



BRNO UNIVERSITY OF TECHNOLOGY

VYSOKÉ UČENÍ TECHNICKÉ V BRNĚ

FACULTY OF BUSINESS AND MANAGEMENT

FAKULTA PODNIKATELSKÁ

INSTITUTE OF MANAGEMENT

ÚSTAV MANAGEMENTU

MARKETING PLAN OF THE SELECTED COMPANY

MARKETINGOVÝ PLÁN VYBRANÉHO PODNIKU

BACHELOR'S THESIS

BAKALÁŘSKÁ PRÁCE

AUTHOR

AUTOR PRÁCE

Miroslava Polakovičová

SUPERVISOR

VEDOUcí PRÁCE

doc. Ing. Vít Chlebovský, Ph.D.

BRNO 2021

Specification Bachelor's Thesis

Department: Institute of Management
Student: **Miroslava Polakovičová**
Study programme: Economics and Management
Study field: Entrepreneurship and Small Business Development
Supervisor: **doc. Ing. Vít Chlebovský, Ph.D.**
Academic year: 2020/21

Pursuant to Act no. 111/1998 Coll. concerning universities as amended and pursuant to the BUT Study Rules, by the Director of the Institute, you have been assigned a Bachelor's Thesis entitled:

Marketing Plan of the Selected company

Characteristics of thesis dilemmas:

Introduction
Goals of the Theses
Theoretical Foundations
Current Situation Analysis
Proposals and Contribution
Conclusion
References
List of Appendices

Objectives which should be achieve:

The aim of this bachelor thesis is marketing plan proposal to prove that even companies which deals with slow fashion can operate on the market at the same level as fast fashion companies. Thesis clarifies the concept of marketing and provides the theoretical background of marketing plan. It contains of processed data provided by selected company and consequently suggest own alternatives to its further development.

Basic sources of information:

FORET, M. Marketing pro začátečníky. Brno: Edika, 2012. 184 p. ISBN 978-80-266-0006-0.

KITA, J. a kol. Marketing. Bratislava: Iura edition, 2010. 411 p. ISBN 978-80-8078-327-3.

KOTLER, P., ARMSTRONG, G. Principles of marketing. England: Pearson Education Limited, 2014. 716 p. ISBN 978-0-273-78699-3.

MCDONALD, M., WILSON, H. Marketing plans. United States: John Wiley and Sons Ltd, 2016. 640 p.
ISBN 978-1-119-21713-8.

Deadline for submission Bachelor's Thesis is given by the Schedule of the Academic year 2020/21

In Brno dated 28.2.2021

L. S.

doc. Ing. Robert Zich, Ph.D.
Director of the Institute

doc. Ing. Vojtěch Bartoš, Ph.D.
Dean

ABSTRACT

This bachelor thesis is dedicated to improvement of marketing plan in the selected company. It includes needed theoretical background for analysis of data provided by company. After analyzation of these data and compiling matrixes, it is followed by specific proposals for company's contribution and development in the future. Expectation after implementation of recommended proposals should result in greater brand awareness.

Key words

Marketing, Marketing plan, Marketing mix, SWOT analysis, Slow-fashion, Secondhand

ABSTARAKT

Tato bakalářská práce je věnována zdokonalení marketingového plánu ve vybrané společnosti. Zahrnuje potřebné teoretické základy pro analýzu dat poskytovaných společnostmi. Po analyzování těchto údajů a sestavení matic následují konkrétní návrhy na přínos a rozvoj společnosti do budoucna. Očekávání po implementaci doporučených návrhů by mělo za následek větší povědomí o značce.

Klíčová slova

Marketing, marketingový plán, marketingový mix, SWOT analýza, pomalá móda, second hand

BIBLIOGRAPHIC CITATION

POLAKOVIČOVÁ, Miroslava. Marketingový plán vybraného podniku [online]. Brno, 2021 [cit. 2021-05-12]. Dostupné z: <https://www.vutbr.cz/studenti/zav-prace/detail/133777>. Bakalářská práce. Vysoké učení technické v Brně, Fakulta podnikatelská, Ústav managementu. Vedoucí práce Vít Chlebovský

DECLARATION OF ORIGINALITY

I declare that the submitted bachelor thesis is original and I processed it independently. Quote of bibliography is complete, and I did not violate any copyrights (in terms of Act no.121/2000 Coll., about Copyright and rights related to Copyright).

In Brno 25.6. 2021

.....

Bc. Miroslava Polakovičová

ACKNOWLEDGEMENT

First of all, I would like to thank my bachelor's thesis supervisor doc. Ing. Vít Chlebovský, Ph.D. for his guidance and flexibility. Also, I would like to thank founder of company 1981 Ltd. for their friendly approach, cooperation and patience. Lastly, I would like to thank my partner, friends and family for their constant support and love.

TABLE OF CONTENT

INTRODUCTION	10
1. PROBLEM, METHODOLOGY AND GOALS OF THESE	12
1.1. Working methodology and analysis methods	12
1.2. Working processes used in thesis	13
2. THEORETICAL FOUNDATIONS	14
2.1. Marketing and its history	14
2.1.1. Marketing mix	16
2.1.2. Marketing strategy	19
2.2. Management marketing	20
2.3. Marketing planning	22
2.3.1. Strategic planning	23
2.3.2. Marketing plan	26
2.4. Situational analysis	30
2.4.1. Environmental analysis	31
2.4.2. Porter's Five forces analysis	31
2.4.3. Customer analysis	32
2.4.4. SWOT analysis	32
3. CURRENT SITUATION ANALYSIS	35
3.1. Methods of obtaining data	35
3.2. Methods of evaluation and interpretation of results	35
3.4. Marketing mix of the company	37
3.4.1. Product	37
3.4.2. Price	39
3.4.3. Place	39

3.4.4. Promotion	40
3.5. Current communication tools of the company	41
3.5.1. Advertising	42
3.5.2. Sales promotion	44
3.5.3. Direct marketing	45
3.6. Analysis of environment in 1981 Ltd.	45
3.6.1. Competitive rivalry	45
3.6.2. Potential of new entrants into the industry	48
3.6.3. Power of suppliers	49
3.6.4. Analysis of customers and their power	49
3.6.5. Threat of substitute products.....	50
3.7. SWOT analysis of 1981 Ltd.	51
4. PROPOSALS AND CONTRIBUTION	54
4.1. Marketing Audit.....	54
4.2. Ads	55
4.2.1. Recruitment of marketing specialist	56
4.2.2. External marketing company	57
4.3. Employees.....	58
4.4. Opening a new branch	60
4.5. Summary of contribution to company 1981 Ltd.....	62
CONCLUSION	65
REFERENCES	66
LIST OF TABLES	68
LIST OF PICTURES	69

INTRODUCTION

In today's fast evolving world, the importance and role of marketing cannot be denied. Currently this well-known term represents the activities of companies or enterprises whose goal is to implement these activities for their market success. The situation in various business sectors gives the opportunity for high growth of competition, which forces companies to think about the right choice of marketing strategies and marketing planning itself. Due to the interest of the issue, the topic of the design of a production marketing plan is very attractive.

Marketing planning is an important marketing activity, whether at the very beginning or during the phases of the Company Life Cycle. Its task is to analyze the current state, as well as to present strategies and future developments in changing markets. For any company to be successful, it is not enough to bring a certain type of product to market without compromising its sustainability within the chosen market segment and any future development plan. An effective and efficient way to find out how and why to orient yourself in this area is to compile a marketing plan and work out the sequence of steps based on previous analyses of all relevant factors. Obtaining all the important information is the first step for successful design of a marketing plan.

This bachelor thesis concludes all of needed theory related to marketing, marketing plans, situation analysis and SWOT analysis followed by the analysis of current circumstances and the state in the chosen company 1981 Ltd. This secondhand company focuses on selling highly selected slow-fashion clothes which has positive impact on current pollution of our planet compared to fast-fashion industries. As we know fast fashion focuses on speed and low costs connected to production of clothes to constantly bring new collections and trends which are undeniably inconvenient for the environment. Results of this thesis are in form of proposed recommendations for improvement of this company's already existing marketing plan and to increase awareness of these kind of brands to show people that they can be trendy and own high-quality clothes with additional support for our planet.

The first chapter of this bachelor thesis consists of the used methodology, goal and problem which should be reached within completing this work. The second part provides

required theoretical background for better understanding and consequent implementation in third chapter while analyzing current state of 1981 company and their marketing activities. All needed data are provided by this company through interview with one of founder. Based on the analysis of the current state of the selected company, but also its competition and creation of a SWOT analysis, the fourth chapter is formed, where are detailly described proposed contributions to improve their marketing plan and further development of company in future.

1. PROBLEM, METHODOLOGY AND GOALS OF THESE

The aim of this bachelor thesis is to improve marketing plan by proposals to prove that even companies which deals with slow fashion can operate on the market at the same level as fast fashion companies. Thesis clarifies the concept of marketing and provides the theoretical background of marketing plan. It contains of processed data provided by selected company and consequently suggest own alternatives to its further development. To successfully achieve the main goal, I have set and developed the following sub-objectives:

- develop theoretical background in the field of marketing, marketing planning and situation analysis from domestic and foreign sources,
- the goal for compiling an improvement of the marketing plan,
- state the methodology of writing this work,
- introduce the company and its marketing mix,
- develop an analysis of the company's environment, prepare a SWOT analysis, through which I identify the strengths and weaknesses of the company, evaluate the opportunities and threats,
- make recommendations for a marketing plan to improve the current situation.

When it comes to dealing with a problem, I would consider the biggest problem of company the fact that they operate as slow-fashion company. Formerly, people weren't used to shop for clothes that were somewhere in the past worn by some complete stranger. But nowadays the awareness of slow-fashion brands increases unfortunately thanks to greater pollution on Earth. As I mentioned in the begging, I would like to help selected company to eliminate their potential threats and weaknesses by improving their marketing plan so they would have a chance to catch up with fast-fashion companies and attract more audience and help the environment.

1.1. Working methodology and analysis methods

In the part of work methodology and research methods, it has been developed the following:

- a description of the working procedures used,
- method of data collection,
- methods of evaluation and interpretation of results used.

