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MARKETING STRATEGY PROPOSAL FOR CHOSEN COMPANY

NÁVRH MARKETINGOVÉ STRATEGIE VYBRANÉ FIRMY

MASTER'S THESIS

DIPLOMOVÁ PRÁCE

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Abstract

The Master's thesis deals with the proposal of the marketing strategy of the selected company. The proposal is a response to the requirements of the start-up company that is mainly involved in software development, wants to expand abroad, and has no marketing experience. In the work, the company's external and internal analysis is evaluated. There is also analysis of the key factors of success and the analysis of the main competitors. The company's internal analysis consists of a 4P marketing mix and a SWOT analysis. The last part of the thesis selects the appropriate strategy for entering the foreign market and analyses in detail the proposals for the marketing mix. A simplified financial plan for the company is also proposed. In the end, there is an evaluation of the benefits of a master's thesis for the company.

Abstrakt

Diplomová práca sa zaoberá návrhom marketingovej stratégie vybranej spoločnosti. Návrh bol realizovaný na základe požiadavok start-up spoločnosti, ktorá sa zaoberá predovšetkým vývojom softvéru, chce expandovať do zahraničia a nemá žiadne skúsenosti s marketingom. V práci je prevedená externá aj interná analýza spoločnosti. Taktiež bola prevedená analýza kľúčových faktorov úspechu a analýza hlavných konkurentov. Interná analýza spoločnosti pozostáva zo 4 P marketingového mixu a SWOT analýzy. Posledná časť práce vyberá vhodnú stratégiu vstupu na zahraničný trh a detailne analyzuje návrhy pre marketingový mix spoločnosti. V práci je taktiež navrhnutý zjednodušený finančný plán. Na konci práce sú zhodnotené prínosy diplomovej práce pre vybranú spoločnosť.

Keywords

marketing, marketing strategy, international marketing, marketing mix, market analysis

Kľúčové slová

marketing, marketingová stratégia, medzinárodný marketing, marketingový mix, analýza trhu

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Statutory declaration

I hereby declare that submitted master thesis is original and I was written it independently.
I also declare that referencing of the source is complete and my thesis did not violate the copyright law, within the meaning of Law No. 121/2000 Sb., on copyright and rights related to copyright.

Brno, 18th of July 2017

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Student's signature

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INTRODUCTION

The industry of financial services represents significant intermediary role in the world economy, specifically focus on the movement of funds from entities with excess funds to those that are, in the contrary, in the significant need for funds. It includes companies, which are engaged in activities including investment, lending, insurance services, securities trading and securities issuance. Their clients are usually characterized as individuals, businesses, non-profit organizations and governmental agencies. Bank deposits represent a source of the capital provided for bank loans. Insurance contracts significantly help in the process of managing risks. Stocks and bonds sales towards investors tend to support the businesses and governmental operations. Moreover, the industry of financial services is taking part in one or more of the following business lines, including banking, insurance, securities brokerage, investment banking and money management, financial planning, Wall Street.

For brokers, cutting-edge technology and complex solutions provide a great competitive advantage. Many software companies are aware of this need and, therefore, have been providing tailored solutions for their customers for years. These include companies with long history, as well as start-up companies that have discovered a gap in the market and want to deliver even better solutions. However, start-up companies (especially those developing software), have one frequently recurring problem: people, who are great developers and programmers, however, lack experience in managing human resources, management, or marketing. When the company decides to enter the foreign market, because the domestic market is prime for it or not attractive, there is also a lack of experience in preparing the strategy.

The international market differs from the domestic market in many factors, including socio-demographic, political, legal, economic, technological or environmental ones. Therefore, thorough analysis of the country is needed. Taking these factors into account is particularly important when a major change in the foreign market is affected, as was the case in the UK last year when the citizens voted for Brexit in the referendum.

Before entering the foreign market, the company must also analyse the sector, analyse competition and choose the appropriate strategy for entering the foreign market. After well-conducted analyses, marketing strategy plays a vital role, which greatly influences customer perception and acceptance of a new product on a target market, and, therefore, needs to be given sufficient space.

The theoretical part of this work is mainly focused on the characteristics of marketing and international marketing, together with approaches towards market entry strategies into the foreign market. SLEPTE analysis, external environment analysis, the use of Porter's Five Forces Framework, the key success factors defined, and the internal analysis using the 4P marketing mix, rely on a theoretical interpretation and are analysed in detail in the analytical section with respect to the sector and Brexit. The analytical part of the thesis is also focused on the identification and brief analysis of the main competitors.

With the intent to point out the importance of a comprehensive marketing strategy for the selected company, based on the analysis of the marketing mix of the company, detailed steps are proposed, highlighting company's communication mix. The proposal part also includes recommendations towards other measures that should help the company in terms of the marketing strategy when entering the foreign market. The timetable and the financial plan are outlined as well.

At the end of the work, the benefits for the company are summarized, whereas some of the suggested steps were gradually implemented within the company during the process of writing.

OBJECTIVES OF THE THESIS

The aim of this Master's thesis is to propose a comprehensive marketing strategy for a selected start-up company.

The first part of the thesis will focus on the theoretical background needed for further analysis. The theory, as well as the whole part of the work, uses the Harvard style of referencing, whereas sources are drawn mainly from literature, scientific articles, and relevant online resources.

The analytical part of the thesis starts with an external analysis of the environment, using the SLEPTE analysis of the UK. Consequently, only relevant information regarding factors have been used for the purpose of this thesis.

Another analysis is the industry analysis, whereas industry overview is closer to the financial services market in the UK. Furthermore, thesis observes the situation on the market after Brexit as well. Industry analysis also deals with the Porter model of the five competitive forces where each force is rated either low, moderate or high, depending on how they affect our business. The other part is the identification and analysis of the main competitors, which was carried out by a brief evaluation of their marketing mix 4 P. The analysis also shows the key success factors that represent the success of the certain industry.

The proposals and contributions part of the work first compares the advantages and disadvantages of the strategies of entering the foreign market and chooses the most suitable one, taking into account the requirements of the company's owner. In the next step, the proposals focus on the 4P marketing mix, whereas the product and the price parameters are not given too much space, due to the fact that product itself is still in the process of development and has not been delivered on the market just yet. The proposals mainly focus on place, namely the selection of a representative office in London and proposal of further expansion. Promotion occupies the greatest space in the thesis, because the company itself admitted that the communication mix is their weakest site and

they need significant adjustments. Based on analyses and comparisons with competitors, individual parts of the communication mix are proposed. The timetable and the budget are also part of the proposals.

The conclusion of this work is devoted to further recommendations, a summary of the benefits of this work and a summary of analyses and proposals.

1 THEORETICAL BASIS OF THE THESIS

The theoretical part of the thesis focuses on the approach of the problems solved in the diploma thesis. Terms such as international marketing, marketing strategy, international business, and entry opportunities to the foreign market are explained and, consequently, provide the basis for further analysis and recommendations.

1.1 Marketing

Word marketing has its roots in word market. In a dictionary, marketing is usually described as a concept of business and manufacturing policy of the company. There are several definitions of marketing, either from distinguished academics' point of view or from the number of renowned institutions or companies. Its difference lays mainly in the different points of view towards the definition of marketing.

According to Kotler (2001), being one of the most recognized marketing experts, marketing can be defined as a social and managerial process through which individuals and groups satisfy their needs and wishes in the process of producing and exchanging products or other values.

Modern and recognized is also the definition adopted by the American Marketing Association (AMA, 2017) describing marketing as a process of planning and a set of processes for creation, promotion and distribution of value to consumers, and creation of consumer relationships in a way that leads to the satisfaction of needs of the organization and its stakeholders. In the same vein, Světlík (1992) describes marketing as a process of management that results in knowledge, anticipation, influence and ultimate satisfaction of the needs and wishes of the customer in an efficient and advantageous manner in order to ensure achievement of the goals of the organization.

Dietrich (Heidi Cohen, 2011), CEO of Arment Dietrich, Inc. characterizes marketing as a branding, naming, pricing, and the bridge between paid and earned media. But not sales. Falkow (Heidi Cohen, 2011) goes even further and perceives marketing as a customer-focused. This shift was possible due to the social media which made that happen.

Marketing itself is then about the knowledge of market, creation of the right product, creation of the desire for that product and letting the right people know about that attributes certain company actually possess and company needs to make sure to inform people it possesses these attributes.

1.2 International marketing

International marketing is characterized as a business philosophy aimed at meeting the needs and wishes of customers in international markets. The goal of the international marketing strategy is creation of maximum value for corporate partners by optimizing corporate resources and finding business opportunities in international markets. Therefore, international marketing can be seen and understood as a business philosophy (the company is oriented on foreign customers and tries to satisfy their needs and wishes better than competitors, while at the same time focuses on building long-term positive relationships that might enhance customer loyalty) and, simultaneously, as a specific company strategy on international markets. Speaking broadly, the company conducts international market's research, develops a strategic marketing plan, and decides about appropriate modes of entry to foreign markets. Moreover, the company provides segmentation, selection of the target foreign market, chooses suitable positioning and conducts international marketing mix (Machková, 2015).

International marketing plays a significant integrating role in successful companies resulting from the need of coordination of international commercial activities, and, simultaneously, from the need of harmonizing the objectives of individual departments, strategic business units, divisions and/or subsidiaries. It is important to understand that, for instance, in case of consumer goods, cost of foreign distribution and marketing are multiple times higher than production costs (Machková, 2015).

International marketing consists of macroeconomic, as well as microeconomic category, which furtherly define marketing technologies. This process is more likely than just definition of international activity on company level. With a closer look, using narrower definition and understanding, it is possible to characterize international marketing as marketing in foreign markets, whereas crucial criterion is the frontier. Synchronously, all

work and processes somehow connected with marketing which are focused on foreign interests in companies, belong to the international marketing sphere (Machková, 2015).

1.3 Marketing strategy

Porter (1998) understands strategy as a way in which the companies' skills, resources, and competencies should create competitive advantage. Synchronously, companies' unique position should be specified and communicated. Therefore, strategy aims to ensure the most effective way of the usage of companies' resources in order to build a distinctive niche strategy that consequently allows companies having an important competitive advantage over its competitors and rivals on the market.

To choose an appropriate marketing strategy is an essential step for each company and organization. Bovée and Thill (1992) state that marketing strategy can be seen as a part of the culture of planning derived from overall plan to choose appropriate target market and become successful within that market through products or services, pricing strategy, distribution channels and promotion. Thus, marketing strategy seeks to find ways through which organizations' business goals might be achieved. In order to achieve the organizations' business goals, customers need to be satisfied. Happy customer is a returning customer. Satisfied and returning customers form the organizational profit. Such profit represents key factor for security of long-term operations and, mainly, profitability of the organization. Therefore, organization targets certain group of customers, resulting in target segment, and provides them with specific package of benefits. Such package is usually adjusted to the specific needs of customers (Bovée and Thill, 1992). It is necessary to coordinate all relevant organizational resources in order to plan and execute the delivery of satisfaction of customers. In other words, all organizational members need to be coordinated in their efforts with the clear goal – satisfy customer needs, whereas no existing or potential gap is captured between offered design, production and delivery process (Kozak and Smyczek, 2015). When company follows this process, it is possible to say that company have really good marketing strategy. The very first step in the process of development of marketing strategy is proper market research and choice of a group of target customers. The next step is captured in the compilation of the marketing mix (Bovée and Thill, 1992).

1.4 Market entry strategies

The decision on how the company enters foreign markets represents a key decision in international marketing. The company can choose from a various number of forms of entry into foreign markets. The final selection of the strategy is influenced by a number of factors: the riskiness of the business in the target foreign market, the overall competitiveness of the company in the international environment, the potential of the target market, and others (Machková, 2015).

Forms of entry into international markets can be divided into three big different groups:

- 1) export and import operations (international business methods),**
- 2) forms low on capital investment (e.g. licence and franchising),**
- 3) capital entries of businesses into foreign market.**

1) Export and import operations

Export and import operations are traditional and probably the easiest form of entry of companies into foreign markets. Export is often understood as a form of entry to a foreign market that does not require any investment. Although, in case that company wants to succeed on foreign market and gain a greater share there, it must invest significant resources in international marketing. The company must fund research on the foreign market and adjust the marketing strategy to the conditions of the foreign market. (Machková, 2015).

Based on foreign market conditions, it is necessary to adapt the product policy, to provide the necessary accompanying services and to finance the costs associated with them, to build distribution routes, to define an appropriate pricing strategy and, last but not least, to put considerable resources into the communication policy. Several business methods can be used while exporting, whereas its choice depends on a number of factors, mainly on commercial policy conditions, the nature of products and services, the choice of business partner and the effectiveness of foreign trade operations, in other words the cost / risk ratio to achieved prices (Machková, 2015).

Business methods are implemented on the basis of contractual relationships with the following business partners: intermediaries, exclusive dealers, sales agents, commissioners, mandators and other entities.

Intermediary relations

In international business, it is possible to meet a number of intermediaries, e.e. entities that trade in their own name, on their own account and do business at their own risk. Mediators sell bought goods to other customers, whereas their reward is the difference between the buying and selling price, the so-called price margin.

The use of intermediary services can be advantageous for small and medium-sized enterprises for which export or import represents marginal affair and the establishment of their own specialized departments would be too costly or, for companies that deliberately specialize in manufacturing and leave business to specialized business companies (Machková, 2015).

Contracts for the exclusive distribution

In some cases, company might enter the foreign market by entering into an exclusive sale agreement. Under the exclusive sale contract, the supplier undertakes that goods specified in the contract will not be delivered to a person other than the buyer, who is perceived to be an exclusive retailer, in a particular area. The area and type of goods must be specified in the contract in writing. It is a framework contract that governs the exclusive status of contractual partners. The individual deliveries are then executed on the basis of separate purchase contracts (Machková, 2015).

Dealership

In international trade, it is possible to meet a wide range of bodies acting on a representative basis. Building a high-quality embassy network abroad is very difficult, however, the quality of this network often determines the success of the company on foreign markets. Under the agency contract, the agent undertakes to perform, for a long period of time, an activity aimed at conclusion of a specific type of contract or negotiating and concluding transactions on behalf of the represented and on his account.

Prior to the conclusion of the contract, it is necessary to carefully consider the selection of the sales representative, to define the scope of his mandate and to inform about his / her relations towards competitors. Unless otherwise covered by the contract, it is usually a non-exclusive representation, and the represented may use the services of other representatives, and, a commercial agent may represent other persons or enter into trades which are the subject of representation, on their own account or on the account of another person (Machková, 2015).

Entitlement to remuneration - a commission - is usually tied to the realization of a mediated contract. Representatives should systematically mediate trades in the defined area and achieve a certain minimum of turnover for a specified period. It is necessary for them to respect the conditions set by the representatives and to follow his/her instructions. Representatives also fulfil an important information function.

Commission and mandatory relations

By conducting a commission agreement, the commissioner commits to arrange a business deal in his own name for the principal on his behalf, and the commissioner undertakes to pay him a salary. The commission contract differs from a brokerage agreement, whereas the difference is captured in the commissioner's commitment directly conclude specific contract, while the broker undertakes to mediate the opportunity to conclude the contract. The commissioner concludes contracts in his own name but on the account of the principal.

By conducting a mandatory agreement, the mandatory undertakes to arrange, for financial amount, a commercial transaction at mandate's account by executing legal acts on behalf of a mandate or performing another activity, and the mandate undertakes to pay him for the payment. It is crucial to define business matters to be dealt with by the mandate's name, either by carrying out certain legal acts or by some practical activity. Unless otherwise stated in the contract, mandators will be entitled to a payment when properly performing the activity to which they were obliged, regardless of whether or not the result has been achieved (Machková, 2015).

