	Event duration - each Sunday in month	September			1	2	3	4	5
	Meeting, menu preparation, tasting		6	7	8	9	10	11	12
	Online promotion - Instagram, Facebook - menu posting - each Monday		13	14	15	16	17	18	19
	Online promotion - Instagram, Facebook - menu photos + pricing		20	21	22	23	24	25	26
	Launch orders - via Instagram, Facebook messages		27	28	29	30			
	Orders completion, pick up schedule								
	Pick up in Férová Palačinkárna 9:00 - 12:00								

All suggested events are listed in Table 15 together with proposed dates, duration, printing and online promotion costs. Optimistically, I believe that the pandemic situation will improve in the second part of 2021 and that it will be possible to organize open-air events with no restrictions, the reality is yet unclear. This uncertainty is why I suggested the brunch box orders because they can be sold even if the pandemic situation lasts longer and it will provide the company with an extra income. These proposed events can at least serve as a foundation for Férová Palačinkárna when the situation changes, and they will be ready to introduce them to current and new customers.

Table 15: Summary of proposed events (Own processing)

Event name	Proposed date	Duration	Printing costs	Promotion costs
Bake with us	Sat. October 2021	One day	150 Kč	-
Sunday Brunch boxes	Starting September 14, 2021	One day	-	-
Hello School, Bye Holidays	June 25, 2022	One day	1 330 Kč	200/300 Kč
Local Food Festival	September 24, 2021	One day	665 Kč	200/300 Kč
International Pancakes Day	February 28, - March 5, 2022	Six days	630 Kč	-

3.7 Summary of proposal suggestions

3.7.1 Service expansion calculation

Due to the instability caused by the pandemic, I proposed a new service which Palačinkárna can begin immediately to increase income even while the premises are closed. The Sunday brunch box could be a profitable opportunity for the company, plus it is simple and straight forward to promote online. In the chapter 3.5 Sunday Brunch boxes was already mentioned possible pricing of this new service, together with company's margin per each item on the menu.

Table 16 is presenting the pricing and margin of one, five and ten brunch boxes' orders. For individual items of brunch box example see table 11 above. Seven days of paid online promotion on Palačinkárna's social media - Facebook and Instagram will cost 100 Kč. It is needed to have one employee present on Sunday morning to help with preparation and issuing orders, the suggestion is five hours, 100 Kč per hour. Table 16 is also presenting different profit for the company while selling five or ten brunch boxes with an illustrative

content example of the box. If would Palačinkárna sell five brunch boxes per Sunday, the profit would be 775 Kč, if ten brunch boxes, the profit would be 2 150 Kč.

Table 16: Brunch box profit example (Own processing)

		Selling price	Margin
Total pricing example	One brunch box order	605 Kč	275 Kč
	Five brunch box orders	3 025 Kč	1 375 Kč
	Ten brunch box orders	6 050 Kč	2 750 Kč
Promotion cost	7 days paid online advertisement (Facebook, Instagram)		100 Kč
Wage cost	5 hours One employee		500 Kč
Company's profit example	Five brunch box orders		775 Kč
	Ten brunch box orders		2 150 Kč

3.7.2 Proposal risks

Most of the risks are now associated with the Corona virus, which restricts organizing events and the number of visitors that can attend. A further risk is associated with the weather as the events will have an outdoor component, it may be necessary to change the dates according to the weather forecast.

3.7.3 Responsibilities

Férová Palačinkárna will have several responsibilities. Firstly, each event must be request permission to use Masaryk's square as the location in advance at the City Hall. Secondly, the online promotion and printing materials need to be prepared in good time to promote the events effectively. For larger events such as Hello School, Bye Holidays and Local Food Festival it may be worth paying for online promotion to ensure the most extensive

reach to potential visitors. The same applies to Sunday brunch boxes, a paid online paid promotion would have a broader reach people to potential new customers.

It is the responsibility of the service manager to create the online promotion of events via social media profiles and to communicate with customers online.

Thirdly, staff meetings will be required to discuss the preparation necessary preparations to ensure that there are suitable quantities of ingredients and extra staff present for each event, to operate efficiently with greater customer numbers.

3.7.1 Proposal suggestions benefits

To summarise, I proposed four events for Férová Palačinkárna to organize which in turn may lead to an extension of their marketing communication in addition to increasing the number of customers. Presently, during the pandemic it is impossible to organize events. Four of the suggestions are proposed for after the pandemic and the aim is that these proposals will help the business to be prepared for future opportunities. The biggest advantage can be seen in service expansion in the form of Sunday Brunch boxes which can generate extra income for Palačinkárna even though premises are closed. Nowadays, in Hradec Králové, there is almost no competition to offer brunch boxes for takeaway. This service expansion can be easily promoted online and lead to increasing number of customers and their orders.

CONCLUSION

The aim of this thesis was to create proposals that would expand the marketing communication of café Férová Palačinkárna, operating in Hradec Králové. The proposed events and the expansion of marketing communication are based on the performed analyses. The intention is that the events should lead to an increase in the awareness of the company together with the retention of existing and the acquisition of new customers.

The thesis is divided into three main sections, theoretical, analytical and proposal suggestions.

The theoretical section focused on explaining the basic terms and definitions connected with marketing, service marketing, marketing mix, communication mix, online communication and marketing trends.

The analytical section examined the characteristics of Férová Palačinkárna, by investigating the company's marketing and communication mix analysis, providing an analysis of macroenvironment and microenvironment of the company. The pandemic situation analysis was also taken into consideration. All the obtained data from the performed analyses were summarized into a SWOT analysis.

Four events were created for the proposal suggestions section, together with their communication strategies for online and offline promotion which could lead to increased awareness of the company and also increase the customer base. In addition, this section contained a proposal for the extension of the company's services. This extension can be implemented to increase Férová Palačinkárna's revenues even if the pandemic situation connected with coronavirus continues.

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