1.2. Working processes used in thesis

While elaborating the bachelor's thesis I proceed according to specific individual procedures. Following methods were used to achieve the set goals of this work:

- Description - a method that is used to accurately describe and describe a given phenomenon. In bachelor thesis I used this method to characterize the selected company.
- Analysis - a method using analysis and decomposition of a phenomenon. I used it in the processing of the theoretical part in the analysis of the competitive environment. It was also used it to create a SWOT analysis.
- Synthesis - the opposite of analysis. A method by combining the analysis of a phenomenon into one whole. It is used in the theoretical part to summarize the facts from the publication.
- Comparison - a method of comparison, used in work in the theoretical part while comparing theoretical knowledge from different authors and in the practical comparison of the selected company and competitors.
- Deduction - a method that derives new knowledge from more information. I used the deduction in the theoretical part in the conclusions of the defined knowledge and in suggestions for improving the company's marketing plan.
- Characteristics - a type of description of an object that outlines the specific properties of the object. This method is used to describe the selected company.

2. THEORETICAL FOUNDATIONS

The core of this section is theoretical knowledge in the field of marketing. The goal is to define the basic concepts and explain the essence of creating a marketing plan. The current turbulent market situation specifically, the representation of marketing requires in all spheres, productive and non-productive, as a tool for the effective achievement of the required goals. Today, the customer experience is shifting to base on interest, budget, and values. New competition is emerging. A new government is being introduced, legislation and regulations. It is therefore not enough to just know marketing thinking, but it is necessary to master it, develop it regarding to consumer satisfaction but also apply it in practice.

2.1. Marketing and its history

Marketing plays an important role in successful business. It is often associated with a synonym such as sales or advertising, but in reality, it is a process of several tasks focused on meeting customer needs. Marketing is based mainly on relationship with customers, to satisfy their needs and at the same time to create itself profit.

It was initiated in the USA in response to surplus and mass consumption. As Kita says, the place and its period when marketing was born explains the core of connection to the scientific discipline that developed in the market economy. On one side of story is a market economy based on competition and, on the other hand, it allows it to produce, sell and buy (*Kita, 2010, p. 13*).

The basic definition of marketing as a concept can be based on one of the most famous publications of Kotler and Armstrong, who characterize marketing as social and managerial process through which individuals or groups can satisfy their needs and desires in process of production, also in transformation of products or other values. The goal of marketing is described as finding new customers by offering outstanding value and keeping regular customers by satisfying their needs (*Kotler, 2004, p.30*). Due to the overall development and globalization of marketing, Matúš is enriching the definition of marketing as following knowledge, “*Marketing should be represented in modern companies by means of a department that produces customers*” (*Matúš, 2012, p. 12*).

The basic concepts related to marketing include:

- needs,
- requirements,
- demand,
- offer,
- exchange and transaction,
- value, cost,
- the market,
- interest groups (Kita, 2010, p. 19)

"The aim of marketing is to carry out all activities in the relevant organization in such way that its products are offered to the right customers, at the right time, in the right place, with the right prices and with the use of appropriate promotion" (Cibáková- Rozsa-Cibák, 2008, p. 13).

Need, requirements and demand

The main concept of marketing is based on perception of human need. This need can be defined as a feeling of scarcity. In these needs it can include the very basic needs of Man and these are physical needs: food, clothing, feeling of security and warmth, social needs, the need for self-realization, emotional needs, and individual needs. All these needs have not been discovered by marketers, but they are a natural and independent part of the human being. People usually have unlimited desires, but limited resources to fulfil them. They want to choose products that will give them the greatest satisfaction and value for their money. They are directly supported by proper purchasing power and shaping demand. Consumers perceive the product as a set of benefits or advantage and choose the products that will provide them the best possible option of these.

Successful marketing companies make considerable efforts to understand the needs, desires and wishes and demand of their customers. They research what consumers like and what they do not. Analyze warranties and operational data, observe customers how they use products, including competition of their resellers to carefully perceive unmet customer needs and seek solutions to their problems.

2.1.1. Marketing mix

An important part of marketing is the marketing mix. The term "mix" captures that none of the tools of the marketing mix is superior, but that for its successful application and use it must work with a combination of all tools. The company creates a marketing mix within its capabilities and uses it to achieve the set goals. It is needed to know for whom and how to set it up, i.e., through market segmentation.

Kotler defines the marketing mix as a set of tactical marketing tools of product, price, distribution, and communication policy, which allow the company to adjust the offer according to the wishes of customers in the target market (*Kotler, 2004, p. 105*). From this definition it is obvious that the company adjusts its marketing mix according to customers and especially for them, in order to arouse interest in the product. The main tools were defined and modified in (1960) by Professor Jerry McCarthy as 4P model.

Table n.1: Marketing mix 4P x 4C

4P	4C
Product	Customer solution
Price	Customer cost
Place	Convenience
Promotion	Communication

(Source: *Marketing Mix: Definition, Elements, Examples, Diagram, 2021. [online] own processing available at: <https://www.iedunote.com/marketing-mix>*)

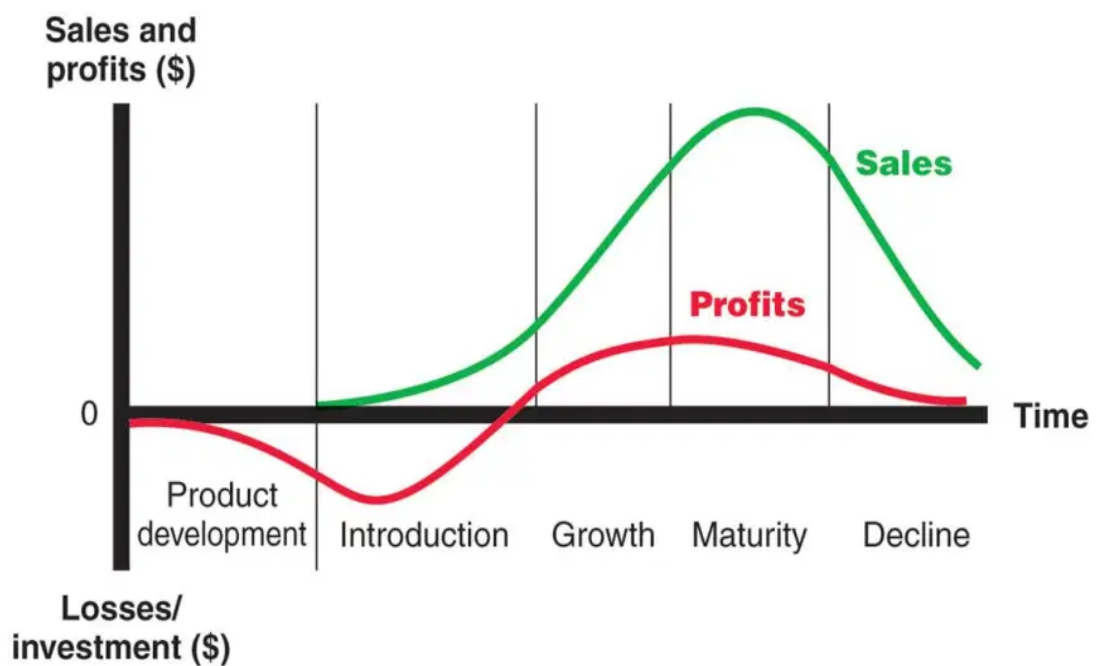
The term 4P defines the basic marketing mix, while 4C is an extension of it and determines the view of the marketing mix by the customer. In marketing thinking, it is necessary to look at the success of the company on the one hand and on the other hand the benefits and value that the customer will get by purchasing our product. The task of the marketing mix is to connect and find consistency between all its sub-components.

Product

The product itself is the most important component of the marketing mix. It is what I want to deliver on the market and in fact what is wanted to sell. Through this definition, it can be called a product everything that makes up an offer on the market and can satisfy the needs of customers. For each company, the goal is to have a good product, so it has to be

created as much as possible for the needs of its potential consumers. However, the product does not include only material things, but also services (called service product), people, ideas, and places.

When it comes to choosing a strategy and marketing planning itself, the product life cycle is also an important aspect. What determines possibilities bidding on the market is the stage of manufactured product. Undoubtedly, there is a difference if a new product is introduced to the market or if the product is already in a state of decline on the market, and it is necessary to decide on its future. Normally, the product life cycle is divided into 5 phases: product development, introduction, growth, maturity, decline.



Picture n. 1: Product life cycle

(Source: Product life cycle, 2019. [online]. [cit.19.10.2020]. Available at:
<https://theintactone.com/2019/03/07/mm2-u2-topic-12-product-life-cycle-plc/>)

Price

It is a monetary valuation of the product itself. Price is the exchange value of a good, service, i.e., the consideration needed to obtain goods or services in exchange. The manufacturer determines the price that consumer is willing to pay. Even a high-quality product cannot be set too high in order to generate a profit if the competition can offer the same quality product at a lower price.

Place

All activities connected to movements of goods- products from its production to the final consumer can be understood as its distribution. *"The purpose of distribution is to make the product available to the customer and to enable the customer to purchase it in sufficient quantity and at a time that suits him"* (Matúš, 2012, p. 110).

In one of Foret publications (2012) he divides distribution into direct and indirect. In direct distribution the product passes from the manufacturer directly to the consumer and in indirect distribution it contains one, two or more intermediates. In connection with distribution, to come across the term distribution channel. Effective distribution can save a considerable amount of cost.

The distribution channel includes 4 main aspects, which is refer to as:

- **physical-** representing the physical flow of goods,
- **the legal-** entity in which the transfer of ownership takes place,
- **financial-** including payment flows,
- **communication-** providing information and about the goods.

Promotion

The last important tool of the marketing mix is marketing communication, often referred to promotion in the literature. For the company, its tasks are to inform about the product, to explain its properties, to emphasize its quality, value, but also to be interested in the customer, to solve consumer propositions. *"It focuses on creating a spatial image of the product, promotes and creates a psychological halo-effect around the product in order to make the goods desirable"* (Kita, 2010, p. 30).

There are several ways to influence consumer behavior. These ways of the communication mix are called:

- **advertisement-** the oldest tool of promotion, it is a paid form of impersonal communication with the market,
- **sales promotion** - communication activities that increase sales will make the product more attractive to the public,

- **direct marketing** - an interactive system using mainly databases, focused on a certain segment of market (Foret, 2012, p. 130-134).

The use of all the tools of the marketing mix allows the company to create an effective marketing program in planning, and it should be designed so it is possible to achieve the set goals.

2.1.2. Marketing strategy

Marketing strategies are based on the overall strategy of the company. They consist of several strategies, which include a marketing mix and strategic tasks set by the company. The setting of these strategies affects the company's position in the market.