Direct exporting

Delaney (2016) suggests that direct exporting can be characterized as direct export to a customer who is interested in buying certain specific product. Responsibility for market research, foreign distribution, logistics of shipment and for payment collection lays solely in companies' shoulders and company carries the responsibility (Delaney, 2016). Likewise, according to Fernández-Olmos (2013), direct exporting includes companies selling their products to foreign consumers or foreign distributors directly. The key aspect of the process is captured in company's privilege to have almost complete and exclusive control over the activities that are needed in order to carry out all phases of the marketing in foreign markets.

2) Low on investment forms of entry into foreign market

Forms of entry to foreign markets that do not require heavy capital investment are used mainly by companies which deciding not to invest abroad, however, still want to enhance, in the context of the development of international business activities, the presence of their products or services in the target foreign market in a way other than export operations. The most widely used forms of entry to a foreign market are licenses, franchising or management contracts, and forms of cooperation in the production field (Machková, 2015).

Licence

Licensing agreement can be characterised as an arrangement between licensor and licensee, whereas licensor grants the rights to intangible property to licensee for a specified period of time. In return, the licensor obtains a royalty fee from the licensee. Intangible property can include patents, inventions, formulas, processes, designs, copyrights, and trademarks (Hill, 2011).

Hill (2011) suggests that in typical scenario the licensee puts up most of the capital that is necessary to get the overseas operation going. Therefore, main advantage of licensing can be captured in firm's ability to does not have to bear the development costs and risks associated with opening a foreign market. Licensing can be highly attractive for companies that do not possess the necessary capital in order to develop operations

overseas. Additionally, licensing is attractive also in cases when a certain company is not willing to commit substantial financial resources to an unfamiliar or politically volatile foreign market. Licensing might be also used in cases in which company wishes to participate in a foreign market, although is prohibited from doing so through barriers to investment. Last but not least, licensing can be often used by companies possessing certain amount of intangible property that might have potential business applications, however, does not necessarily want to develop those applications itself.

Franchising

Franchising represents the similar form of entry as licensing, however, franchising usually involves longer-term commitments than licensing. Franchising can be characterised as a specialized form of licensing in which the franchiser not only sells intangible property (normally a trademark) to the franchisee, but at the same time insists on the agreement with franchisee to abide by strict rules as to how it does business. In most cases, the franchiser also serves as an assistant of the franchisee in affairs connected to running of the business activities on an ongoing basis. Typically, the franchiser receives a royalty payment, which is calculated as a percentage of the franchisee's revenues. While licensing is employed mainly by manufacturing companies, franchising is primarily used by service companies (Hill, 2011).

To take into account the consideration of a global strategy, Ghemawat (2007) states that most corporate and academic leaders usually tend to make two assumptions. First assumption is linked to the balance between economies of scale and the capacity to respond to local conditions. To accomplish such balance is a main challenge nowadays. Second assumption is built on encapsulate adaptation vs. standardization dilemma which serves as a base for all international marketing-mix decisions. The process of internationalization of companies started with companies that are usually organized in chains in the USA, Europe and Canada. For brands that operates firstly within their domestic economies, the main reason why to become a part of internationalization process as well lays in saturation of the domestic market.

Production cooperation

International production cooperation is based on the division of the production program between producers from different countries without their capital interconnection or even merger. The final product is then assembled by either one or two manufacturers. Collaboration can take place at different levels, and in addition to purely collaborative production, it can also be focused on R&D activities, sales area, and might exist in services. Contract adjusting international production cooperation is so-called “Unnamed contract”. The content and form of the contract depend on the agreement between the partners (Machková, 2015).

3) Capital entries of companies to foreign markets

The capital entries of companies to foreign markets are the ones with highest degree of internationalization of corporate activities, and, due to the investment intensity, they are characteristic mainly for large companies. Most often they take the form of direct or portfolio investments. Direct foreign investment is characterized as an investment spent in order to establish, acquire or expand permanent economic relations between an investor in one country and an enterprise located in another country. Direct foreign investment may take the form of capital deposits (tangible and intangible investments) or form of intra-corporate loans or reinvested profit. Portfolio investment are based on the purchase of shares or other securities (Machková, 2015).

The majority of foreign direct investment flows from developed countries to developed countries and has a form of acquisitions, mergers, Greenfield investments, joint ventures, or strategic alliances.

Acquisition (takeover)

Acquisition is characterized as takeover of a business or part of it. In corporate practice, it is possible to meet either the so-called “friendly takeover”, the goal of which is to strengthen the company's position and the use of a synergy effect, or with the so-called "hostile takeover", aiming at the elimination of competition (Machková, 2015).

Merger

It can take the form of either merger or fusion. Merger means a merger of a merged business entities where the merged entity disappears without liquidation of assets and liabilities, because assets and liabilities move to the company with which the merging entity merges. Fusion is connection of companies in which merging companies are dissolved and new legal entity is created (Machková, 2015).

In international business, three basic types of mergers can be identified. The main aim of horizontal mergers, involving mergers of businesses in the same business sector, is accomplishment of economies of scale and an increase in world market share. Vertical mergers aim to strengthen the control over suppliers or customers. A common goal of conglomerate mergers, involving merger of companies from various industries, is the diversification of corporate activities and the distribution of business risks (Machková, 2015).

Greenfield investment

Greenfield investments are newly established and newly-built businesses. Investments in green meadows might have, in comparison with acquisition, certain benefits for the host country. They usually bring more capital to the country, they bring new modern technologies, increase competition on the market, and make a bigger contribution to job creation (Machková, 2015).

Joint venture

Joint venture can be characterized as a joint ownership of assets of two or more entities. It is a form of business that aims on realization of common business plan, participation in the generated profit, undertake of business risks and cover of possible losses. In the international environment, it is usually possible to encounter two forms of joint venture. These are so-called contractual joint ventures and equity joint ventures based on capital investments.

Contractual joint ventures do not actually have the character of a joint venture. The essence is the agreement between economically and legally independent partners on

cooperation in a certain area without capital contributions. This might include collaborative research and development, manufacturing cooperation, joint services, etc. (Hill, 2011).

Strategic alliances

According to Machková (2015), strategic alliances are the merger of large, capital-strong companies from developed countries. Originally, strategic alliances were created mainly in sectors related to scientific and technological progress, for instance in telecommunications, IT, aerospace and the automotive industry. Nowadays, it is possible to meet them in other industries as well. Strategic alliances are also established by companies producing fast-moving goods or by retail chains. Strategic alliances might take a variety of forms - they may be analogous to joint ventures with no mutual capital ties, however, in some cases, to a limited extent, there might be also capital participation involved.

1.5 External business environment analysis

1.5.1 SLEPTE analysis

An external business environment analysis is comprised of several sets of factors that influence the business from outside, therefore influencing directly and indirectly all of its activities. The company has virtually no influence over these factors and cannot control it properly. For the business purposes, analysis helps them to identify these factors and to respond with their actions as quickly and efficiently as possible. SLEPTE analysis represent popular and widely used tool created for identification of these external factors that are used in order to better understand and identify social, legal, economic, political, technological and environmental issues and challenges. Figure 1 captures all these factors that need to be considered while doing SLEPTE analysis (PESTLE Analysis, 2017).

Social

In general, social factors represent significant influences that need to be taken into account while observing certain country. Social factors consist of population rate growth, age distribution, levels of employment, income statistics, trends in education and career

development, religious beliefs, together with cultural and social conventions (Kotler and Keller, 2013).

Legal

Legal factors consist of legislation (current, as well as impending one) that might significantly influence industry in specific areas, like employment, competition, and health and safety. Moreover, legal factors have certain specifics as well. The most significant one is the specific country law that logically varies from country to country. In other words, national laws and the ones originating in other countries that might affect company (Kotler and Keller, 2013).

Economic

Economic factors representing one of the most significant one when considering SLEPTE analysis. These factors consist mainly of assessment of potential changes towards economy's inflation rate, taxes, interest taxes, exchange rates, excise duties, together with trading regulations. However, it is also important to keep in mind official economic indicators that often highlight specific areas in which information more in depth are usually required (Makos, 2015).

Political

Political situation in the country and political factors in general need to be considered when analysing the external environment as they represent crucial factors influencing environment of specific country. These factors include government attitudes towards employment, protection of consumers, taxation, environmental situation, trade restrictions, and societal reforms, together with the burden of bureaucracy and the corruption level (Bovée and Thill, 1992).

Technological

Technological factors represent significant influencers that have strong impact on country's environment. As world is getting more and more digital and there are fast changes, also technology is developing really fast and experiencing boom in terms of its rapid changes, whereas these changes often have strong impact on the market while

coming from unexpected sources. Technological factors are usually divided between manufacture and infrastructure areas. Organizations need to be up to date with technological advances, because in case they fail doing so, they leave opportunities and space for smaller producers or new entrants which might enter the market (Bovée and Thill 1992).

Environmental

Nowadays, environmental protection is becoming more and more important in the eyes of society and company should be well aware of this aspect and take it into account while doing business in certain country. Environmental factors consist of cyclical weather, disposal of materials, energy availability and cost, infrastructure, together with ecological aspects and consequences resulting from production processes (Kotler and Keller, 2013).



Figure 1: SLEPTE analysis factors
(Source: Created by author based on PESTLE analysis, 2017)

1.6 Industry analysis

1.6.1 Porter's five forces model

Porter's model is based on five main forces that drive the industry. In other words, forces that determine the attractiveness of the specific market through the analysis of competitive intensity. Being attractive in this case means the overall industry

attractiveness measured by its profitability that is assessed through the evaluation of potential opportunities and risks (Porter, 1998).

Porter's five forces framework captured in Figure 2 aims on identification and evaluation of potential opportunities and threats, whereas the five key factors are: Competitive rivalry among existing firms, Threat of New Entrants, Threat of Substitutes, Bargaining Power of Suppliers and Bargaining Power of Customers (Porter, 1998).



Figure 2: Porter's five forces model
(Source: Created by author based on Porter, 1998)

Competitive Rivalry among existing firms

In order to succeed in competitive jungle, it is essential for any organization to understand actions its competitors take and marketing strategies they use. The degree of rivalry depends on the specific industry in which company operates, as well as the market sectors within them (Porter, 1998).

Threat of New Entrants

Identification of new entrants into relevant markets and its number definitely represents important factor that needs to be considered to the high extent. There are sectors that require really high investment levels and expertise, whereas these represent tough challenge for newcomers to enter the market as these factors limit such entries. Moreover, it is a certain challenge considering the existing providers who will protect the levels of profit of the existing competitors on the market (Porter, 1998).

Threat of Substitutes

Substitutes are characterized as products and services which are able to meet a specific consumer requirement and/or need, however, at the same time, are also available in other market. Substitute product can be defined as a product from another industry, which is able to offer certain benefits to the customers. In other words, provide benefits that are similar or almost the same to the products or services that are offered or produced by the other companies within the industry. Therefore, it is logical that threat of substitutes influence the industry and competitive environment in certain manner as well (Porter, 1998).

Bargaining Power of Suppliers

Raw materials are necessary base for each organization and company in order to exist on the market. This consequently creates relationships between buyer and seller and between the market and the suppliers. Power that is distributed between these mentioned relationships vary, however, in case that power lies with the supplier, they can easily use this power and dictate certain conditions, in other words, influence other players through prices dictated, as well as availability of materials. Thus, it is necessary to balance the power within the industry company operates in. That is the reason why bargaining power of suppliers became part of the Porter's Five Forces framework (Porter, 1998).

It is advisable for each organization within certain market to assess the extent to which customers and/or buyers within this industry possess bargaining power. In case that customers possess high degree of power and have a strong position, as a consequence, they might significantly influence company's policy and strategy. Speaking broadly,

customers who have power are able to put significant pressure to the market and demand better quality products and/or lower prices. The extent to which customers or buyers can actually put pressure and demand these special conditions depends on the level of concentration or on the degree of their own organization skills. Thus, bargaining power of customers' needs to be taken into account as well (Porter's five forces, 2013).

1.6.2 Key success factors

Hill (2011) states that key success factors can be characterised as determinants of several activities which are responsible for success or failure within a particular industry. A company should be able to identify and, consequently, solve these key success factors of industry and analyse the extent to which company meets these factors. In case that company possess mentioned aspects, together with good conditions, it may help to develop and sustain strong position within targeted market. Lastly, meeting the key success factors represents significant step in the process of achievement companies' business goals.

1.7 Internal analysis

1.7.1 Marketing mix 4P

Marketing mix can be defined as a process in which right product is placed in the right place, at the right time with right price calculated. The definition itself is pretty simple. The hard part is actual successful implementation of marketing mix, since the company needs to know all aspects within the business plan, in order to set marketing mix correctly and successfully. Marketing mix is highly associated with the 4P's of marketing, and sometimes, these terms are even used interchangeably. This model is widely used all over the world. Furthermore, this concept is educated in basic marketing classes in several Business schools (Machková, 2015). Marketing mix 4P's is captured in Figure 3.



Figure 3: Marketing mix
(Source: Created by author based on Machková, 2015)

Product

Product is characterized as an item which is built or produced in order to satisfy customer's needs. Speaking broadly, to satisfy specific needs of a certain group of people. There are two main types of products - tangible and intangible one, as it can be provided either in form of goods, or in the form of services. It is necessary to ensure that right type of product is produced, whereas there is a demand for that product in the market. While the product is in the process of development, marketer needs to secure an extensive research regarding created product's life cycle. Synchronously, market is obliged to create right and appropriate marketing mix. There is also a possibility to diversify current product mix and increase the depth of product line in order to expand company's current product mix. Consequently, at the end of the day, each marketer needs to ask crucial question considering what he or she can do better, in order to offer a specific product to the certain group of customers, than the competitors (Kotler and Keller, 2013).

Price

Price is usually calculated for a certain product and can be characterized as an amount of money that customer is obliged to pay for the certain product (goods or services) to enjoy it. Simultaneously, price represents significant component in the definition of marketing mix. Moreover, price represents significant component of a marketing plan. Speaking broadly, price, as a determinant of company's profit, represents crucial aspect that needs to be taken into account when setting and adjusting marketing plan. When setting up price for product, there might be certain price adjustments, whereas these possess significant impact on the entire marketing strategy. Furthermore, these adjustments heavily affect the sales and product demand (Kotler and Keller, 2013).

Promotion

Promotion represents significant aspect of marketing mix by its ability to boost recognition of brand, as well as increase sales. Promotion consists of several elements, including public relations, advertisement, and promotion of sales and organization of sales (Machková, 2015).

Advertisement typically consists of communication methods that are not for free. In other words, company needs to pay certain amount of money in order to use these methods, including advertisements in television, commercials in radio, print media and/or internet advertising, which is becoming more and more important nowadays. It is possible to observe notable shift in focus from offline world to the online world.

On the other side, public relations can be characterized as free services, the ones that company usually do not have to pay for. Public relations consist of press releases, exhibitions, deals, seminars and certain events are included. Moreover, exact combination of company's promotional strategies is highly dependent on the company's budget, and on the message that company decided to communicate (Kotler and Keller, 2013).

Place

Terms placement and distribution, sometimes used interchangeably, represent crucial part in the marketing mix as well. Each company, in order to be successful, needs to take care

of position and distribution of the product in a place that would be easily accessible to the potential buyers and customers. Therefore, company needs to possess deep understanding of its specific target market, whereas thorough understanding of channels will consequently lead to the most efficient combination of positioning and distribution channels, which directly communicate to the target market. Distribution strategy can be either intensive distribution, exclusive distribution, selective distribution or franchising and it is up to the company and its situation to decide which distribution strategy they should go for (Machková, 2015).