Foret (2012) himself describes the meaning of the word strategy as I can wage war to achieve victory. At present, the concept of strategy is the art of managing a company or managing a certain team towards achieving set goals. *“The marketing strategy is an active plan based on multiple variants and continuous analysis of unique decisions, by which the company wants to meet its long-term goals, while respecting the principles based on the consistency between the company's strengths and weaknesses and opportunities and threats to the business environment, “(Chebeň, 2009, p. 17).*

According to Kotler, strategy is like logic by which a company strives to create the greatest possible value for the customer and achieve its goals. In his publication, he also explains that the marketing strategy is the key question to "who are our customers," and that I am able to answer it by segmentation and targeting. The second important question is what values are created for customers, which can be shown by differentiation and positioning (Kotler, 2014, p. 73).

Segmentation

It represents the division of customers in the market. This division into certain groups is necessary due to the different needs of customers, their different characteristics and behavior. Groups are formed based on geographical, demographic, psychographic and behavioral factors.

Targeting

This method is an integral part of marketing strategy. Its task is to select the target market

based on segmentation already done in advance. The company tries to choose the most suitable market segment.

Positioning

It can literally be called it as a placement. After entering the concrete marketing segment, the company must strive to create a market position. Kotler describes and defines the position of product as a certain place that is compared to the competition more interesting in the minds of customers.

Differentiation

It represents the way a company tries to differentiate its product from the product of its competitors (*Kotler, 2014, p.66*). The Czech author Foret, dedicated to marketing, interprets in one of his publications the three most used strategies:

- minimum cost strategy,
- product differentiation strategy,
- market orientation strategy (*Foret, 2012, p. 28*).

The marketing strategy is created and determined by the company according to its mission, its vision, and the set of goals. From what I conclude, there are enormous possibilities of marketing strategies.

2.2. Management marketing

The essence of a company's success is hidden in its ability to manage it properly at all levels. This means having qualified people employed with the ability to make decisions in important as well as everyday moments that will lead the company to the set goal. Since every company is surrounded by the outside environment, it must be oriented and have an overview of the current situation in order to be able to adapt and thus its existence to risk and threats.

A company will be successful if it can combine and use its strengths and, conversely, purposefully minimize the weak ones. If the company has mastered these areas, it can focus on finding new market opportunities and then setting new goals. These goals are set by the company's management.

At present, interpreted management in theory and in practice in three basic concepts such as:

- **Process:** here the management focuses directly on the course of the management activity, within which goals are created, tasks are set, they provide resources, manage the progress of tasks, and perform control during performance objectives. Functions in this process are planning, organizing, leading and control.
- **Profession:** a concept focused on the managers themselves, who provide management process in the company. These include top to after managers at the lowest level of management.
- **Discipline:** represents a set of techniques, approaches and methods that are used to work with people and manage them. Management as a leader the discipline consists of connections of sciences such as psychology, sociology, economics, but also a combination of natural and technical sciences (*Papulová, 2006, p. 168-170*).

Managers, referred to as business management, are executives who perform managerial functions. It is therefore a set of knowledge, qualifications, shared opinions, the use of management methods, personal assumptions, and the experience that managers should have to handle managerial functions in relation not only to subordinates and thus also to the achievement of the company's goals. On the daily basis, they have to make important decisions that affect the overall operation and prosperity. Marketing managers focus on tasks such as creating demand about the company's products in the most efficient way at the right time and the right target groups. They create marketing strategies, which are divided according to individual focus between levels and assigned to workers.

The mission of the company was defined by Foret (2012) as a clearly and directly clarified current state of the company, often through a slogan. The vision also represents a long-term view of business the activity he wants to take. Objectives, these are based on the vision of the company and are defined as measurable results that the company seeks to achieve. In marketing management, the encountered the fact of the need to reduce demand in the context of environmental or health protection. This type of activity is called in marketing management demarketing.

The basic functions of marketing management are described by Matúš as:

- **Analysis:** represents input for other functions. The analysis must be comprehensive and include information on sales volume, market, and

profitability. The result of the analysis should be an overview of the market position and the marketing environment.

- **Planning:** in this function company directly define the vision and goal of the company. It includes creating a marketing plan.
- **Implementation:** the process in which the created marketing plans and strategies are implemented and applied in practice.
- **Monitoring:** identification and evaluation of the results of implemented strategies and plans. During the inspection, possible measures are taken to meet the plans and goals (*Matúš- Ďurková, 2012, p. 19-24*).

Another important activity of marketing management is marketing planning, which leads the company to success

2.3. Marketing planning

As part of its survival on the market and achieving goals in a competitive environment under external and internal influences, each company must think carefully about its future and, as I have already mentioned, look for opportunities for further development and penetration into new markets. Businesses are trading on a dynamically developing and changing environment, with many external and internal factors that affect them in achieving their goals and profits.

Many companies claim that they achieve their goals even without any plan in place. However, such successes are often short-lived, because the company is affected by various changes from its environment and the developed strategy and plan tailored to the company, usually such a company loses its success over time and fails. There are many definitions and explanations for the concept of marketing planning.

"Marketing planning is the main tool for guiding and coordinating an organization's marketing efforts,"(Kita, 2010, p. 181). Marketing planning for any business means focused on dealing with and building its future. Marketing planning therefore helps the company to achieve and implement strategic goals in the field of marketing.

Kita divided marketing planning into four parts:

- **Analysis-** The planning process begins with a situational analysis of the market. The company must also analyze its strengths and weaknesses to determine which opportunities are right for its company and which threats to avoid.
- **Planning-** When planning, it is necessary to develop a marketing plan to determine strategies that will help us achieve our goals.
- **Implementation-** It represents a step to get the marketing plan into practice.
- **Control-** It consists of measuring and then evaluating the results, plans and activities carried out (*Kita, 2010, p. 183*).

All must be involved for the overall success and effectiveness of the planning process components that are in this process and affect it. As McDonald (2016) mentioned in his publication marketing planning is simply a logical cycle and a series of activities leading to the setting of marketing objectives and the preparation of plans for achieving them.

Division of planning from time consumption point of view:

1. Operational planning

- daily management,
- planning within one year.

2. Tactical planning

- company management from one year to three years,
- allows you to respond to possible changes in the external environment.

3. Strategic planning

- long-term planning with a time definition of more than three years,
- It is based on the mission of the company (*Moudrý, 2008, p. 53*).

For a successful business, planning and breaking it down is an important step that it takes to fulfill the set and set goals of the company.

2.3.1. Strategic planning

The simple environment of the 1970s and early 1980s, characterized by growth and the easy marketability of products and services has now been replaced by a progressively compound and harsh environment, often made worse by static or declining markets. There was not the similar need for a disciplined, systematic approach to the market.

A tactical, short-term approach to marketing planning appeared to work perfectly well in such conditions. But, by failing to hold onto the strategic orientation in plans that identify and develop their distinctive ability, companies became casualties in the 1990s and continued to become so in the first decade of the 21st century (McDonald, 2016, p. 46).

Strategic planning is a long-term process of tasks of top management activities and creates a repository for planning at other levels, including the marketing plan. There are many publications to define strategic planning, I will present a few definitions from specific authors.

One of the most famous marketing authors Kotler (2004), refers to strategic planning as the process of creating and implementing a strategy based on business goals and opportunities in a changing marketing environment.

“Strategic planning is the process of creating and maintaining a strategic balance between the goals and capabilities of an organization in relation to changing market opportunities,” (Kita, 2010, p. 183).

Strategic planning has a large scope in the company, so it can be divided into the next three levels:

- at company level (corporation),
- at unit level,
- at the level of functional areas of the company (marketing, logistics, human resources, etc.)

Individual phases of strategic planning:

1. Defining the company

Production, finance, mission express a clear vision and future activities of the company. The correct definition of the mission should be realistic, motivating, specific, market-oriented and equal to the company's values. The mission does not contain determined measurable goals, it is determined in the long run and in general.

2. Setting business goals

By setting business goals, the company's mission is developed into measurable results. Measurable results are the required goals to which the company's activities are directed. Objectives need to be defined for all levels of governance and can be long-term, medium and short term.

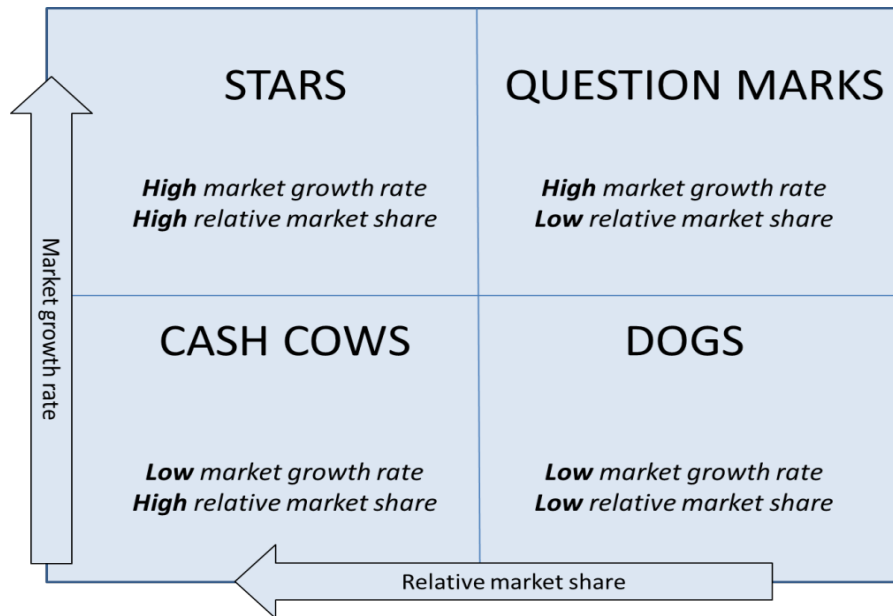
3. Creating a business portfolio

Based on the mission and goal setting, the company must do a portfolio analysis. The first step of this analysis is the definition of business activities through SBU - strategic business units. The second step is to evaluate the profitability of individual strategic business units and the decision to support or dampen them, where we use portfolio matrix analysis, also called BCG. It is a matrix with vertical axis, where the growth rate of the industry is applied and the horizontal relative market SBU in the market in relation to the largest competitor (*Cibáková-Rozsa- Cibák, 2008, p. 43-50*).

This matrix includes four stages of products:

Stars- The business divisions or products that have the best market share and generate the most cash are considered stars. Monopolies and first-to-market products are often termed stars. However, because of their high growth rate, stars use large amounts of cash. Outcome results in the same amount of money coming in that is going out. Stars can eventually become cash cows if they maintain their success until a time when a high growth market slows down. A key principle of BCG strategy for growth is for companies to invest in stars.