1.7.2 SWOT analysis

The SWOT analysis can be described as a business analysis technique created for purposes of companies and organizations, whereas SWOT analysis can be constructed for each company's product, service, and market. Analysis is usually performed in order to identify the best way leading to the achievement of future growth. The process itself involves identification of strengths and weaknesses within the organization, together with opportunities and threats that influence the organization through the market in which it operates in. The first letter of each factor stands for the factor itself, whereas all these four factors together create the acronym SWOT (Kotler and Keller, 2013).

Strengths

Strengths forms part of internal influencing factors that are favourable for the company in order to achieve its goals and objectives. In other words, strengths bring positive implications and effects for the organization. They can be also defined through its added value, or its ability to offer the organization certain competitive advantage. Strengths consist of tangible assets like capital, equipment, credit, loyal customers, distribution channels, patents and other important and valuable resources (Kotler and Keller, 2013).

Weaknesses

Weaknesses can be defined as internal factors that represents unfavourable effects on the organization, and are unfavourable for the company in case of achieving its goals and objectives. Weaknesses are in most cases the things that in some extent detract from the products/services value, or may put company into the disadvantageous position in

comparison with its competitors. Perfect example of a weakness can be captured in an unsuitable location where the business is placed (Kotler and Keller, 2013).

Opportunities

This factor can be described as external influencing factor that brings favourable effects for organization in order to achieve its goals and objectives. Opportunities can be captured in changes in the market, changes in consumers' lifestyle, development of technology, new methods of production and others. In general, each successful organization should constantly review its market and services in order to observe the extent to which they can increase its market share (Kotler and Keller, 2013).

Threats

Threats are usually characterized as external influencing factor that bring unfavourable effects that influence company in terms of achievement of organizational goals and objectives. Threats creates last part of the SWOT process while involving the assessment of risks from external environment that organization needs to face. As an external forces, company has usually no control over it. However, it is possible to consider creation and development of contingency plan in order to ensure that people will be more aware about potential problems and be more prepared to deal with them (Kotler and Keller, 2013).



Figure 4: SWOT analysis
(Source: Created by author based on Kotler and Keller, 2013)

2 CURRENT SITUATION ANALYSIS

2.1 Company profile

Chosen company is a software development company with focus on developing custom software solutions for financial institutions, brokerages and funds. Company is delivering top-tier custom-made FinTech solutions for companies of all sizes and create an all-round experience for financial business of its clients. Main aim of the company is to fulfil software and algorithmic needs of financial institutions, brokerages and funds (Turing Technology, 2017).

The company have more than 6 years' experience, lot of skills and knowledge about financial market, but there is still focus on innovation and improvement of existing solutions, to offer the best solution possible. The company uses following technologies for its business: Windows, Mac, Linux applications, iOS, Android, Windows Phone applications, Web technologies, Machine learning, Artificial Intelligence, Big Data Analysis and Programming of business strategy (Turing Technology, 2017).

The main principles of the company are individuality – together with client are working to find possible solutions for customers' strategic goal, to tailor products to customers' needs and to find the perfect solution. Another principle, quality, is focusing on details to create the most successful and original solutions. Based on the education principle, there is lot of training of employees in order to provide customers with practical and usable solutions (Turing Technology, 2017).

The company for which the diploma thesis was prepared, due to the protection of personal data and due to its influence on foreign markets in the financial sector, requires to not to use data that could weaken their competitive advantage. Based on this requirements, some information in thesis will not be described in details. More available information about the company is described in the chapter "Marketing mix 4 P".

2.2 External business environment analysis

Analysis of external environment is focused on political, economic, legal, social, technological and environmental factors in UK.

2.2.1 SLEPTE

Social factors

London possess strong cultural and traditional background while being famous for its tradition and festivals. It is possible to find plenty of historical buildings all over the London attracting tourists. UK and its capital London is famous for its cultural attractions, museums, galleries, amusement parks, etc. All these factors together to a large extent contribute to the attraction of investors (HND Assignments, 2017).

UK offers many free public services, including National Health Services, and high living standard. Due to the migration, UK has become a cosmopolitan environment, consequently resulting in large, cheap workforce. However, occasional social discomfort exist due to the increase of migration and ethnic groups (PESTLE Analysis, 2017).

Legal factors

The legal rules and regulations play significant role when judging the economic status of the country and much more. For a company which wants to either start a business, protect investors, or close a business, Commercial and Company Laws are very important and represent significant document that needs to be considered and followed. Synchronously, due to the existence of employing workers, companies will be interested in Labour Laws as well. Tax Laws while paying taxes are a matter of course. Last but not least, Trade Laws represent significant legal document when considering trading across borders. All these laws can be found at The World Bank (2017).

The UK's legislation is characterized by its flexibility and focus on provision of safety towards stakeholders of the organization. Through UK Assignment Help, better working and employment opportunities are generated for the people, encouraging the productivity of work, which consequently leads to the UK's economic growth.

Brexit situation represents crucial legal question that will needs to be considered in the future. Currently, article 50, activated in the end of March 2017, is still in the transition

period (BBC, 2017). Therefore, no significant changes will be made until the end of 2019. The Brexit question is furtherly elaborated in the chapter “Industry Overview”.

Economic factors

The UK possess strong economic position in comparison with other countries. DUE to the high GDP of London and in general (5th highest GDP in the world), many people from different countries seek to invest and expand their business to the London market. The inflow of money in terms of exports is influenced by the London economic status. Through provision of adequate returns, investors’ demands are sufficiently fulfilled. Furthermore, due to its large population, even small markets get a chance to be profitable. Free market with diversified economy including both public and private sectors represent significant advantage, together with the increase of Foreign Direct Investment. Although, country lost quite a lot of money on the provision of free public services and financial aid (Wyman, 2016).

Financial services industry in the UK brings important contribution to the UK economy. Around approximately £190-205 BN in revenues is generated by sector annually in Gross Value Added. UK financial services industry has developed over several years and become an interdependent and interconnected ecosystem that comprises of large variety of companies that provide world-class services, products, as well as advice. Consequently, such ecosystem is able to provide crucial benefits for financial institutions, and, synchronously, for the corporations and household to which they provide these services (Wyman, 2016). Overall summary of UK total trade is captured in Table 1.

Table 1: UK total trade in 2016

Trading partners	Goods	Other services	Financial services	Total
EEA	399	123	27	548
US	66	49	25	140
BRICS ²	87	14	2	104
Other	163	84	26	273
Total	715	270	81	1 065

(Source: Created by author based on Wyman, 2016)

Political factors

Environment in the UK is characterized by its political stability that consequently leads to the attraction of the investors to invest in the capital of the country. Given tax reliefs to the investors on their gains of capital represent significant benefit and, as a consequence, ensure relaxation to the investors. Another positive aspect is captured in the reduced change of country's policies and regulations, due to its political stable environment. This advantage attracts visitors to invest (PESTLE Analysis, 2017).

The UK, being a constitutional monarchy running under the influence of parliamentary system, is perceived to be a fair country possessing high level of political stability, differentiation between national and local administrations, and proactive government. However, as with the case of almost every single country nowadays, there is some well-hidden corruption and Brexit question, resulting in uncertainty in the decision making whether or not remain part of the EU or leave (BBC, 2017).

Considering the Brexit question, former Prime Minister of UK David Cameron has resigned after the results of EU referendum forum and new Prime Minister Theresa May, former home secretary, has been elected. After the Conservatives lost majority in the general election, new government under the rule of Theresa May has been established. Even though Brexit election was not fulfilled and the whole question is still in the process, May remains as prime minister (BBC, 2017).

Technological factors

The UK, being characterized as economically developed country, possess good access to technology, consequently resulting in frequent technological developments. Innovative technologies that go hand in hand with quality innovation skills are adopted by the organisations in order to satisfy the potential users and/or customers. As a consequence, market share is increased. Due to the technology advancements, better profits are generated. Moreover, high number of internal competition leads to the growth. However, in comparison to the United States, technological development of the UK is considered slow (PESTLE Analysis, 2017).

Environmental

The UK environment, and especially the environment of UK's capital London, is very friendly, with collaborative approach between Londoners in order to achieve common goals and objectives. The environmental factors need to be taken into account when it comes down to the success of the company and/or organization, as they play important role in this process. Overall, it is possible to conclude that London's environment is very friendly and effective for investment of capital (HND Assignments, 2017).

2.3 Industry analysis

2.3.1 Industry overview

Based on historical facts, time zone, language, legal system and many other factors, The United Kingdom is the strongest Financial Services industry in the European Union. Last year (2016) the Global Financial Centres Index put London in the first place ahead of financial centres all over the world, such as New York (2nd place), Singapore (3rd place), Hong-Kong and Tokyo. In the best 20 there is just another one European city – Luxembourg (18th place), so there is no surprise, that half of the world's financial firms have based their European headquarters in London. The place of London as a major financial centre largely predates the single market and relies on a dynamic business environment, the predictability of the British legal system, the worldwide use of English as language for business, and the attractiveness of a cosmopolitan city (European Parliament, 2016).

The leading role of London as a major financial centre has the effect to economic factors e.g. employment, where more than two million people are nowadays working in the financial services industry in the UK, such as banks, insurance, asset management, market infrastructures and services that are needed in this industry (lawyers etc.). There is also big impact to GDP whereas in the 2015, financial sector in the UK earned more than 200 billion GBP which was 11 % of GDP of the UK in total revenues. As it can see in () half of these revenues relates to domestic activities and the other half contains business related with the European Union and other foreign markets¹ (European Parliament, 2016).

¹ This represents about 24% of all EU financial services, and generates about 60 - 67 billion GBP (3.5 % of GDP) in UK taxes each year

Industry overview after Brexit

After referendum in June 2016, where Britains voted for leaving European Union, there are many scenarios about it. Financial services firms that have their European headquarters centre in London precisely in order to secure access to the whole EU market from one location, are reviewing their options (The Guardian, 2017). Rival European cities have noticed an opportunity to bring back some of their business activities from the financial sector to the continent (or to Ireland).

After Activating Article 50, in the end of March 2017, negotiations have been started and will be continue for two years. However, due to the long transition period, an absence of assurances from both sides may lead the companies from the financial sector to start putting into action their contingency plans unnecessarily. If there is no certainty around the transition period it could have an impact on the outcomes in terms of relocation and reduction in revenues, tax, GVA and employment (Wyman, 2016).

Nevertheless, there is still nobody who is able to say what will happen, till the transition period will be in the end. Many negotiations about agreements and new general legal relations between the UK and European Union will take some time, so the financial sector needs to take a look at the situation carefully.

2.3.2 Porter's five forces model

Intensity of Rivalry among existing firms (high)

Market is not divided between 2 biggest players, but there are several global companies operating worldwide, which have their offices all over the world, including offices in United Kingdom as well, specifically in London. All these companies provide similar solutions for brokers and investment services, however, all of them vary in certain specifics. Using analysis of competition, 3 main competitors have been identified, whereas all of them will be furtherly analysed in more detail in chapter "Main competitors" (Owler, 2017).

Bargaining power of customers (low)

In case of financial services, switching costs are high. In other words, companies that offer products that are hard to replicate, having different prices to competitor's products,

have typically high switching costs. As software is customized, specific features and final price depends on the customer. At the same time, none of the competitors on the market nowadays offer such a complex solution (Mamaghani, 2017).

Offered products represent solutions for brokers, whereas they provide several scenarios and options, from easy to more complicated solutions. As already mentioned above, each company possess certain specification, and therefore, customer usually make decision about the exact choice of the company based on suitable solution he/she needs. Each company has fixed prices, either “per stock” solution or licenses that are furtherly linked to additional payments. However, product is based on individual customized solution. Therefore, customer can negotiate the price only to the extent to which he wants extensions of product (have complex product). Considering the facts mentioned above, including high switching costs, bargaining power of customers is low.

Bargaining power of suppliers (low)

Company only develops software for brokers in financial service industry, therefore, they do not need any suppliers. So in this case, force is not relevant. Bargaining power of suppliers is low (Chlebovský, 2017).

Threat of New Entrants (moderate)

When considering enter industry of financial services, it is crucial to keep in mind factors that play significant role, like high capital requirements connected to costs. Another important factor is customer’s loyalty to existing brand, high entry barriers and need for strong distribution network. These conditions and characteristics can be applied for financial services in general, however, not in specific case of the company, focused on development of software. In that case, many of these barriers are completely irrelevant, such as strong need for distribution network and high entry barriers (Chlebovský, 2017).

Direct competition on the market is very limited. All relevant significant competitors operate also in other markets and do not offer same product. They usually offer partial solution in comparison to the selected company. In fact, there are no possibilities for consumers on English market to get such a specific customized product with so many

extensions offered. This gives the company competitive advantage. The most significant entry barrier can be captured in recent Brexit situation. However, market entrance is not that complicated as company only needs representative office for occasional meetings. Considering all the information mentioned above, threat of new entrants is moderate (Chlebovský, 2017)

Threat of Substitutes (moderate)

Switching costs are important aspect that usually affect threat of substitutes. As already explained above, switching costs are high. Another significant factor is captured in product differentiation. Differentiation is characterized as a delivery of a product that is different, including its attractiveness (image, design, features) and specific unique qualities in comparison with other products offered by competitors. Thus, successful product differentiation creates competitive advantage. In case of financial services, there is high product differentiation. Speaking broadly, brokers and financial services do not have many opportunities to purchase such complex customized product that would serve their needs. In case of very niche product, customers are less likely to find similar product.

There are products that can be considered substitutes to some extent. These products are demo versions, characterized as basic free trial that can substitute full service that software will provide to future customers. However, these substitutes are not that complex as the one offered by Turing Technology. Therefore, threat of substitutes is moderate (Mamaghani, 2017; Chlebovský, 2017).

2.3.3 Main competitors

The company has several main competitors, which are identified by the CEO of the company and by the portal Owler². This analysis is focused on competitors that are running their businesses globally but have their business offices also in the United Kingdom (London).

² The community-based business insights platform that business professionals use to outsmart their competition, gain competitive insights, and uncover the latest industry news and alerts. Owler is powered by an active community of over 1 million business professionals and is used by business professionals across all job functions and industries. (Owler, 2017)

PFSOFT LLC

PFSOFT is a leading global provider of technology solutions for the financial services industry with its product Protrader (Protrader, 2017).

Product: Protrader

- For Retail Brokers: Multi-asset, Multi-market & Forex/CFD brokers
- For Banks: Electronic trading services, brokerage divisions, dealing and proprietary trading
- For Prime Brokers: While label & Liquidity providers

The company offers development of the product and also technical support like update platforms, monitoring server and client services as well (Protrader, 2017).

Place: The company currently serves different market participants from the USA, Canada, Australia, Japan, India, New Zealand, China, Turkey, Russia, Great Britain, Poland and South Africa. The representative offices are in Poland, China, Ukraine, Brazil and India (Protrader, 2017).

Price: 150.000 USD/year for license in B2B market. For detailed information about prices the client needs to send requests to company and client services of the company will help to find the most suitable formula of mutual partnership (Protrader, 2017).

Promotion: Previews of online marketing are in **Appendix 1**.

TRADING TECHNOLOGY

Software Development Company which spearheaded the technologies that enable electronic trading (Trading Technologies, 2017).

Product: TT® PLATFORM, X_TRADER® PLATFORM (Trading Technologies, 2017).

Place: Chicago, Houston, New York, Sao Paolo, Stamford, Singapore, Pune, Tokyo, Hong Kong, Sydney, London, Frankfurt, Geneva (Trading Technologies, 2017).