Cash cows- A cash cow is a market leader that makes more cash than it consumes. Cash cows are business components or products that have a high market share but low growth prospects. They provide the cash required to turn a question mark into a market leader, cover the administrative costs of the company, finance research and development, service the corporate debt, and pay shares to shareholders. Companies are recommended to invest in cash cows to maintain the current level of productivity.



Picture n.2: BCG Matrix

(Source: *MARKETINGSTUDYGUIDE. BCG Matrix and its Four Quadrants*. [online]. 2020 [cit. 25.12.2020]. Available at: <https://www.marketingstudyguide.com/bcg-matrix-and-its-four-quadrants/>)

Dogs - They are units or products that have equally a low market share and a low growth rate. They frequently break even, neither making nor consuming a great deal of cash. Dogs are generally considered cash traps because businesses have money tangled up in them, even though they are generating basically nothing in return. These business units are major candidates for divestiture.

Question Marks- These parts of a business have high growth options but a low market share. They consume a lot of cash but earn little in return. In the end, question marks are not profitable. However, since these business units are growing rapidly, there is a possibility for them to turn into stars in a high growth market. Companies are advised to invest in question marks if the product has the potential for growth or put them in selling process for other companies (Marci, 2020)

2.3.2. Marketing plan

The output of marketing planning is a marketing plan. With respect to marketing philosophy of the company and in order to achieve its success, it must plan marketing activities. He saves all these activities in a marketing plan. The marketing plan follows the strategic plan. It is a document that has a logical structure and procedure.

McDonald considers these rules as essential in functioning strategic plan:

- develop the strategic marketing plan first. This entails greater emphasis on scanning the external environment, the early identification of forces emanating from it, and developing appropriate strategic responses, involving all levels of management in the process.
- A strategic plan should a period of between three and five years, and only when this has been developed and agreed should the one-year operational marketing plan be developed. Never write the one-year plan first and extrapolate it (*McDonald, 2016, p.48*).

As Foret himself states, the term marketing plan is like Internal Marketing. He explains it as the application of marketing principles to internal functioning business, as the marketing plan becomes a document for new customers that acquaints them with the facts where the company wants to go (*Foret, 2012, p. 35*).

A documented, well-designed, and used marketing plan enables the company to improve the efficiency of the marketing planning process and increases the performance of all individual business departments.

Later, in McDonald's publication, he pointed out the advantages of marketing plan:

- the systematic identification of emerging opportunities and threats,
- preparedness to meet change,
- the specification of sustainable competitive advantage,
- the involvement of all levels of management in the planning process,
- more appropriate allocation of scarce resources,
- a more market-focused orientation across the organization (*McDonald, 2016, 49*).

A marketing plan is an integral part of planning, but as I have already mentioned, not every company compiles it. According to the author Blažková, not assembling a marketing plan in the company has the following reasons:

- lack of funds,
- lack of human capital and time, opinion.
- That a small company does not need to plan.
- They think that they gain customers from recommendations,

- ignorance of planning
- and lack of experience (*Blažková, 2007, p. 16*).

As part of the company's strategic plan, we know the individual marketing plans that the company creates for each of its areas of marketing activities. Kotler divides these plans as follows:

- brand marketing plans,
- marketing plans for individual products,
- plans for new products,
- plans for market segments,
- plans for geographic markets,
- customer plans (*Kotler, 2003, p. 66*).

Every plan is important. It has a certain irreplaceable role in the company, and it leads to the fulfilment of company's set goals.

2.3.3. Structure of marketing plan

As the first part of a marketing plan, we will present an analysis of the situation. Characteristics of the company's background, strengths and weaknesses, its environment, or other further analysis. The analysis of the situation is followed by the determination of goals. The third common is the development of a marketing strategy and program, followed by the elaboration of a budget. The last part is to check the fulfilment of the marketing plan.

According to Kotler, a clear marketing plan includes the following Parts:

1. Introduction.
2. Current marketing situation.
3. Risk and opportunity analysis, SWOT analysis.
4. Goals.
5. Marketing strategies.
6. Execution programs.
7. Budgets
8. Control (*Kotler, 2004, p. 109-110*).

For a more detailed and accurate allocation of individual marketing requirements plan, I will provide the definitions of Marketing Plan Content Activities provided by Kita in his publication:

1. **The introductory** is a part of a marketing plan containing a brief, clear overview of the goals that will be discussed in the plan. The introduction must allow easy orientation in the main issues of the plans.
2. **The current marketing situation** is considered as one of the most important parts of the marketing plan because it characterizes the market, product, competition, distribution and the situation in the environment.
3. **Part risks and opportunities** must anticipate those risks and opportunities in advance as they occur by the changing environment. Its goal is to consider the main directions of development that may affect the company and identify strengths and weaknesses.
4. **The goal** has to set out the basic goals that the company wants to achieve during the planned period. They are divided into financial and marketing.
 - financial goals: top management requires all units to report good financial performance, for example by returning an investment in financial terms of profit.
 - marketing goals: financial goals must be transformed into marketing goals. They can be expressed as, for example, increasing sales, increasing brand awareness, maintaining the average price of a product.
5. **The Marketing Strategy** section outlines the main marketing strategy that can be used to meet the set goals. It represents an organized marketing process, developed separately for each market segment. Strategies for new products as well as the entire marketing mix will be prepared separately. It is proper for any strategy indicate how it responds to potential risks and opportunities.
6. **Implementation programs** present a precise schedule of tasks, what and when to perform and determine personal responsibility for the implementation of individual tasks.

7. **The budget** represents the overall balance of revenue and expenditure. It consists of the revenue part, which is the sum of realized sales for a certain period of time, and the expenditure part, which contains the total amount of expenses associated with production, distribution, advertising, promotion, etc. The difference between the two items makes a profit.
8. **Control** is the last part of a marketing plan. It is a process of identifying and evaluating the implementation of the plan. It identifies areas where the planned objectives are not met (*Kita, 2010, p. 197-200*).

2.4. Situational analysis

As the name implies, the situational analysis of the company examines the current state of the company and its environment. The analysis is the main element of market planning and analyses all the factors of the company itself, the macro-environment and the micro-environment, which affect company in certain ways and help to select and decide on the appropriate strategy.

"A situational analysis consists of different methods used with the same goal to figure out the company's capacities, potential customers, and the business environment. After that, company owners can generate an appropriate marketing strategy to apply for their business based on the projected impacts from above factors," (Vanessa, 2021). I perceive a situational analysis as the indicator of assessment of the environment in which the enterprise exists and also evaluation of strategic possibilities and resources of the company.

It is very important to proceed systematically when creating a situational analysis, because the omission of some factors can negatively affect the results and the subsequent steps after the analysis. The result of the situation analysis is the basis for the creation of a strategy, plan or proposals for possible intentions in the future management and steps of the company.

"Its contribution is to reveal long - term trends, point out past mistakes and use previous," (Chebeň, 2009, p. 29). The aim of situation analysis is to always identify and evaluate the current situation of the company, while monitoring the factors that may affect the final achievement of goals and strategy.

2.4.1. Environmental analysis

Each company operates in a complex market environment. If it wants to maintain its position and be successful, they must adjust their marketing mix, control and analyze their surroundings. The analysis monitors and explores the factors of the company's environment in detail. The environment is influenced by several uncontrollable factors, which affect the company's ability to satisfy the needs and wishes of existing and potential customers.

Microenvironment

This environment consists of the company itself, its organizational structure and departments, customers, suppliers, marketing intermediaries, competitors and the public. All these factors affect the company, but the company can actively change them itself. The goal microanalysis is the evaluation of the results and the operation of the company.

Macroenvironment

From this environment, the company is influenced by factors that are difficult to influence, uncontrollable by the company. The macro environment creates opportunities for the company, but also risks. The aim of the macroanalysis is to evaluate the external environment and trends that affect the operation of the company.

2.4.2. Porter's Five forces analysis

Porter's Five Forces is a model that identifies and analyzes five competitive forces that form every industry. Five Forces analysis is frequently used to identify an industry's structure to define corporate strategy. Porter's model can be applied to any segment of the economy to comprehend the level of competition within the industry and boost a company's long-term profitability (*Scott, 2020*). Porter recognized that organizations likely keep a close observe on their rivals, but he encouraged them to look beyond the actions of their competitors and examine what other factors could impact the business environment.

He identified five forces that make up the competitive environment, and which can erode your profitability. These are:

- competitive rivalry,

- supplier power,
- buyer power,
- threat of substitution,
- threat of new entry (*Mind tool content team, 2021*).

2.4.3. Customer analysis

The subject of the customer's analysis is research and his needs, problems, attitudes, motivations, in short, all available information, the result of the analysis is his knowledge. Customers are part of the market environment.

Each company chooses and chooses which of the analyses to use and which will bring it benefits in creating a marketing plan. The result of the analysis of customers is information for the company, who its customers are, what their purchasing decisions and their lifestyle, values, how they communicate with them and the like.

For the analysis of final consumers, it can be used the following breakdown criteria:

- geographical: by region, territory, counties,
- demographic: by age, education,
- psychographic: social class, values, lifestyle,
- behavioral - behavior, use, relationship to the brand (Kusá, 2011, s.50).

2.4.4. SWOT analysis

SWOT - represents the initial letters of the relevant words, which engage their meaning in the company.

STRENGTHS: strengths, i.e., in what is the company strong (employees, production, marketing, finance, etc.)

WEAKNESS: weaknesses, i.e., in what the company is weak (quality, cost, name, unskilled employees.)

OPPORTUNITIES: opportunities for the company in the market (possibility to stay in the market, new competition, new segments, new distribution channels, etc.)

THREATS: risks that the company expects in the market (unfavorable regulations and legislation, stagnation of demand, increase of input raw materials for production, tightening of technological and ecological regulations, etc. (Lesáková, 2007, s. 191).

From this fact, the SWOT analysis is divided into the following analyze:

- a) **S - W** analysis t. j. analysis of strengths and weaknesses of the internal business environment.
- b) **- T** analysis, t. j. analysis of opportunities and threats to the external environment.

This analysis is one of the basic situations analyze, through which company gains an overview of internal and external factors that affect business activities. It can also use it for business plans, activities, and the implementation of strategic goals. Lesáková (2007) published the definition of analysis as a simple method on a compiled overview of the situation and as a conceptual basis for the analysis focused on the characteristics of the key factors that affect the strategy and position of the company.

Table n.2: Matrix of SWOT analysis

OPPORTUNITIES	SO, strategy Offensive marketing strategy	WO strategy Cooperative marketing strategy
	ST strategy Defensive marketing strategy	WT strategy Attenuative marketing strategy
	STRENGTHS	WEAKNESSES

(Source: own processing based on KUSÁ, A.-PIZANO, V.: *Marketingové analýzy a stratégie*. Trnava: UCM, 2012, p. 44.)

The main task of the SWOT analysis is to determine the factors for SW and OT analysis and to evaluate the difficulty of individual factors through quantification by point values. Identifying factors is often the most difficult task in creating an analysis and therefore company must carefully consider what they specifically demonstrate factors of the

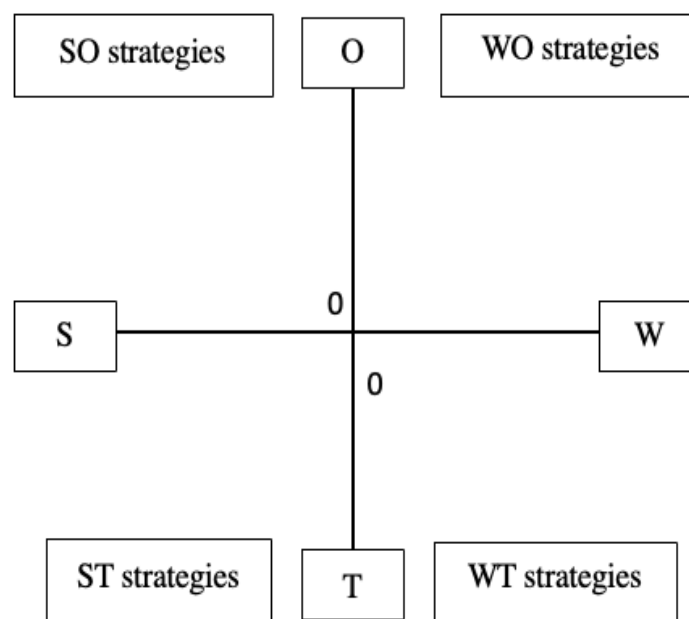
internal part of the company and what factors of the external market environment. Another important task is the assessment in which can be used the matrix of SWOT analysis. It shows the considerations for the selection of a particular strategy. (Kusá, 2012, p. 43)

The SO strategy is an offensive-development strategy that focuses on the company's strengths and takes advantage of the opportunities offered by the environment.

The ST strategy is a defensive strategy of a strong company, which is affected by an unfavorable environment, and through this strategy the company protects its position.

The WO strategy is an alliance strategy when a weak business is in a favorable environment and can benefit from opportunities by joining another business.

The WT strategy is a reinvestment mitigation strategy when a weak company is in an unfavorable environment (Kusá, 2011, p. 43).



Picture n.3: OS matrix of SWOT analysis

(Source: KUSÁ, A. - PIZANO. V.: *Marketingové analyzy a stratégie*. Trnava: UCM, 2011. 44s.)

3. CURRENT SITUATION ANALYSIS

In this chapter, I will describe methods obtaining data and their consequent methods which were used in elaboration of result for this thesis. Then I will individually analyze the current state of the selected company. Based on the presentation of current marketing communication, marketing mix, company environment and SWOT analysis, it is followed by proposal and contribution to improve the company's marketing plan.

3.1. Methods of obtaining data

When creating the theoretical part, I collected all available professional sources suitable for this topic from the publications of domestic and foreign authors, from web articles. In other parts of work, information was obtained through the company's website, interview with the one of the founders and lastly observations of the company from the public's point of view. While writing the bachelor's thesis, I tried to draw from the most reliable and up-to-date sources.

- Book resources – knowledge was drawn from professional publications written in this bachelor's thesis in chapter references,
- Web resources – I used the information published on website to write the theoretical part of our work, but also to describe the characteristics of chosen company through the facts that it has published on its website.
- Personal interview about internal information - meetings with founder of brand
- 1981.cz- obtaining public business data of the company.
- Observation of the company from the public's point of view.

3.2. Methods of evaluation and interpretation of results

Based on the theoretical background, analysis of the current state of the selected company and by creating a SWOT analysis using the deduction system, I will create recommendations for improving the company's marketing plan 1981 Ltd. These recommendations will focus on improving marketing planning in the company. It consists of analyzed data such as the state of the company, where I will focus on the marketing

mix, customers, competition, communication tools. Recommendations will be made based on these facts.

3.3. Characteristics of researched object

The object of research for this bachelor thesis is high- quality second hand 1981. They operate mostly as an online store, where you can find colorful scale of clothing both for men and women. For shopping offline, they offer option of the planned pop ups in Prague or other larger cities but later at the end of the year 2020 they established a branch in Prague which they consider as their head office.

Business name: 1981 Ltd.

Head Office: Oldřichová 31, Prague 2

Branches: Oldřichová 31, Prague 2

Date of establishment: 5th of March 2019

Mission: Offer customers high quality second-hand clothes.



Picture n.4: Logo of 1981 Ltd.

(Source: 1981.cz, 2021)

Behind 1981Ltd. are Barbora and David, who founded 1981 Second Hand in response to how polluted this world is and the fact that even if individuals don't like their clothes anymore someone else might. Their goal is to prolong stories of clothes that are reusable, correspond with high-quality and will bring customers happiness. They have been involved in sustainable fashion since 2014, when they first founded the Winwinlove brand, which sold second-hand clothing. After the minimalist WWL, they created the

1981 Second Hand, which allows many more pieces to be put back into circulation. So, the pollution is minimalized to maximum which helps to reduce slow ongoing destruction on a planet especially through producing clothing.

This slow-fashion second-hand offers high quality products also of well-known brands for reasonable prices which are sometimes considerable better quality compared to new manufactured clothes from fast-fashion chains such as Zara, Reserved, etc.

In 1981 team are employed young talented people as permanent workers as well as students for various part-time jobs. They cooperate with external company which provides them models for photo shooting to present new pieces of goods on the e-shop. The positions in company aren't strictly set. The fact that the company size is small, they believe in mutual respect and cooperation among themselves. The set positions are only given to part-timers which are ironing and washing products before consequent purchase by customer and stylist who is responsible for styling models and prepare outfits for photo shootings.

3.4. Marketing mix of the company

In the theoretical part of this work, I have defined the 4P components, which will be now named and defined for the selected company. The source of information is through company's website, where all offered products by the company are listed for the public. I also conducted data from interview with founder to understand what company is dealing with. All components of the marketing mix are important to the company, so I will deal with each one individually.

3.4.1. Product

The product offered by 1981 can be divided into primary B2C and additional B2B. The B2C product focuses on selling clothes through sites or in-store purchases. The added value which this company offers in form of products is the quantity and quality- state of clothes, brand, visualization, etc. As a complementary product it can be considered lending and selling clothes to other businesses. 1981 started operating on B2B only shortly and they are willing to expand more in this sphere as there is a higher demand for it. The product offered by company is usually represented by women and that is why they

focus more on women section rather than men section. As founder mentioned in an interview female models looks representative also in men clothes and demand for this is high, so they don't feel pressure in focusing on men section that much.

Product B2C (95% of profit)

Women's section

- Skirts,
- dresses,
- tops,
- sweaters,
- sweatshirts jackets and vests,
- coats and jackets,
- trousers and jeans shorts,
- accessories,
- others.

Men's section

- T-shirts,
- shirts,
- sweaters,
- sweatshirts,
- jackets and vests,
- coats and suit jackets,
- trousers and jeans,
- shorts,
- accessories.

B2B (5% of profit)

- lending clothes for fee
- selling quantity of clothes

3.4.2. Price

The company's pricing policy follows the rules of quality = price. Customers may have noticed a gradual increase in prices over the years based on its categorization. E-shop is divided into basic products and into the "Fancy" category. Here are products of higher quality, brand and they are more “noble”. The company always tries to adjust affordable price for their customer and also it needs to correspond to the quality of the product. In following table, there are demonstrated current prices of products by category offered by company on their e-shop.

Table n.3: Price range on e-shop 1981 Ltd.

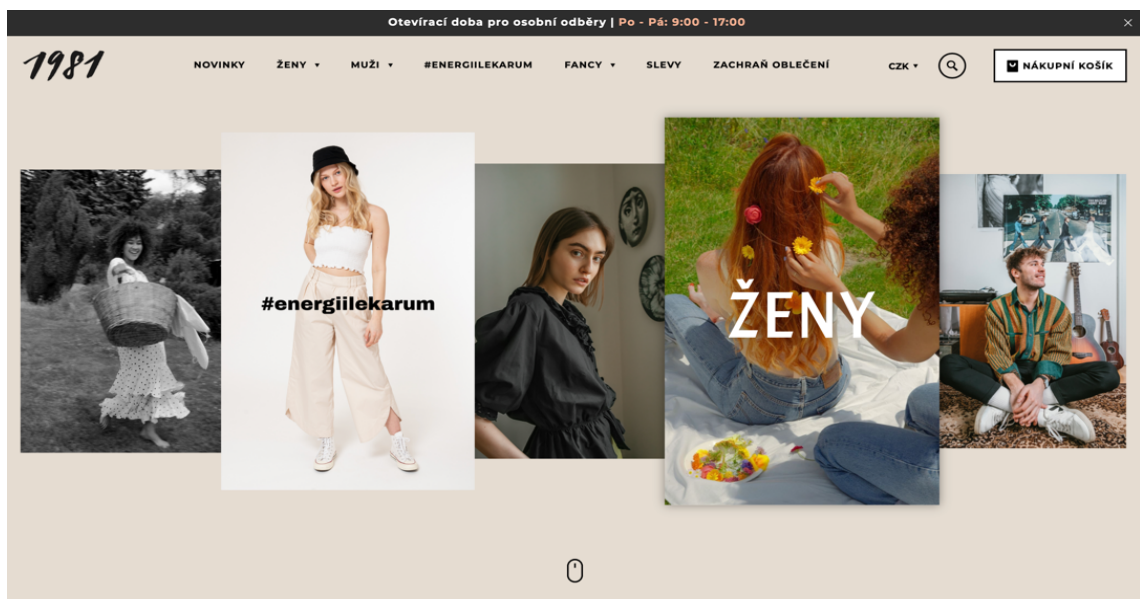
WOMEN SECTION		MEN SECTION		FANCY	
UNIT	PRICE (CZK)	UNIT	PRICE (CZK)	UNIT	PRICE (CZK)
Skirt	129-1399	T-shirt	399-499	Women section	349-1399
Dresses	120-899	Shirts	259-499		
Tops	50-899	Sweaters	Isn't available		
Sweaters	90-999	Sweatshirts	159-999		
Sweatshirts jackets and vests	209-3499	Jackets and vests	199-699		
Coats and jackets	209-2799	Coats and suit jackets	1899-1990		
Trousers and jeans shorts	199-1799	Trousers and jeans	209-419		
Accessories	59-399	Shorts	199-399		
Others	299-1799	Accessories	Isn't available		

(Source: Own processing available at: <https://www.1981.cz>, 2021)

3.4.3. Place

As was mentioned before 1981 operates through internet and so does their targeting on mainly Czech market. They see potential in operating on Slovak market and currently they are working on establishing Slovak version of their website. The main platform for

purchasing is their e-shop. As they wanted to attract more customer but also to gain trust and have some personal contact with customers, they decided to start doing pop-ups. By this they were able to draw more audience and establish deeper customer base, gain more reviews and mostly recommendation. As they grow in business world, they decided to be stable and more reachable to public on daily basis, so they opened their first branch at place where they used to function only as a warehouse. This location is well known by customers as there were organized pop-ups multiple times. Unfortunately, it is hard to reach by public as it is not that typical place for walk. Also, the area isn't publicly popular so the chances of visitation by tourist is very low.