Price: TT® Standard: 700 \$ per month; : TT® Pro: 1400 \$ per month; X_TRADER®: 0,30 \$ pricing per side (50 \$ min. monthly fee); X_TRADER® PRO: 0,30 \$ pricing per side (400 \$ monthly fee) (Trading Technologies, 2017).

Promotion: Previews of online marketing are in **Appendix 2**

Zulutrade

Company which has been created in response to the non-existence of a web-based platform that could audit traders globally and at the same time; enable traders to share their knowledge with people interested in their strategies (Zulu Trade, 2017).

Product: The ZuluTrade platform (Zulu Trade, 2017).

Place: London, Frankfurt, Moscow, Madrid, Athens, Mexico City, Cali, Tokyo, Beijing, Melbourne (Zulu Trade, 2017).

Price: For detailed information about prices the client needs to send requests to company and client services of the company will help to find the most suitable formula of mutual partnership (Zulu Trade, 2017).

Promotion: Previews of online marketing are in **Appendix 3**.

2.3.4 Key success factors

Technology

Considering the fact that software in this specific industry is developed for the needs of brokers, financial services and investment banking, it is necessary for company to be the best on the market in terms of technology. Whereas technology itself should be adjusted for each operating system and work on all devices, desktop and mobile ones. It is also important to use the latest technology in order to manage challenging processes (Mamaghani, 2017).

Niche product

There are several companies and players existing on the market and offering similar services. However, in most cases, they offer either only platform, or specific service or interface. For the product, in order to be unique, it is necessary to find the gap in the market and combine all the offered parameters together and, ultimately, create comprehensive and complex product, which offers basic settings, as well as extensions. For instance, CRM, back office and algorithmic platform. Turing Technology is currently developing such product that should fulfil these criteria. Product is unique in terms of its independence on server. Cloud services are used instead (Mamaghani, 2017).

Quality

Quality is closely linked to the product itself described above. However, it is not only about quality product, but the same attention should be put on additional attributes as well. Product of Turing Technology is tailored-made, satisfying specific needs of different customers. Whereas customer service is a matter of course. Important factors that significantly influence quality of such companies are, for instance, product user training, various presentations, workshops, event visits and building of brand. All of these parameters together contribute to overall quality (Mamaghani, 2017).

Location

It is advisable to have development centres divided in countries with lower overheads of operations. Synchronously, having several representative offices all over the world is beneficial. CEO usually visits these offices time to time to check on ongoing projects etc. Since it is not possible to coordinate everything from one country, it is important to have certain structure and have these offices divided. It is important to have such representative offices in cities, where financially significant companies are located, for instance London. Middle East Europe and Eastern Europe are perceived to be the one offering the most skilled employees in terms of services and providing of services. These people are habitually great developers and programmers, mainly from Ukraine (Mamaghani, 2017).

Measuring marketing efforts

According to Financial Services Marketing, for company, in order to successfully build the business, the measurement of marketing efforts is a must. The tracking system used usually needs to consider the impact of marketing efforts on the improvement of the return on investment, while at the same time providing solutions for specific customers' needs. It is also necessary to perform tracking consistently. That will consequently help to identify the most profitable marketing strategies. In other words, those marketing strategies that sell the most financial products and services. Moreover, based on these results, it is possible to assign a larger budget to the successful tactics in order to furtherly increase sales. Synchronously, increasing number of customers who trust the company and its solutions can be obtained as well (Mamaghani, 2017).

Communicating brand

Brand communication is essential in order to attract customers and make them buy specific product provided by the company. It is crucial to implement and communicate what brand stands for, fulfil brand promises and deliver promised results to customers. Simultaneously, it is important to encourage management to understand the importance of establishment of the strong brand. All of this through identification and education of target market about the benefits what certain company and its product offers over the products offered by competitors. For Turing Technology, emphasis needs to be put on the development of brand, development of online marketing, events, workshops etc. (Mamaghani, 2017).

2.4 Internal business environment analysis

This chapter focuses on the 4P marketing mix and further on the SWOT analysis based on all previous analyses.

2.4.1 Marketing mix 4P

Due to the fact that the company is start-up which have not delivered the final product in the market just yet, there is a lack of some information which are needed for the purpose of identification of 4P marketing mix of the company.

Product

The company offers a cloud based solution for financial institutions such as portfolio and fund managers to manage, take action and invest capital of multiple subjects (investors). Solution include complete overview of invested capital, balance and equity evolvement and supports trading also with 3rd party algorithmic systems. The Artificial Intelligence software searches the most important news from the business world and the brokers directly to describe how the market will evolve. Clients and managers can connect directly to the market and let them trade using manual or automated approach. By providing the product with the SaaS and Cloud principles, the user does not have to worry about installation and any subsequent software management. The product itself is still under the process of development and should be launched in October 2017. By the end of 2017, it is planned to complete the extensions: BackOffice, CRM, News overview

solution and the algorithmic platform (Hospodářské noviny, 2017; Turing Technology 2017).

Place

The company is currently located in the heart of Czech Technological Park where it has the office in South Moravian Innovation Centre. The company is also a member of JIC MASTER³ which is a six-month long individual programme for innovative technology companies (Turing Technology, 2017).



Figure 5: South Moravian Innovation Centre
(Source: Turing Technology, 2017)

Nowadays, there are no distribution channels suitable for selling its product because, as it was mentioned above, the company is still in developing process of the final product. If someone is interested in this product, there is a possibility to write the CEO via web site of the company and make an appointment (Turing Technology, 2017).

Price

Based on cooperation with two clients abroad and their demand for the specific solution, the company started to develop its product. In the moment, the company is not able to determine the final price for the product, because it does not have summary of all costs

³ This programme focuses mainly on start-ups which have developed a new product, gained their first customers and are now preparing for further growth.

required for development of the product, and synchronously, did not map prices of competitors (Mamaghani, 2017).

Promotion

The company does not currently have any communication goals defined, has no communication strategy, or a set budget for communication activity. The company's communication mix is as follows:

a) Advertising

The company does not use the services of any advertising or media agency and has no ad campaign established. From the point of view of the communication object, it uses a product ad on the company's website where it promotes the product, as well as a corporate ad that portrays corporate culture as a group of young, creative people whose work is entertaining and heartfelt. Since the product is still under development, it is only an informative ad. Detailed description about web site is captured below (Turing Technology, 2017).

b) Direct marketing

The company is currently in direct contact with two customers who customize the product according to individual needs. Other forms of direct marketing are not used (Mamaghani, 2017).

c) Sales support

In June 2017, representatives of the company participated in MoneyConf in Madrid, Spain, where the main goal was to network and to build new potential business partnerships. Other sales support tools are not being used by the company (Mamaghani, 2017).

d) Public relations

Internal communication in a company consists mainly of teambuilding actions (not specified). The company possess friendly atmosphere where people support each other, motivate and discuss possible product development solutions. The company's **external**

communication lies primarily within company presentation through the CEO of a company who is a successful entrepreneur of relatively young age. Since the CEO is a student of doctoral studies at Brno University of Technology, an interview was published in 2016 in the section Humans of BUT (Zprávy z VUT, 2016), which writes about successful students and university graduates. Another company presentation at TyInternety (2017) was the introduction of new members of JIC MASTER in South Moravian Innovation Centre. The interview with CEO was also in Byzmag (2015), where the article Tradeary - Complex interface for your trading” wrote about the first idea of this product that the company has decided to make even more complex. The latest article "Brno-based start-up Turing is developing a robot for brokers. Within three weeks, he earned half of the deposit "(Hospodářské noviny, 2017) brings up the current product development situation and presents the renamed name of Turing Technology to the public.

e) Online marketing

The company uses a presentation on websites as a part of online marketing. The website is not completed just yet. Consequently, that is a sign that might lead to unprofessional impression for the potential customer who browse the web. The home page of the company should be eye-catching and impress the customer, but when entered www.turing-technology.com, the "Home Page" is loaded, which is unattractive in contrast to the "Company" section.

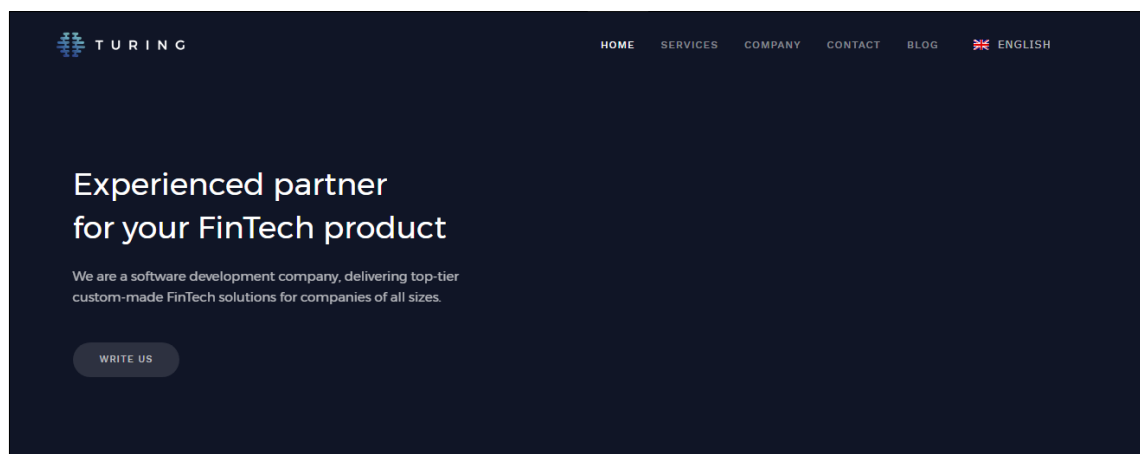


Figure 6: “Home Page” of Turing Technology Website
(Source: Turing Technology, 2017)

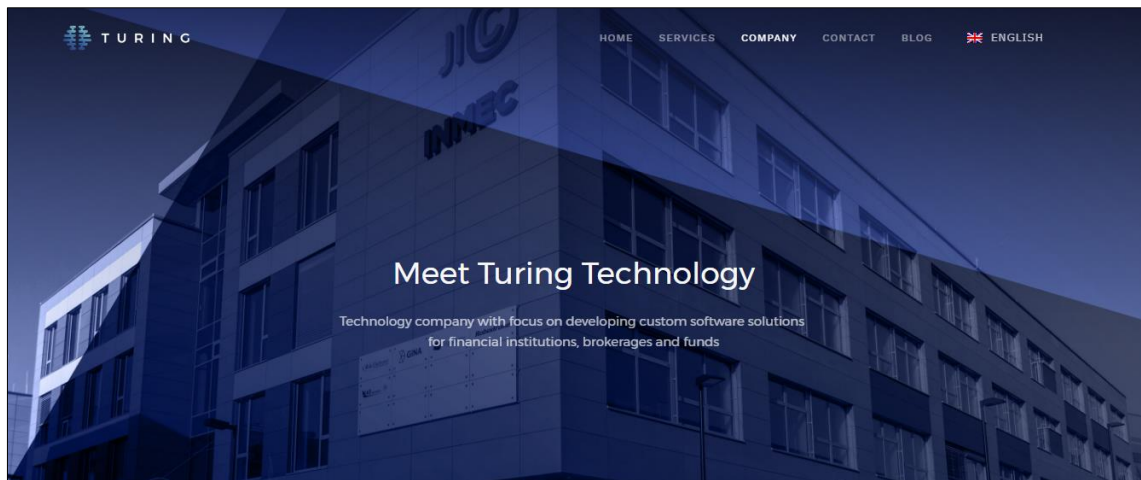


Figure 7: „Company“ of Turing Technology Website
(Source: Turing Technology, 2017)

At Home page, you can find basic information about what the company offers, however, as soon as page is scrolled down or web visitor tries to get more information, it shows a “lorem ipsum⁴” text or an invalid link, which can look unprofessionally and create distrust in the eyes of the customer.

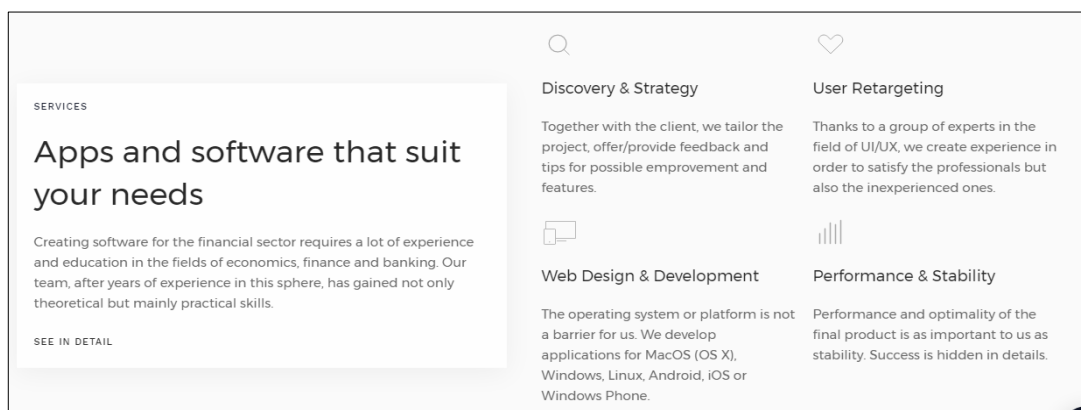


Figure 8: The view on services of Turing Technology website
(Source: Turing Technology, 2017)

⁴ a filler text commonly used to demonstrate the graphic elements of a document or visual presentation

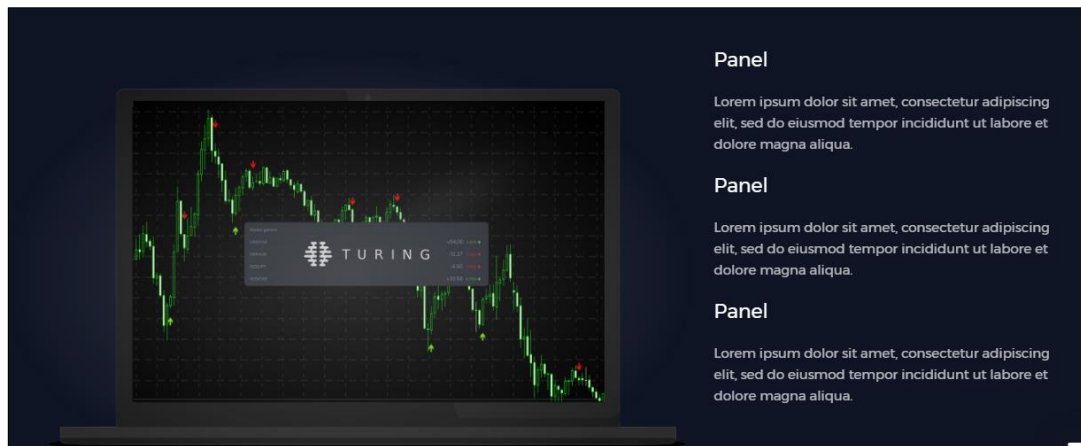


Figure 9: The view on products of Turing Technology website
(Source: Turing Technology, 2017)

It is clear that if the product is still in the process of development, and as a result, certain information cannot be available, there is the section "Contact us" where the applicant can write directly to the CEO of the company with his inquiry. This page is user friendly and representative as shown in Figure 10.