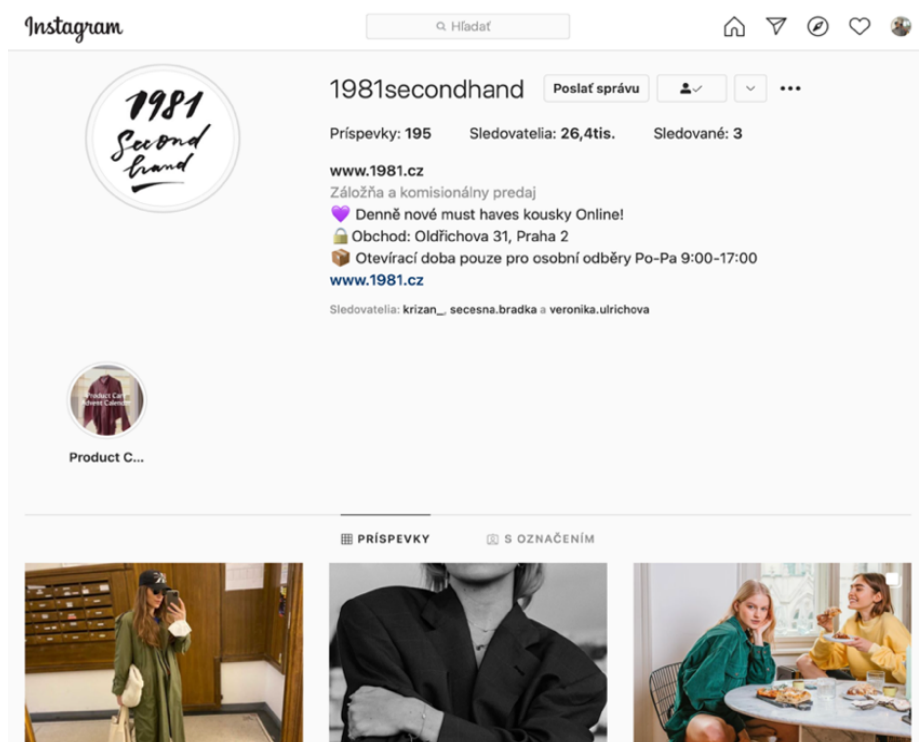
Picture n.5: Home page of 1981's website
(Source: Author's own screenshot, 2021)

3.4.4. Promotion

The company's communication has not changed much during its entire functioning. At present, the company deals with several types of communication. The basic element of communication with regular and potential customers are website and social networks - Facebook, Instagram.

On the website, customers can find basic information and a range of products for sale. The page contains the contractual conditions, company policy and various important information needed for the customer before and after purchase. The website also provides blog connected to sustainability and how to take care of clothes, news and lastly detailly described events of pop-ups (how it was established, how it is managed, possibilities of

payments methods). The website is regularly updated with new pieces for sale and news. This page is very clear, understandable, visuals are very minimalistic and the way from the product to the basket, directly to the payment gateway is very simple and explicable. The site is also linked to its community on social networks - Instagram. The company considers Instagram as one of its essential as it comes to promotion. They have created a certain customer base on the instagram, which they are maintaining constantly by being active with friendly open approach towards customers. They support customers by sharing posts from their accounts with 1981 products. They see in Instagram a huge potential as it is endlessly improving environment and the popularity of social medias are still increasing. On the other hand, Facebook takes role in form of ads rather than active functioning social platform for this company.



*Picture n. 6: Instagram account of 1981 secondhand
(Source: Author's own screenshot, 2021)*

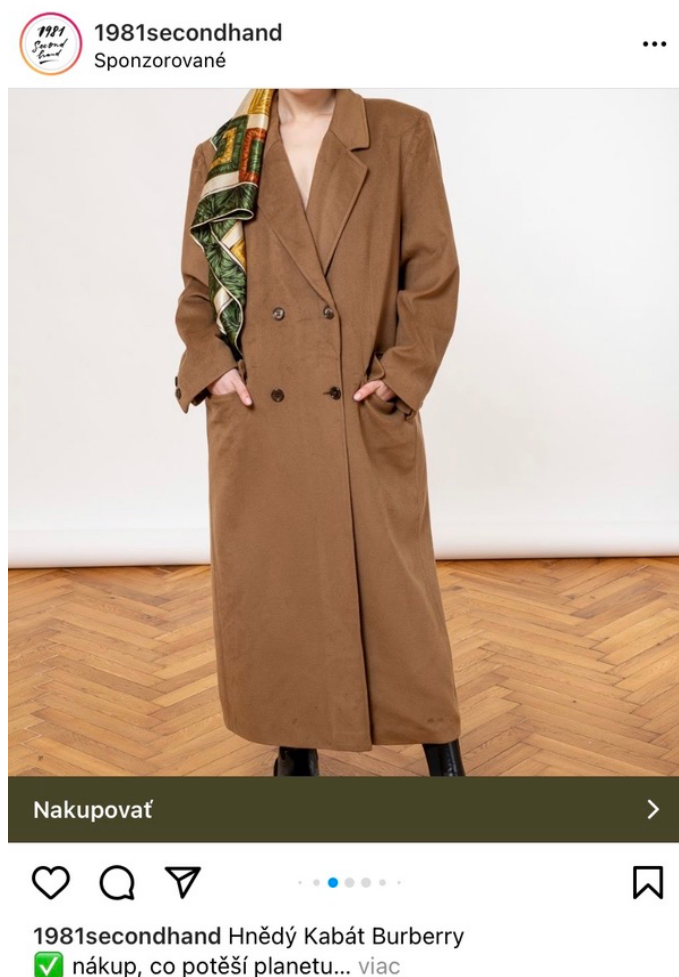
3.5. Current communication tools of the company

The aim of this chapter will be to introduce and describe the current communication tools used by 1981 ltd. I name and focus on advertising, sales promotion, direct marketing,

through a source of information provided on the website and an interview with founder of the company David.

3.5.1. Advertising

The company 1981 does not put emphasis on classic advertising. The most used advertising by the company, with a focus on meeting the goal in the marketing plan, is Internet advertising through social networks Facebook and Instagram. Their followers on Facebook reach 8,214 and on Instagram 26.4k. Interesting profile, content of posts and communication used to be on both networks of the same type. Nevertheless, during the operation on these social networks, the company saw a greater potential in Instagram and therefore they are more likely active there compared to Facebook, as the network is currently more statistically popular compared to Facebook.

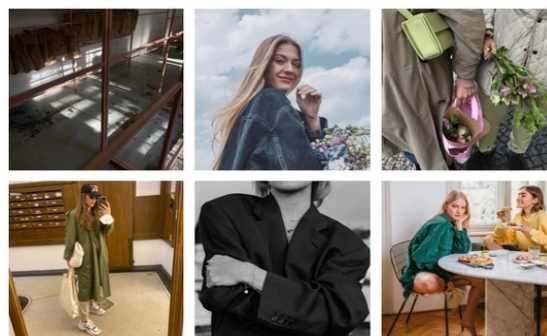


*Picture n.7: Advertisement of 1981 through Instagram
(Source: Author's own screenshot,2021)*

Thanks to function offered by Facebook companies are able to reconnect these two platforms. The main cost in form of ads is 70% made of Facebook and logically on Instagram too. These two social medias provide statistics connected to account visitation, clicks on ads and also purchase power as it can be reconnected directly to link of their e-shop. Advertising here is presented by several pieces from e-shop in form of post or occasional pop-ups. While scrolling through these platforms they pop up at customer as a part of their subscription feed (see on picture n. 7). The basis of this ad is the creation of awareness of brand and consequently about current news, merchandise, sales, information connected to upcoming events (pop-ups, etc.). In order to increase awareness and gain more followers, the company remains active, every day they add posts in the form of stories where they present new pieces on the e-shop.

Another way of advertising on social networks is also represented as feedback from customers. Company encourages customers to share pictures of the purchased good from the brand on their profile account and by tagging the 1981 account, they are able to repost this contribution. Whether it is a post on the customer's profile or his storyline. With this approach, it supports followers to purchase products more as they try to keep up with nowadays trends and thus get the awareness of new potential audience reached through customers' accounts.


HAPPINESS IS ONLY REAL WHEN
SHARED.
POCHLUBTE SE S VAŠÍM NOVÝM
KOUSKEM!
@1981SECONDHAND



*Picture n.8: Post towards customers to share purchased product on 1981 e-shop
(Source: Author's own screenshot. 1981.cz, 2021)*

As was mentioned business is functioning based on feedback but not only on social media. Thanks to their high-quality products and professional operating on market they acquired customer base which spread recommendations from their positive experiences with brand to potential customers and others. Also reviews on google helps to gain trust of new potential customers. Due to the period of the pandemic, according to the information from the founder of the company, this situation did not drastically affect the purchase power of customers towards the company. The only disadvantage of what pandemic caused is the attendance of customers in newly opened branch. However, they didn't have to change the way of doing business since the brand has been running based on internet, it has a significant advantage in a pandemic from the beginning.

3.5.2. Sales promotion

For supporting sales, the company focuses on the possibility of subscribing to newsletters in order to increase purchase power and awareness of brand. Based on first purchase, the customer will receive an initial discount of 10%. At the bottom of their home page customers are able to reach this sale fast by clicking and consequently fill required information for company and it is done.



*Picture n.9: Link to subscription on 1981 newsletter
(Source: Author's own screenshot, available at: 1981.cz, 2021)*

Next, they provide various "occasional" discount activities. For a certain period, they determine the percentile amount of the discount. After adding the product into the basket on the e-shop, they enter the appropriate code that will reduce the price by a given percentage and then they continue with completing order with lower price. These discount activities are announced on their social medias. Either in form of post or storyline.