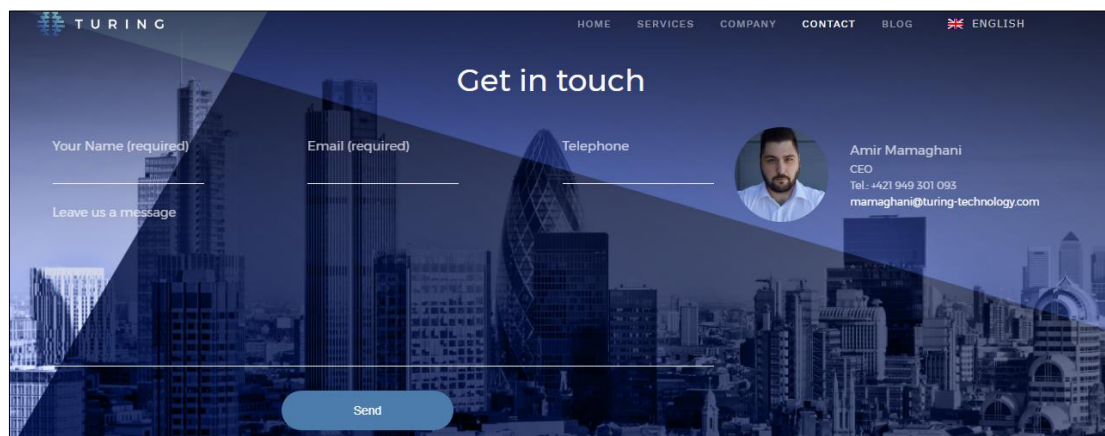


Figure 10: The view on "Contact Us" of Turing Technology Website
(Source: Turing Technology, 2017)

The company has a responsive web site, which will certainly be appreciated by all who want to see the info about company and to contact the company via their mobile devices.

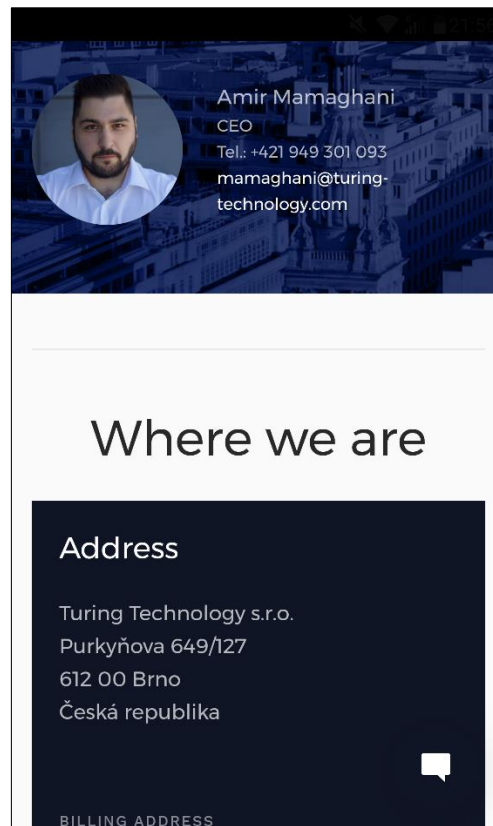


Figure 11: Mobile version of the website
(Source: Turing Technology, 2017)

The company has links to Twitter, Facebook, LinkedIn, and Instagram on the website. Even though company has accounts on all of these social networks, they are not too active.

On the **LinkedIn**, the company has a company profile that only provides basic information. The company has only 4 followers, with the author of the thesis being one of them. As the company operates on the B2B market, this passivity is not beneficial.

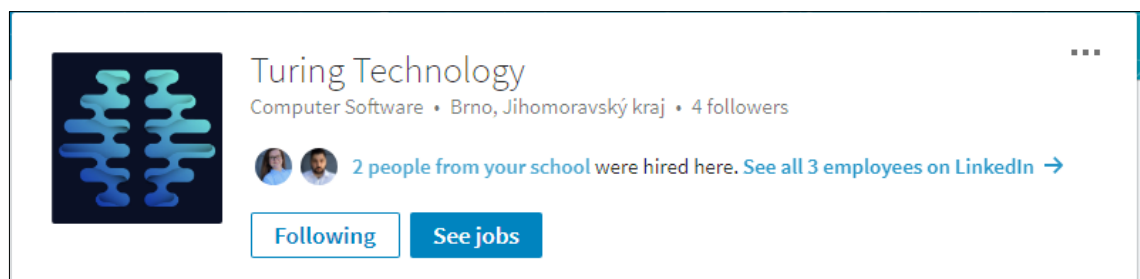


Figure 12: LinkedIn profile of the company
(Source: LinkedIn, 2017)

The **Facebook** page of the company has 10 subscribers, the site contains basic information, logo and slogan of the company. The page lacks any activity (no post in its history).

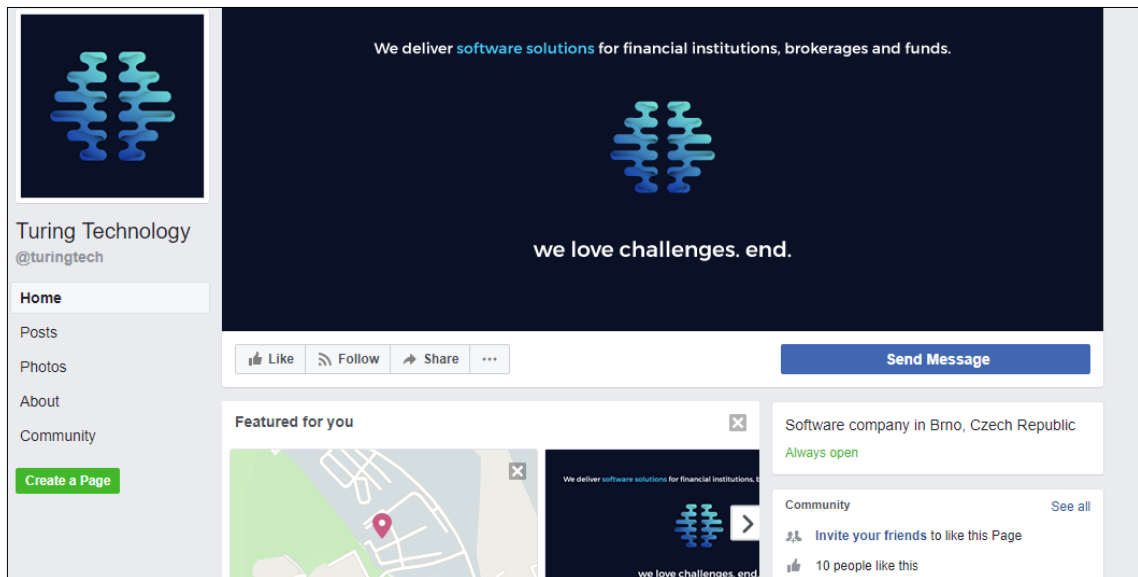


Figure 13: Facebook page of the company
(Source: Facebook, 2017)

On **Twitter**, the company signed up in May 2017 and added 4 posts to this day, the last one contribution to bitcoin prices in June next year. In the profile, the basic data and design of the company can be found.



Figure 14: Twitter account of the company
(Source: Twitter, 2017)

The **Instagram** account has 4 followers and no posts. Only the company website is listed in the profile.

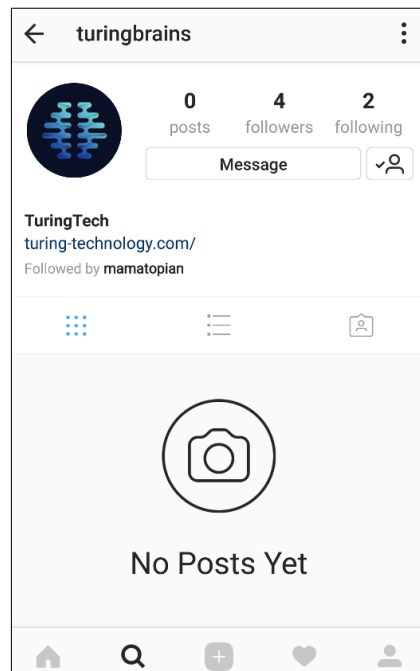


Figure 15: Instagram account of the company
(Source: Instagram, 2017)

In search engine marketing, the company does not use either SEO or PPC. When searching for a company name through Google, it's really hard to find it by using keywords or company name. There are many companies that are similar in the international market but have a different focus⁵. In search results, a listing of company listings and newspaper articles in the higher positions is the same as the website of the company that the individual is looking for to learn more about the company and the product.

⁵ as you can see Turing Technology, Inc. which is the company that offers the productivity cloud for sales professionals (an integrated suite of products with email, chat, tasks, calendar, contacts and notes).

About 18,400,000 results (0.38 seconds)

Turing: Protecting networks - protecting businesses - turing.net
www.turing.net/ ▼
 Fast event detection, forensic detail & clear, actionable intelligence.

Turing Technology, Inc. | crunchbase
<https://www.crunchbase.com/organization/turing-technology-inc-> ▼
 The productivity cloud for sales professionals. An integrated suite of products with email, chat, tasks, calendar, contacts and notes.

Turing Technology, Inc. | LinkedIn
<https://www.linkedin.com/company/turing-email> ▼
 Turing Technology, Inc. developed Turing Cloud an integrated suite of products with email, chat, tasks, calendar, contacts and notes to replace Microsoft Office.

Turing Technology Services | LinkedIn
<https://www.linkedin.com/company/turing-technology-services>
 Turing Technology Services provides IT services to individuals and businesses. Wide range of services provided including application development, hosting, ...

Turing Technology Services
turingts.com/ ▼
 IT services for individuals and businesses. Wide range of services including application development, hosting, consulting, research and IT administration.

Turing Technology s.r.o., Brno IČO 04418018 - Obchodní rejstřík firem
rejstrik-firem.kurz.cz/04418018/turing-technology-sro/ ▼ [Translate this page](#)
 Turing Technology s.r.o., Purkyňova, Brno, výpis z obchodního rejstříku - adresa sídla firmy, majitelé, vedení firmy, založení a vznik obchodní společnosti, ...

Figure 16: Filtered results of "Turing Technology" on Google (first page)
 (Source: Google, 2017)

The site itself can be found on the fifth search page between other companies and articles that do not have anything in common with the business of the company.

Report inappropriate predictions

HON TURING TECHNOLOGY CO., LTD. - Homepage - CENS.com
www.cens.com/honturing/ ▼
 Set up in 1997, Hon Turing Tech Co., Ltd. is a leading maker of DC-to-AC inverters and battery chargers in Taiwan with R&D and designing as forte. Adopting ...

Computer passes 'Turing Test' for the first time after convincing users it ...
[www.telegraph.co.uk/Technology/Technology News](http://www.telegraph.co.uk/Technology/Technology%20News/) ▼
 Jun 8, 2014 - No computer had ever previously passed the Turing Test, which ... Will Alice pass the Turing Test? ... Read more from Telegraph Technology ...

Turing Technology – Software development FOREX Stock Markets
turing-technology.com/ ▼ [Translate this page](#)
 We are a software development company, delivering top-tier custom-made FinTech solutions for companies of all sizes. Write Us ...

Alan Turing and the Technological Singularity - Singularity Symposium
www.singularitysymposium.com/alan-turing.html ▼
 To find out who is Alan Turing and how he is related to the Technological Singularity check this out...

Turing Society – What problem will you solve?
<https://tsociety.io/> ▼
 Turing Society is a non-profit organization that helps people solve problems through tech. We organize events, workshops, and bootcamps for people who are ...

Electric Dreams: Computers in American Culture - Google Books Result
<https://books.google.cz/books?isbn=0814727395>
 Ted Friedman - 2005 - Computers
 49 Sumner's question intriguingly echoes the famous Turing Test, designed by ... is an imitation game, every form of representation is a Turing technology.

Figure 17: Filtered results of "Turing Technology" on Google (fifth page)
 (Source: Google, 2017)

2.4.2 SWOT analysis

Based on previous analysis, internal analysis SWOT which describe strength, weaknesses, opportunities and threats of the company, will be identified.

STRENGTHS

- lower price than competitors
- cloud solutions
- complex solutions with extensions
- membership in JIC Master Programme
- more than 6 years of experiences in financial market
- white-labels products
- location of development centre in Brno

WEAKNESSES

- product is still in development
- poor or none experiences with marketing strategy and marketing communication
- poor or none experiences with foreign market entry strategy
- very poor promotion and communication mix
- unfinished web site about company
- very poor sales support

OPPORTUNITIES

- customers interest in lower prices compared to competitors
- representation of the company on Forex Expo in London 2018
- participation of the company on MoneyConf 2017
- customer preferences for new technologies

THREATS

- overreaction of UK-based companies in financial services to Brexit and their leaving from London
- competitors will extend their solutions (complex solutions,

- lack of interest of investors
- leaving potential investors
- lack of interest from customers about start-up company (with comparison to big players in the market)

3 PROPOSALS AND CONTRIBUTIONS

On the basis of the analyses carried out, the company identified the shortcomings in terms of marketing communication. The most important element with which the company has a problem is definitely promotion, which is also called a communication mix, and that's why this part will be more extensive. The aim of this part of the thesis is to compare appropriate market entry strategies and then to propose a marketing mix for the company. Brief financial budget, time table and benefits for proposals will be described as well.

3.1 Market entry strategy

In the theoretical part, the possible market entry strategies were discussed in detail. The CEO of the company had preferences for using a dealers/sales agent strategy.

Table 2: Comparison of chosen market entry strategies

Strategy	Advantages	Disadvantages
Intermediary relations	For SMEs whose exports or imports are marginal	Loss of immediate contact with the customer
	Reduced circulation costs and elimination of risks arising from international trade	
	Export to markets that would be too expensive to process directly	
Contracts for the exclusive distribution	Quick entry to foreign market	Loss of immediate contact with the market
	The manufacturer can penetrate distant markets	Possibility of blocking entry to the foreign market
	It serves as a test of the potential of the foreign market	
Dealership	Knowledge of the market	One of many
	Knowledge of language	Loss of Control
	Communication skills	Higher Expenses
	Commission sales – lower wage costs	Lower Revenues
Commission and mandatory relations	Possibility of price control	Přílišná samostatnost komisionáře
	Possibility to use the goodwill of a commissioner and his business contacts and distribution channels	Non-application of corporate image on the foreign market

(Source: Created by author based on Hill, 2011; Machková 2015)

Based on this discussion, a comparison of four possible market entry strategies in indirect export was created, as listed in the Table 2. Each factor has its own advantages and disadvantages, however, the CEO prefers sales representatives due to the unique product and market. The company is interested in a model in which product development will be in Brno, and in the United Kingdom there will be sales representatives who will look for clients and act on behalf of the company on its behalf. The Chief Executive Officer will go to London for various meetings and ongoing scrutiny, but will be in Brno and will be looking for further expansion with firm.

3.2 Marketing mix 4P

This chapter consists of the preparation of appropriate strategy derived from marketing mix, whereas the biggest part will be focused on promotion, because this aspect represents company's biggest weakness and needs significant adjustments.

3.2.1 Product

Product is still in the process of development, therefore, it is not possible to adjust it completely. However, it is possible to offer the company some specific names (such as Atlas FX, OpenPlatform...) of the product since company itself has not developed any specific name for the product just yet. The whole naming process could be held through questionnaires, or focus group meetings. Questionnaires would be distributed between experts to ensure higher relevance.

It is also recommended to continue in the idea of specific services that product offers. In other words, company should continue to focus on customer needs and develop customized product that is specific according to the needs of each and every customer. Synchronously, visual attributions should be adjusted to this approach as well.

Product should be offered as a B2B white-label solution as it should have ability to be modified and tuned up to customer design and functional needs, e.g. to fit client's corporate identity or special functionality to fit specific business situation and model.

It is also recommended to consider the change of company's name abroad. It is possible to keep former name of the company within Brno, however, in general, "Turing Technology" name stands for several companies worldwide, and thus, this could cause branding problems and lot of confusion in future

3.2.2 Place

First of all, it is proposed to expand and open the representative office in London. It is recommended to locate the office at area of Canary Wharf district, which is something like "European English Wall Street", because it is a major business district in the London Borough of Tower Hamlets. Canary Wharf is currently the biggest rival of London's traditional financial centre, the City of London, while containing several United Kingdom's premier office spaces and tallest buildings. Canary Wharf is located on the site of the West India Docks on the Isle of Dogs. Its establishment is dated back to 1802, when the area was one of the busiest docks worldwide. By the 1950s, the port industry began to decline, and, as a consequence, docks were closed by 1980. The Canary Wharfs started to create its current picture when Michael von Clemm, former chairman of Credit Suisse First Boston (CSFB), came up with the idea to convert Canary Wharf into back office. In 1991, first buildings were created, including One Canada Square, being the UK's tallest building and representing powerful symbol of the regeneration of Docklands. The selection of appropriate office space for representative office should be of high importance, as office would serve as a representative place that says a lot about the company and can either attract or disappoint potential customers (Foxtons, n.d.)

Office space requirements are as follows:

- 17 - 20 m²
- separate office
- air conditioning
- meeting rooms
- lounge bar
- Broadband Internet
- kitchen
- reception services

- ideal location on Canada Square

Based on those preferences, through Instant Offices (2017), it has been selected the 3 most suitable office spaces.

1) Office Space: Canada Square, Canary Wharf, London, E14

Price: from 456 £ per month; the estimated price of this office can be affected by a number of factors including the amount of space needed, length of contract and move-in date.

Services: all of services based on CEO requirements are included in this building centre



Figure 18: Office for rent First option
(Source: Instant Office, 2017)

More details are available at: <http://www.instantoffices.com/en/gb/available-office-space/london/canada-square-canary-wharf-138>

2) Office Space: Canada Square, Canary Wharf, London, E14

Price: from 599 £ per month; Co-working spaces from £348 per person per month

Virtual Office From £112; The estimated price of this office can be affected by a number of factors including the amount of space needed, length of contract and move-in date.

Services: all of services based on CEO requirements are included in this building centre



Figure 19: Office for rent second option
(Source: Instant Office, 2017)

More details are available at: <http://www.instantoffices.com/en/gb/available-office-space/london/canada-square-canary-wharf-13688>

3) Office Space: Bank Street, Canary Wharf, London, E14

Price: from 550 £ per month; Coworking spaces from £450 per person per month;

The estimated price of this office can be affected by a number of factors including the amount of space needed, length of contract and move-in date.



Figure 20: Office for rent third option
(Source: Instant Office, 2017)

Services: all of services based on CEO requirements are included in this building centre
More details are available at: <http://www.instantoffices.com/en/gb/available-office-space/london/bank-street-canary-wharf-18410>

If the company is successful this year, it plans to expand and open other representative offices. First, cities such as Dublin, Singapore, Cyprus and New York are recommended. Brexit is transforming Dublin as a financial centre. Major banks, credit card companies and FinTech start-ups have all signed leases in recent months. So it is recommend the company to open another representative office in Dublin. Similarly, Dublin is also interesting in view of the fact that none of the analysed competitors has a representative office in this city (MoneyConf, 2017; The Guardian, 2017).

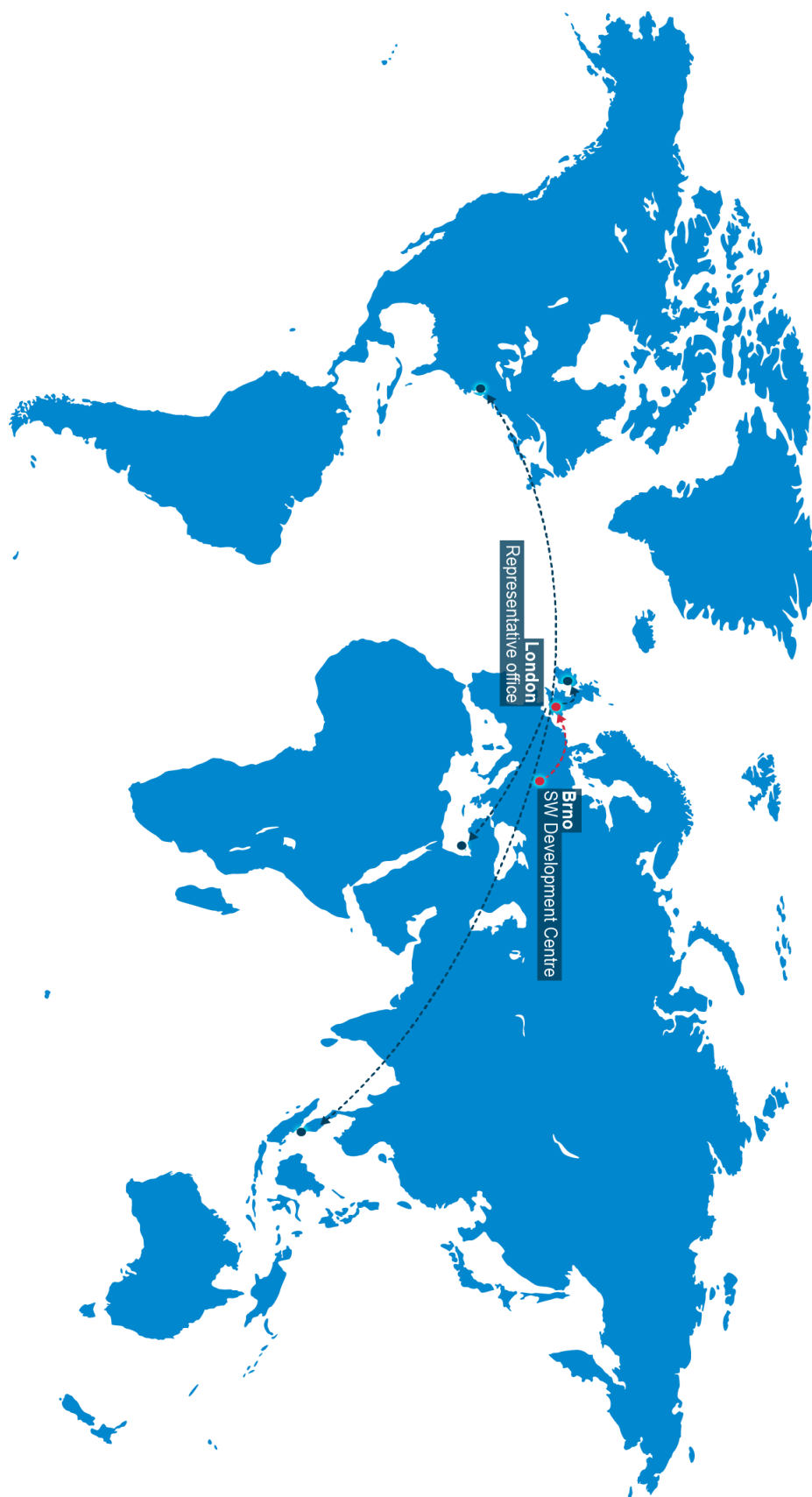


Figure 21: Plan of further entry to foreign markets
Source: Created by author

3.2.3 Price

First step will be definitely comparison of competitors' prices. That is a crucial step in set up process of the whole pricing policy. Simultaneously, it is also important to come up with ideas of the selling process. Speaking broadly, whether the product will be sold per stock or through license. Competitors have information about paying per stock on per license, which are described in chapter Main Competitors.

Company itself prefers monthly license, but paid annually. The company wants to crack down on competitors with a lower price and a cloud solution that takes care of the server. The proposed price for the company, after consulting the CEO, is 50.000 USD / year. It is not excluded that the price strategy will move further towards "stock" payments, but this will only be seen in the course of further product development and company policy itself.

3.2.4 Promotion

With regard to the distribution policy of the company, when the company has no distribution channels, there is direct communication directly to the end users. It is recommended to using the pull strategy when the main communication tools will be advertising, sales support, and online marketing.

The company has to determine the budget it wants to use for communication activities. Taking into account the requirements and the current situation of the business, it is recommended that the company has to allocate at least € 1,500 in its budget to cover the costs of offline and online advertising, participation in events and sales promotion.

a) Advertising

In terms of communication the object, the company should focus on a product ad where it will highlight the benefits and benefits of a product within a commercial ad like the cloud application that does not require servers to be maintained; Complex solution of the product and more. As part of corporate advertising, the company is encouraged to continue communicating with the company strategy, emphasizing that the young company is full of creative people with innovative ideas to build awareness of the

company itself. Very appropriate tools for corporate advertising are public relations or sponsorship, given that Brno is a city full of students, the company can sponsor any student event, possibly support the Brno city to acquire the partner in strategic public areas sector.

The company is encouraged to continue to use informative advertising when it is important for customers to point out that a new product is coming.

b) Direct marketing

The company is recommended to continue to use direct marketing as the product is tailored to the client, arguing on the product itself and on the price. This form of communication is more expensive, but in this sector care and individual approach to the client are very important.

c) Sales support

As part of sales support, the company needs to consider how to support a customer to buy a product. Based on the market and product specifications, the following are recommended:

- Free trial / demo version for 3 months
- The possibility of preferential purchase when placing the product on the market (when ordering per year, discount 10% of the monthly license fee)

The business must consider the costs of this type of communication and count these costs in the budget.

d) Public relations

PR in internal communication is very well done, so there is no need to suggest further recommendations. The company's external communication is fairly good, but if the product is to be seen more, the company needs to work even more. We recommend the following main activities:

- Include greater communication with media
- publishing articles in professional journals focused on the financial market

- attending exhibitions and conferences:
 - e.g. MoneyConf in Dublin 2018 “Where the world's biggest banks and tech firms meet” (MoneyConf, 2017)
 - participation of the company at Forex Expo 2018 in London (GBO, 2017)
- a blog on websites
- Corporate participation in public events (e.g. sponsoring)

e) Online marketing

First of all, the company is recommended to focus on the company's website. In the analysis, it was found that the company does not have a complete website, and so it has an untrustworthy impression. There was also a problem that the company did not appear on the top search engines. The company is therefore recommended to focus on search engine marketing using search engine optimization. When a user enters a search term that interests him, the search engine finds all the pages that contain the phrase in their database and evaluates their credibility and relevancy for the search phrase. Those that will evaluate it as the most relevant and the highest quality will appear first. The optimization of pages should modify them in such a way that the search engines list them in the first places. It is important to place correctly selected keywords on your website that match the content focus of your site. Keywords (business name, brand, product) should be in the headings and, if possible, in the domain. Another tool for SEM is to use PPC advertising. The company pays when the customer clicks on the link, that is, the real visitor, rather than just someone who is viewing the ad, PPC advertising is the best means of quickly and reliably attracting visitors.

When evaluating social networks, it was found that the company has accounts on different social networks but is not active on them. Compared to competition, it is recommended that the company focus mainly on using LinkedIn to build a professional network. In addition, Twitter is recommended, where the company should regularly provide financial sector information and product news. Twitter is much more used abroad, with a higher reach than Facebook. According to the analysis, Instagram is a completely unnecessary channel.

If the company focuses on improving the mix of the communication mix and develops the appropriate strategy, brand awareness will grow to bring potential clients.

3.3 Proposal timetable

The company plans to bring the product to market in October 2017, product extensions will be in the market in December 2017. By 2019, the company plans to open a representative office in London and continue expanding by 2020.

Based on the above, the company must prepare a communication strategy plan. Briefly proposal timetable could be:

- August 2017: web site of the company is already finished with all important information about company, product and services; financial budget for marketing is proposed and approved by the CEO of the company
- September 2017: 3 months communication plan on social networks is created; purposes for sales support are prepared and calculated;
- October 2017: final product; interviews about new product and company; communication with new potential clients
- December 2017: final product with extensions; interview about it; new blog on the web site of the company about “Why to buy an extensions?”
- Spring 2018: legal bureaucracy about entry to London market with representative office;
- Summer 2018: selection of representative office; searching for dealers and sale agents; MoneyConf 2018 in Dublin, Forex Expo 2018 in London
- Autumn 2018: Global communication campaign starts to create
- Winter: Final steps to open representative office in London
- 2019: Representative office in London; communication strategy is working;
- 2020: Entry to another foreign market (recommendation is going to Dublin, according to Brexit)

3.4 Financial budget

Brief financial budget proposed for the company for one year term. Due to requirements from the company about confidential data, it is not allowed to describe the amount in

more details. In comparison costs and revenues, there can be seen that if the company will get four customers it will still gain a profit.

Table 3: Financial budget (costs)

Costs		
Personal Costs	Sales agents	127 000 €
	CEO	
	Developers	
	Programmers	
	Office manager	
Representative office (London)	Rent	6 185 €
	4 56 £ × 12 months = 5 472 £	
Development centre (Brno)	Rent	3 600 €
	300 € × 12 months	
Workshops & education	2 times per year	2 000 €
	Networking events	
	Catering	
	1 000 € × 2	
Flight tickets	Brno <-> London	6 240 €
	2 times per week	
	30 € × 4 = 120 € × 52	
Promotion	Brief estimation	18 000 €
	Off-line marketing	
	On-line marketing	
	1500€/month × 12	
Reserves		20 000 €
Total costs		183 025 €

Source: Created by author based on Mamaghani 2017

Table 4: Financial budget (revenues)

Revenues		
Investors		300 000 €
Revenues from selling products	1 license	200 000 €
	50 000USD/year	
	4 buyers/year	
Total revenues		500 000 €

Source: Created by author based on Mamaghani 2017

3.5 Benefits of the proposals

Considering the fact that company consists of developers who do not have any experience with marketing, the complex proposal of solutions created by author of the thesis can significantly help company and its future business activities. Even CEO himself said that

he does not have any marketing background and experience in this area. Considering the fact that company is a part of JIC Master Programme, as a consequence, creation of this thesis can bring relevant and sufficient results that company can use for real in their future business activities. Consequently, another benefit is captured in medialization of the company, as it will generate free commercial through articles about the company mentioned in newspapers.

CONCLUSION

Master's thesis is focused on the proposal of marketing strategy for chosen start-up company. The main aim of the thesis was the proposal of marketing strategy of the company focusing on the entrance into foreign market where company plans to open representative office in London.

Theoretical part deals with characteristic of main terms, which were furtherly used in analytical and proposal part of the thesis. Theoretical part is based on books, academic literature, journals and relevant online sources.

In the analysis of external environment, SLEPTE, the UK was analysed based on its social, legal, economic, political, technological and environmental factors. Economic and political factors played significant role for the company regarding the question of Brexit. After the Brexit, strong and innovative UK companies should have every reason to believe that discerning European customers will still do business with them due to transition period. There is also a good example in a Swiss model, where Switzerland operates a successful banking industry outside the EU without passporting rights – they operate their European investment banking businesses via London subsidiaries. Global financial services companies are adept at dealing with local market variations and hidden barriers to trade, such as competing Regulatory and Tax regimes.

Analysis of industry highlighted current situation on the market of financial services. Part of the analysis was also focused on the Porter's Five Forces model. Analytical part described company profile and through the internal analysis of marketing mix 4 P, all parts were furtherly explained: product, place, price and promotion.