3.5.3. Direct marketing

The company also uses direct marketing in the form of e-mails. While purchasing a product, the customer enters his e-mail, afterwards where he receives a confirmation e-mail and the opportunity to subscribe to the newsletter. After entering the e-mail, it is automatically saved in the company database after customer agrees with it. Sent Newsletter contains upcoming events, discounts, news and so on. Based on filled information by buyer they e-mail 20% sale on their birthday with congratulations. This helps to develop deeper connection with customer and company is still profitable with this approach.

3.6. Analysis of environment in 1981 Ltd.

In this chapter I analyze the environment of a selected company with Porter's Five forces analysis. In part of competition, I also analyze competitor from the marketing mix 4P point of view. The environment has a great influence on the operation of society. It influences it from several points of view and the company often adjusts its goals and strategies according to the current situation regarding the environment.

3.6.1. Competitive rivalry

An analysis of the competition is also an important part of the environmental analysis. I divided the competition into primary and secondary. Among the secondary there are included local selection of secondhand shops that are located in the city where our chosen company operates. They do not affect company as a primary competitor. Compared to local second-hand stores, the company overshadows this competition by the variety and quantity of clothing from which can customer choose.

In this work I focused on the primary competition Textile House Czech Republic Ltd. The selected company 1981 itself acknowledged that they consider this chain of "ordinary" second hands to be a competitor. Textile house has been one of the most famous second-hand networks operating on the Czech and Slovak markets since 2010. In this bachelor thesis this company is considered as the biggest competition with a similar focus and the same product range and promotion in terms of the marketing mix.

Business name: Textile House Czech Republic Ltd.

Head Office: Prague 4, U Kamýku 284/11, PSČ 14200

Branches: 25 in Czech Republic, 39 in Slovakia



Picture n.10: Logo of Textile House Czech Republic Ltd.

(Source: textilehouse.cz, 2021)

Product

Primarily, product analyzed by competition is clothes. They own two types of branches. The basic- ordinary one which is well known by customers, where they can buy casual clothes in lower quality. The other one is “Vintage shop” which is based on higher but not so premium quality products from older times (not modern style) and brand clothes. The scale of offered clothes is larger, but the added value is missing. They also offer toys and decorative products such as curtains, tablecloths.

Price

Textile house is very interesting in the way of how they set prices on products. At both types of branches, they offer at the beginning of each month a new collection. New collection means “new and better” products and also in larger quantity. The price is here set the highest. As month goes on there are different kinds of sales such as “Happy hour” where customer can buy clothes in particular hour for discounted price by 10, 20 or 30%. For the last two weeks of month, they start to sell all remaining products in branches for unified discounted price. From that point they decrease price daily by some percentage. At the end of the month, customers can purchase products at the lowest possible price 25 Czk. This cycle works each month with no exceptions.

Place

Textile house operate only through direct form on Czech and Slovak market. They own 39 branches all around Slovakia and same goes for Czech Republic with 25 branches.

Promotion

During the analysis, founded communication and promotion is mostly through social networks. They have created an account on the social network Facebook with 27 662 followers and 8888 on Instagram. They manage their own web textilehouse.cz and textilehouse.sk. Sometimes they also distribute with leaflets promotion. As company operates from 2010, they don't put that much emphasis on advertising as they gained enough popularity among customers.

COMPARISON WITH COMPETITIVE COMPANY:

Based on identified marketing mix of primary competition I am able to compare selected company 1981 and Textile House Czech Republic.

Product

The competition operates in the same industry with the same form of product, the offer does not differ much, but as an advantage of 1981 I can define clean and quality products ready to be worn without any damages. Products offered in Textile house vintage shop branches are also brand ones, but the range of these clothes is much narrower compared to 1981 second hand. I see disadvantage in the product range which in case of competitor focuses more on men section and includes special products offered, such as cycling pants. Textile house in addition to clothing also offers clothes for children, toys and decorative products (tablecloth, curtains, etc.)

Price

According to price analysis after the price comparison, I can state the results for the selected company 1981 as beneficial. The differences in prices are really drastic but at the expense of quality, damage of goods or cleanliness. The only disadvantage that I analyzed in thesis is the offer in particular branches (Vintage shops), where is also included reduction in prices as well as in regular stores in Textile Houses so customers can prefer this option more.

Place

By comparing the analysis of the place of competition, I found that the competing company has the advantage in correspondence to several stores on the operating market with a better location, but at the same time they do not run business in a form of e-shop. This fact causes them considerable disadvantage, especially during pandemic regulations.

Promotion

An analysis of the promotion revealed that selected company is focused on the same type of communication. The competition manages the website at a lower level, as in their case it serves only a purpose of informative platform. They also create their community on social networks, but in the number of followers 1981 leads with their popularity. In table down below we compare these companies from 4P point of view.

Table n.4: Comparison of Textile house with 1981 Ltd.

	1981 Ltd.	Textile House Czech Republic Ltd.
PRODUCT	Clothing (Women, Men section)	Clothing (Women, Men, kids' section), toys, decorative products (tablecloths, curtains, etc.)
PRICE	High	Low
PLACE	E-shop, 1 branch in Prague	No e-shop, Branches- 25 in Czech Republic, 39 in Slovakia
PROMOTION	Social media, website	Social media, website

(Source: Own processing)

3.6.2. Potential of new entrants into the industry

Nowadays in modern times, more and more people are interested in topic of pollution and how to be more eco-friendly. That is why the form of buying clothes from secondhand stores is becoming trendy as majority of people are trying to be unique. As it becomes popular 1981 success increase but some new entrants on market might be established. I believe that 1981 is strong brand with quality input so when it comes to a potential threat of new entrants into industry the quality and quantity that 1981 offers are very hard to catch up to. Currently as COVID-19 strikes it would be very hard to establish this kind of

business as it also depends on reliable supplier. This kind of suppliers are hard to obtain. On the other hand, as company operates on online base it is easy to obtain all needed licenses and advertisement as a new business at lower costs. But this doesn't necessary mean success. Company 1981 has developed strong customer base which can be reflected in reviews and recommendation from already existing customers. In this kind of business (slow fashion) is very hard to find the right pricing system as competition is various. From "ordinary-cheap lower quality" secondhand shops to "selective- less quantity but qualitative clothes" secondhand stores. In this case as was mentioned before 1981 doesn't consider these kinds of stores as threat. It is also not easy to develop a strong brand name in this area.

3.6.3. Power of suppliers

As we all know suppliers are one of biggest threats that can influence functioning of business. All business is keen on its suppliers. This factor can be considered as possible threat in company 1981Ltd. but based on the interview with founder they consider their suppliers as their strong feature. As they cooperate with their suppliers for a long time, they acquired deep, strong relationship with them. They know that they can rely on them and that they will distribute with quality and quantity of wanted goods on given time with possible discounted price.

3.6.4. Analysis of customers and their power

In the first place, I would like to define the company's targeting customers and how company define them. Thanks to information from the company's management, I can describe a targeting customer as a young friendly woman from Czech Republic with a sense of fashion. She stands for on quality, not quantity, and is willing to pay extra money on original pieces of clothing, the so-called one of a kind. She is planet friendly oriented and wants to reduce pollution to minimum that is why she is buying clothes from second-hand stores. She is willing to support local entrepreneurs and likes various events related to fashion or shopping.

According to a database offered by the founder, the company targets its customers by gender. Based on previous interest and sales, 70% of sales are made up of women. Even though they offer men clothes (in narrower quantity) they found out that female models look better in men's clothes and are able to represent these also in women's section. In

this case, it definitely means for company to focus mostly on targeting female audience. The age of customers is divided into two groups:

- 15-25 years old- dominant category
- 25-35 years old- additional category

The age of the entire target group is extensive, and classification is in the range of 15-35 years old women.

From Porter's point of view of buyer (customer) power, company 1981 is trying to adjust price to quality of products and affordability of customers. A secondary competition is quite high they need to consider the fact that customer can decide to shop elsewhere. But if I take into consideration the fact that the quantity of each category of products are larger compared to competition, they can put higher price on these items also for its brand (Levi's, Wrangler, etc.). Customer can choose from variety of high-quality products which are clean and in good shape. This makes them unique. To sum it up customers influence price only partly but not as main factors prior to determining price in 1981 company.

3.6.5. Threat of substitute products

As was mentioned in the beginning of this thesis company 1981 can be compared to fast-fashion companies which deals with producing new clothes multiple times a year. This kind of substitute products are in massive production and unfortunately usually for cheaper price. This might mean for company comparison of customers who wants to purchase clothes purely to satisfy their needs to be trendy and to own more clothes or just basically to wear something. In this case fast-fashion substitutes can lead to losing customers. The fact that 1981 company is mostly focusing on women section compare to fast-fashion industries which are targeting both genders equally. This can also lead to losing customers because male individual won't be able to choose from same range of products as female buyer.

If customer is described as one that 1981 company tries to target, then there is potential of other substitutes on market. This customer is more ecological oriented, so the need of individual is based on slow-fashion chains. The substitutes might be seen in possibility to tailor your own clothes from old fabric or not needed clothes. These customers also

consider quality as essential factor in deciding to purchase good. As for the option to choose from these two substitutes, 1981 provides more affordable and less time-consuming possibility. Company also cooperates with designers and they try to develop products of higher quality with their logo which are tailor-made. Another substitutes might be considered by 1981 primary competition Textile House which distributes with secondhand clothes. Here customer thinks of cheaper option in lower quality but still with intention to be more eco-friendly.

3.7. SWOT analysis of 1981 Ltd.

With the help of the company's founder and based on previous analysis I compiled a SWOT analysis composed of strengths, weaknesses and opportunities and threats. The creation of the SWOT analysis will form the basis for proposals to improve the marketing plan of 1981 Ltd. The stated strengths and weaknesses of the company, opportunities, and threats were entered in a table, where was marked the average value for the individual factors listed. A value of 0 means the least importance, a value of 5 means the greatest importance.

STRENGTHS: The company's strengths are reflected in positive reviews on social medias and in pop-up participation. Recommendations from friend to friend is also very good way of spreading the brand which creates strong customer base. The success of the company can also be included among the strengths because of their brand awareness on social medias- Instagram. Behind the success of the company is also a young team, which operates based on friendly relationships and trust. The company's strength is also its range in assortment. They can get a huge amount of the desired type of clothing in good quality. If the customer wants a specific type of clothing, they can choose from wide range in same category.