Based on the results from conducted analysis, considering the development phase of the product, it is not possible to propose significant steps towards these two parts. Place showed company's actual location situated in Technological park in Brno with its distribution centre. Furthermore, there are no distribution channels exist, as company is planning to sell product directly. Promotion represent the most extensive part of

marketing mix 4 P analysis, including analysis of commercial, direct marketing, sales support, PR and online marketing. Based on the results from analysis, PR performs the best. In online marketing analysis, website and social networks were evaluated, whereas, as a result, company possess really weak position in this area. In the part focused on main competitors, four selected competitors were identified and furtherly analysed, whereas emphasis was put on their product, representative offices, price (if available) and promotion through online marketing.

The selection of the market entry strategy also depended on decision of the CEO of the company. The analysis of possible strategies was presented and he was interested only in the indirect export, which was the best opportunity to use a sales representative. Another part of the proposals and contributions has already addressed the 4P marketing mix. For the Product, it is advisable to maintain an individual approach to product production, making use of interesting names for the product. Broker and customer views in this case could play a large role and could use creative focusing memorials to focus groups. Company is also recommended to use white label customization to help customers adapt their product to the image of the company.

Place was about choosing the right location for opening a representative office in London. Office space requirements have been defined, and three office spaces have been selected at the Canary Wharf area in London using the office rental portal. Due to requirements for further expansion in 2020, other cities have been proposed, with Dublin appearing to be the best option for relocating businesses to this city.

The Price was compared with the prices of the competition and the price with which the company will be present the product on the market. First, an annual license will be set, but it is possible that the pay-per-stock option will also be anticipated in the future.

The promotion suggested ways to improve the communication mix that was described in the analytical part. Suggestions are interesting, for example, participation in the Forex Expo 2018 in London, MoneyConf 2018 in Dublin, creation of promotional materials for

the company, increased awareness of the company through improvements in PR and, in particular, proposals to improve online marketing.

The company has been discussing the thesis with author continuously and many proposals have been continuously implemented. The work proposals will be further submitted to JIC Master representatives, where the company is a member and will serve as a basis for the company's marketing development.

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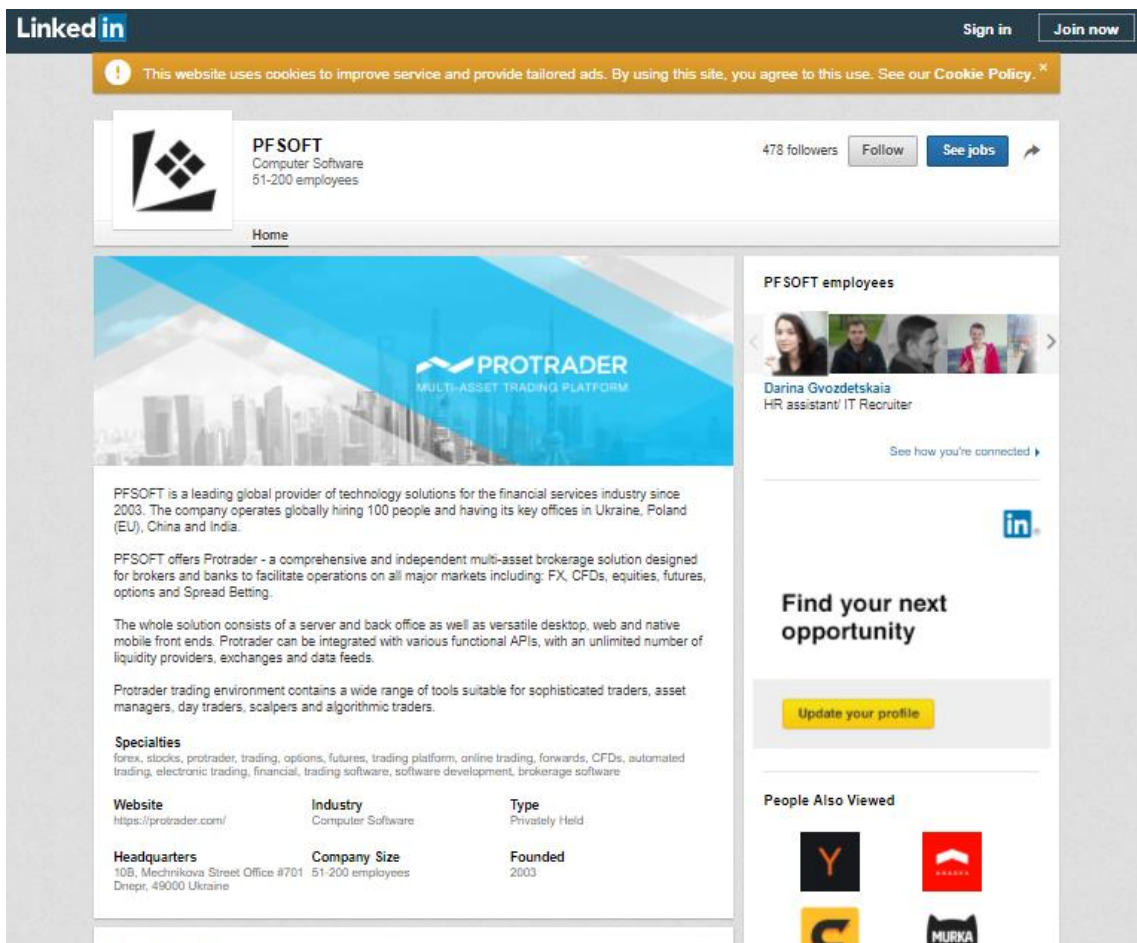
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Appendix I: Online promotion of PFSOFT Protrader

Website of the company (Protrader, 2017)



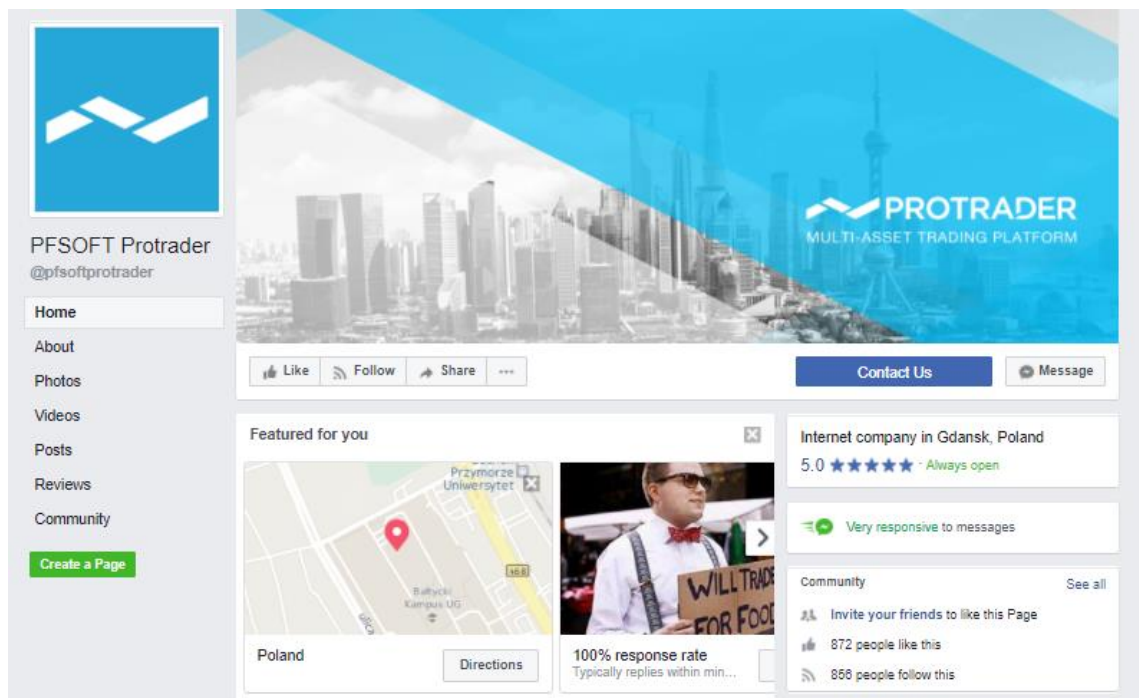
LinkedIn profile of the company (LinkedIn, 2017)



Twitter account of the company (Twitter, 2017)



Facebook page of the company (Facebook, 2017)

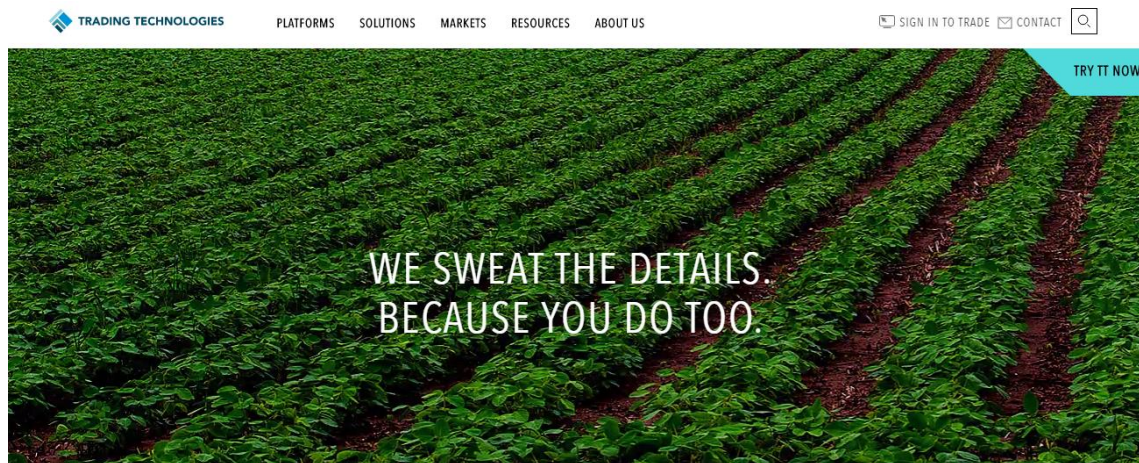


YouTube channel of the company (YouTube, 2017)

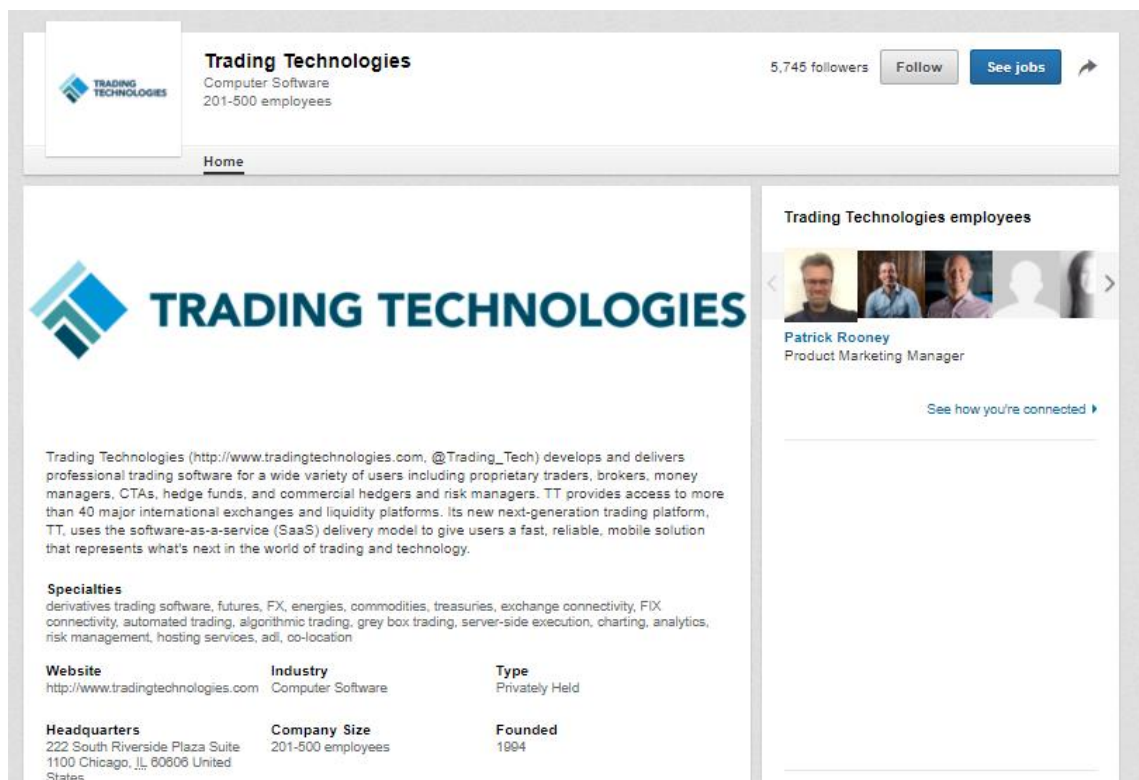
Google + profile of the company (Google+, 2017)

Appendix II: Online promotion of Trading Technologies

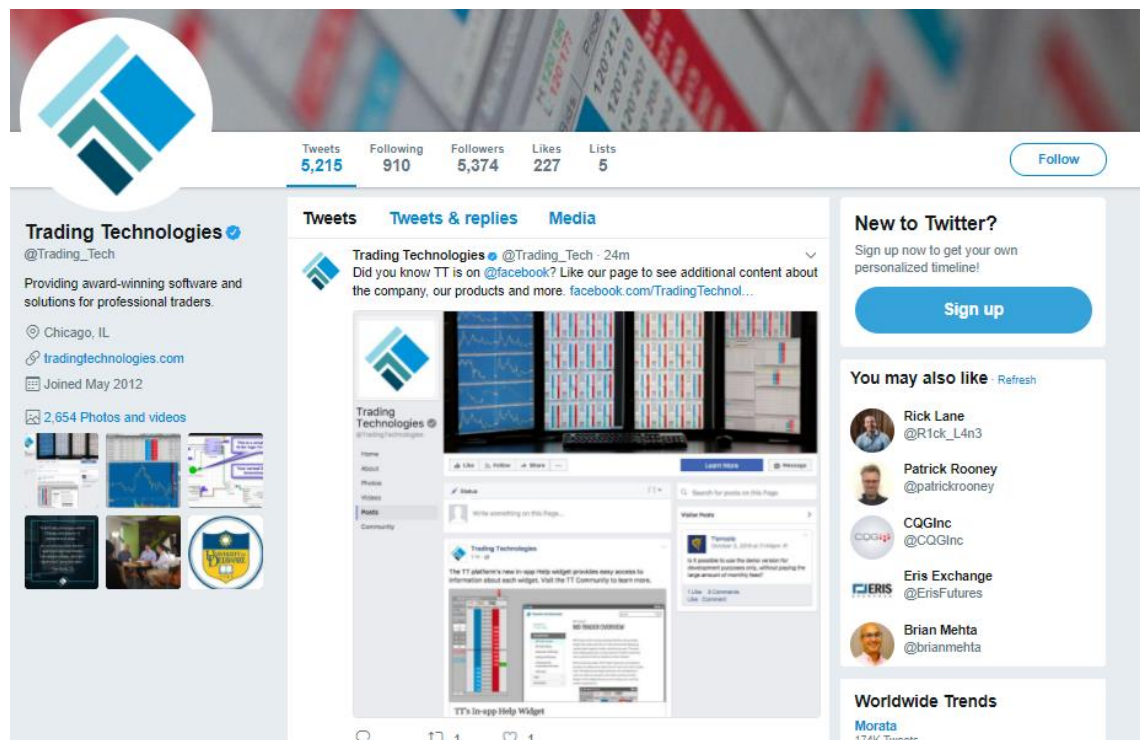
Website of the company (Trading Technologies, 2017)



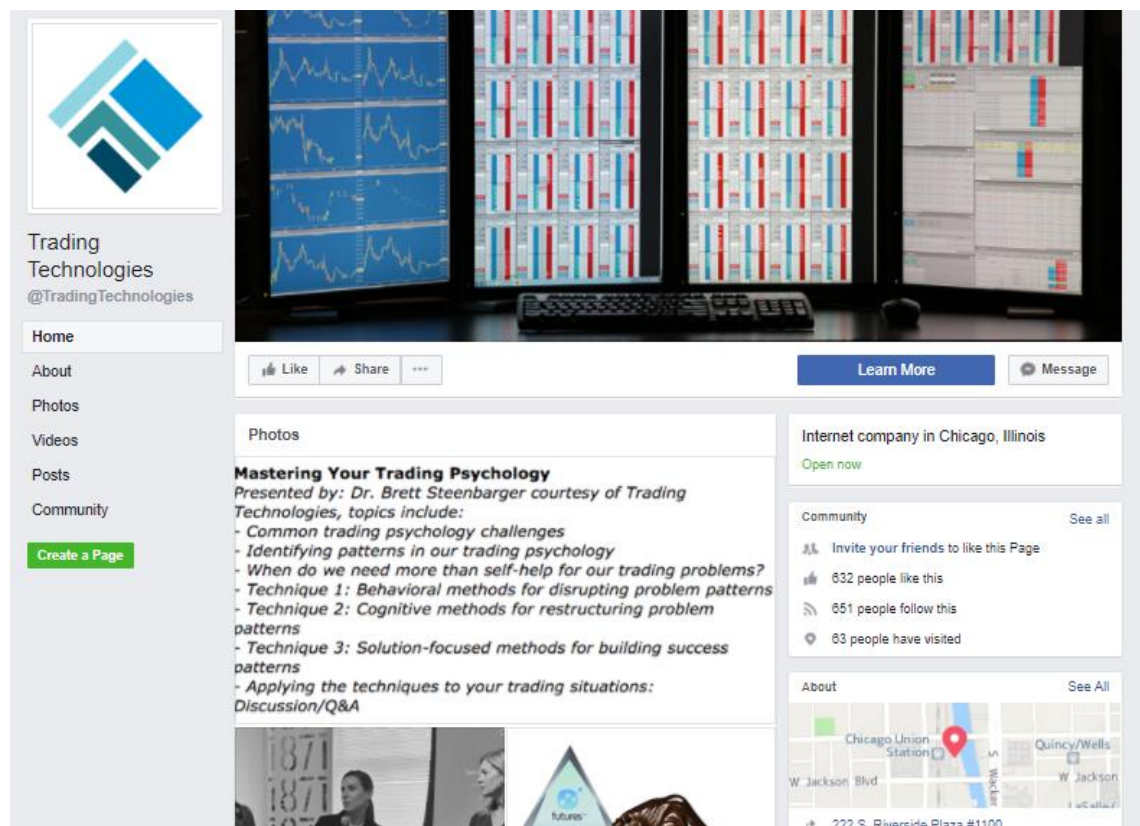
LinkedIn profile of the company (LinkedIn, 2017)



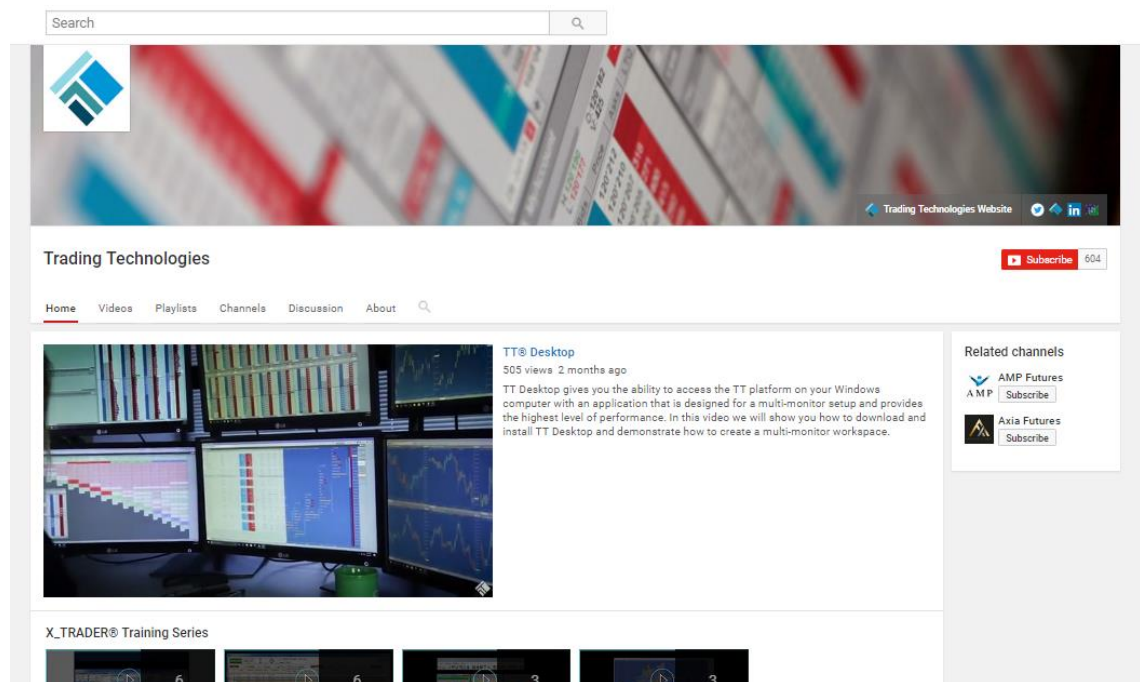
Twitter account of the company (Twitter, 2017)



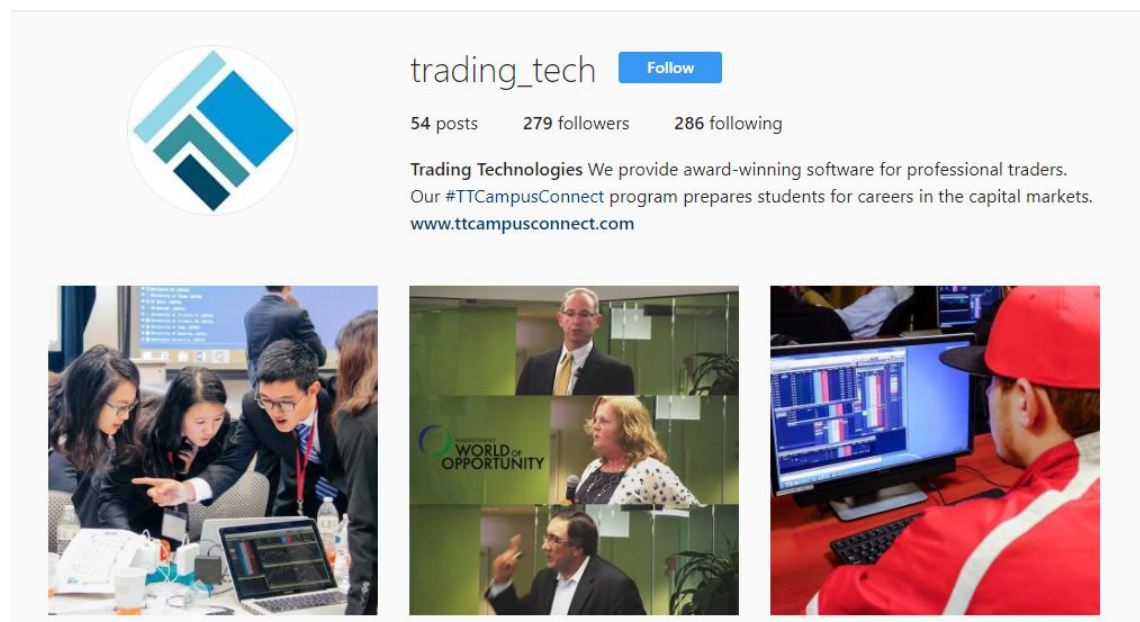
Facebook page of the company (Facebook, 2017)



YouTube channel of the company (YouTube, 2017)

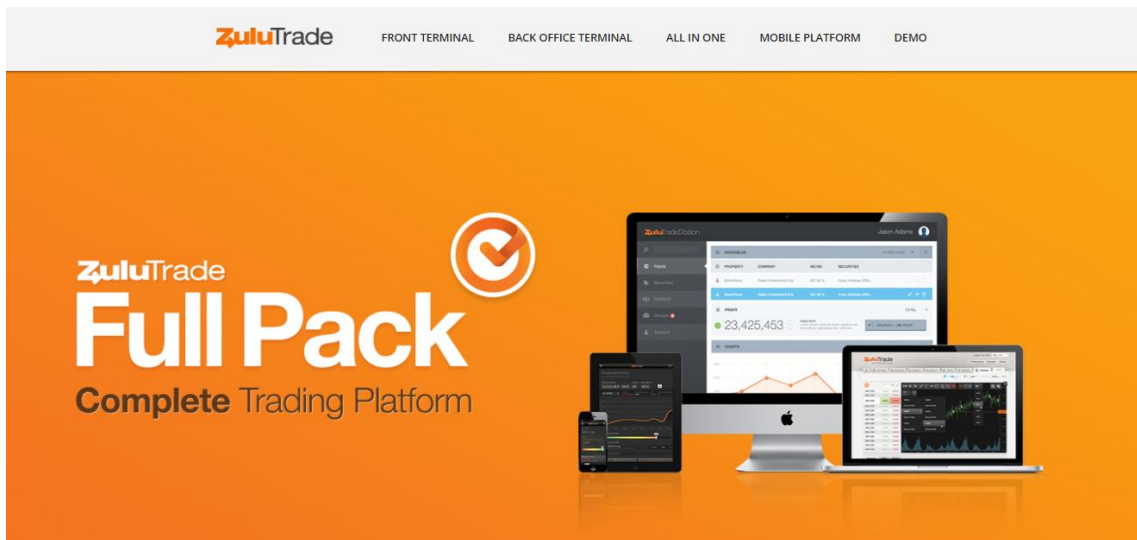


Instagram profile of the company (Instagram, 2017)

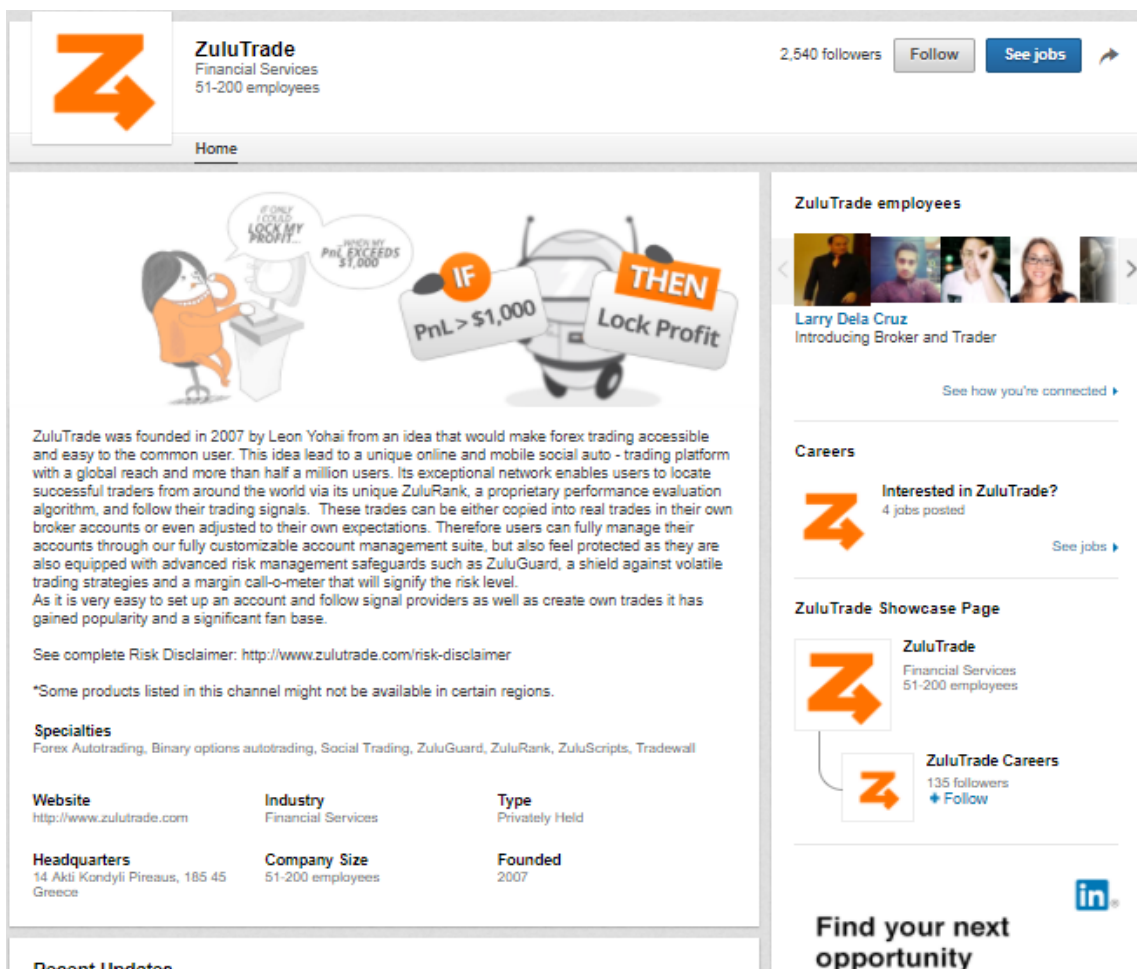


Appendix III: Online marketing of Zulu Trade

Website of the company (Zulu Trade, 2017)



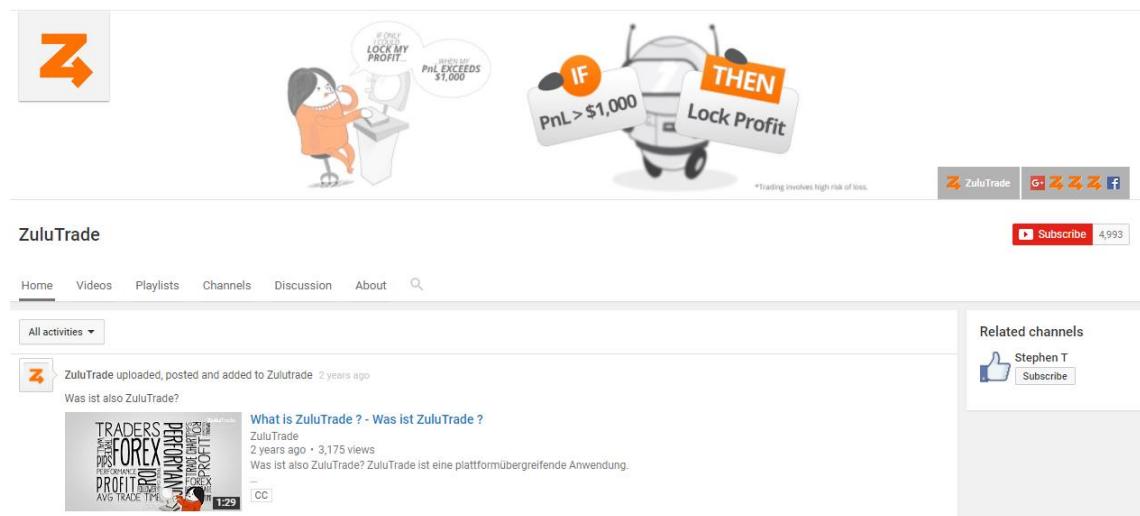
LinkedIn profile of the company (LinkedIn, 2017)



Twitter account of the company (Twitter, 2017)



YouTube channel of the company (YouTube, 2017)



Facebook page of the company (Facebook, 2017)