WEAKNESSES: The company also has its weaknesses, which they try to eliminate and work on them. I can include weak advertising activities here, as the company is mainly focused on social networks. The main products are highly focusing on targeting female group and poorly on male group. The location of the store isn't well known place in Prague which might affect attracting new customer. Since the area where the store is located is not touristic wonder or that typical place for casual walks. The fact that the positions in 1981 are not specifically set can influence their performance in company.

OPPORTUNITIES: The area of opportunity is the competitive advantage of the company. There are only few second-hand shops, and they don't correspond with as wide selection of good quality clothing as 1981 offers. Thanks to good connection with their distributors, they can get enormous number of clothes in short time. The possibility of targeting similarly markets Czech Republic and Slovakia is big advantage compared to smaller local secondhand shop. The option of functioning as B2B is considered in this case as opportunity to develop more as business with various form of profit or further expansion of this sector. Creation of own brand and various collaborations with other brands / designers is great opportunity to develop more as a company and brand itself.

THREATS: As a threat to the company, it is defined in possibility to substituted product which might be affordable in same scale of pricing compared to 1981 both from fast-fashion retail and ecological point of view. Change in regulations can affect business. As was mentioned in suppliers' chapter that this factor is not one of the negative aspects but the possibility of human factor and also situation in world can lead to loss of supplier or delay of goods.

Table n.5: SWOT analysis of 1981 Ltd.

STRENGTHS	POINTS	WEAKNESSES	POINTS
Wide range of products	5	Advertising	4
Quality / brand clothes	5	Focus on target group	2
Customer base	4	Location	2
Marketing communication- Instagram	4	Organizational structure	4
Relationship among colleagues	3	One branch	4
TOTAL POINTS	21	TOTAL POINTS	16
OPPURTINITIES	POINTS	THREATS	POINTS
Good distributors	5	Loss of supplier	3
B2B potential	3	Possible substitutes	4
Reconnection of markets	3	Regulations	3

Own brand development	3	TOTAL POINTS	10
TOTAL POINTS	14		

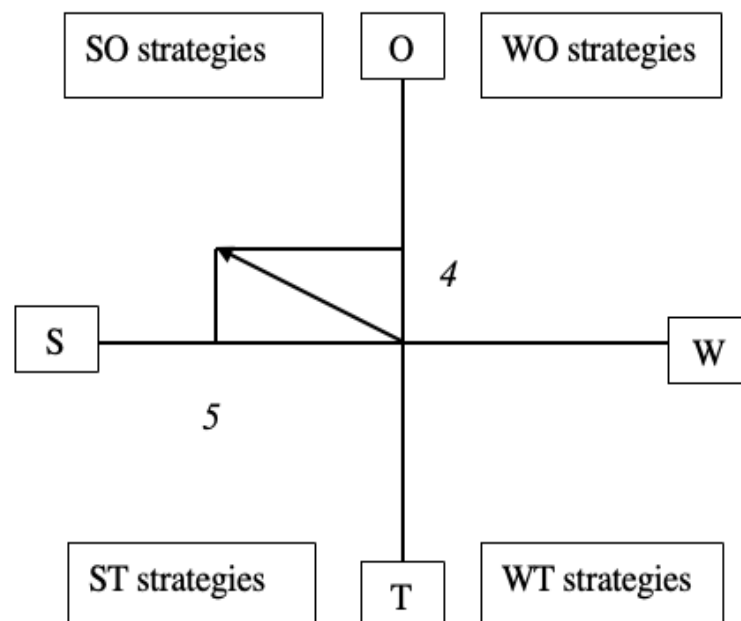
(Source: Own processing)

After creating the SW and OT analysis table, it was proceeded by subtracting the total value of weaknesses from the strengths and subtracting the overall risk assessment from the overall assessment of the opportunity.

$$21 \text{ (strengths)} - 16 \text{ (weaknesses)} = 5$$

$$14 \text{ (opportunities)} - 10 \text{ (threats)} = 4$$

Using the obtained differences, we created a matrix of SWOT analysis, where I determined the type of framework strategy. The matrix created an SO strategy for company 1981. From the knowledge defined in the theoretical part of work, the implementation of the offensive strategy is led by the company to maintain its strengths and seize the opportunity to its advantage.



Picture n.11: OS matrix of SWOT analysis

(Source: Own processing based on: KUSÁ, A. - PIZANO, V.: *Marketingové analýzy a stratégie*. Trnava: UCM, 2011. 44s.)

4. PROPOSALS AND CONTRIBUTION

Based on facts from analysis of selected company, its marketing mix, environment and after evaluating the SWOT analysis, in this chapter I will focus on fulfilling the last goal of our bachelor's thesis. To propose some recommendations for improving the marketing plan in the company 1981 Ltd.

In the following table, there are mentioned the activities that the company could perform in different time periods with estimated costs. The owners of the company will be responsible for all proposed activities. Costs are stated per month in an estimated amount that may change in the process of applying these recommendations based on a particular requirements of 1981 company and the use of external services and their individual offers. Each activity is later detailed described and explained why the proposal of these recommendations is needed.

Table n.6: Estimated costs connected to proposals for year 2021

ACTIVITY	BEGINNING OF ACTIVITY	COSTS (CZK)
Marketing audit	December 2021	29 400, -
Recruitment of marketing specialist	July 2021	27 000, -
External company for marketing	July 2021	8 000, -
Teambuilding	August 2021	8 092, -
Opening new branch	August 2021	25 000, -

(Source: Own processing)

4.1. Marketing Audit

For the main improvement of the marketing plan of the company 1981 Ltd., I recommend procurement of an external marketing audit to control marketing strategies as a component of the company's marketing plan. This type of control should be arranged by company every two years to evaluate their marketing activities and the impacting threats and opportunities from the point of view of the external environment. Although the company has been operating on the market for two years their potential is successfully growing more and more every day.

I recommend of conducting a marketing audit by a selected external company within 10 working days, 6 hours every working day, by contacting a company myTimi Ltd. that focuses on creating marketing audits for companies. 1981 Ltd. should Company offers different types of packaging including different kinds of services they provide. In this case choosing the option of standard way of approach based on hour fee is more convenient for company. Price rate for creating a marketing audit per hour is 490 CZK. Company can try new external company and their cooperation and later if they are satisfied, they can deepen their cooperation or establish new contract.

Table n. 7: Estimated cost for marketing audit

RECOMMENDATION	ESTIMATED PRICE including VAT
Marketing audit- by external company myTimi	10 days x 6 hours = 29 400 CZK 1 hour = 490 CZK

(Source: <https://www.mytimi.cz/cenik>, 2021/)

4.2. Ads

In this proposal I will focus on improving the company's communication tool and potential way how to adapt to these recommendations. Based on the analysis of these tools in previous chapter, I found that the selected company 1981 Ltd. is more oriented to reach regular and potential customers through the social networks Facebook, Instagram and on its own website. As a proposal to raise company's awareness, I reckon focusing on Google's feature - Google ads. We would like to propose two way of coping with google ads in company 1981 Ltd.

Google Ads is used to advertise products or services online. Company can register for this system free of charge. Users then create appropriate ads and suggest how much they want to pay if people click on their ad. Unlike regular advertising, company only pay when someone actually notices their ad and clicks on it. There is also an option of paid ads. In the search, paid posts appear with basic posts, and customers recognize them for the green "Ad" tag. They are usually at the beginning or end of Google search results. It doesn't always have to be the first page.

Google Ads offers a remarketing feature that allows perfectly target people who have interacted with company in some way but haven't completed their purchase. There are several remarketing formats. One of them, for example, is dynamic remarketing, which is a strategy for re-reaching people for them. Upload the basic ad elements want to appear to a potential customer, and Google Ads will manage to design a good ad. However, it can be customized with settings, such as where you want your ad to appear or what type of targeted audience you prefer.

4.2.1. Recruitment of marketing specialist

As I mentioned before company has few sets specified positions within system. This can cause fluctuation in sales, customer service, etc. As the roles aren't given and employees can't fully focus on specific repeating task. Till now Barbora and David (founders) were focusing on marketing together. Unfortunately, it is not the only "job" that founder has responsibility to do in running business. That is why I propose of recruiting a new member to 1981 team. The reason why to hire a new employee is that he/she would already have experiences in field of marketing. The option of reeducate already existing employee would take long time and adjusting these new knowledges might not be easy. Not only these mentioned aspects but also the chance of choosing right person for potential course is too risky for company.

I recommend as one of conditions for potential candidate to be graduated student from marketing with some additional practice of part-time jobs during his studies. I believe that this kind of candidate would be suitable for young collective in 1981 Ltd., and it would provide a great opportunity for talented fellow from university. Candidate needs to correspond with adequate knowledge. The condition of part-time jobs is additional, but I think that this might testify hard-working attitude and will to work under any circumstances. It is not easy to work a part-time job and completing study at the same time. This might be considered as an advantage. Company would hire a full-time employee. Thanks to possibility of trial period (usually 3 months) in full-time employment contract, candidate can be fired from position without any limitation in regulations in case that the new colleague won't be adequate enough.

The way how to attract potential candidates for job is suggested through enrolment sites. Company should choose website which provides professional handling with both,

candidates, and companies. Job.cz is well known enrolment site which correspond with comprehensible appearance and usage, professional approach and many corporate companies use their services. Pricing in Jobs.cz is based on monthly fee adapted to categories with additional benefits in form of packages. Job.cz takes care of uploading job advertisement for 30 following days and they resend this offer via e-mails to potential candidates interested in this field of employment. Of course, company has to take into consideration a fact that cost will growth with another employment agreement but as company rapidly rises and sales are increasing, based on interview with founder, another help would be an effective way how to support company during future expansion. The calculation connected to estimated costs of hiring a new employee is based on the lowest salary (rounded up) offered to marketing specialist in Czech Republic.

Table n.8: Estimated costs of recruitment of marketing specialist

RECOMANDATION	COSTS per month in CZK
Recruitment of marketing specialist	27 000, -

(Source: <http://www.salaryexplorer.com/salarysurvey.php?loc=57&location=1&job=533&jobtype=3>, 2021)

4.2.2. External marketing company

Nowadays possibilities are limitless. Online marketing outgrowing other competition and that is why companies needs to keep up with constantly changing trends. One of these companies' fundamental element is Google ads specialization. If company 1981 doesn't want to deal with all necessary steps with recruiting a new colleague into their team, there is always a possibility to let external company fulfill given proposal. I decided to choose an external company called Marketing PPC based on their customer reviews, pricing, and company policy and lastly because of fast online cooperation which is ideal for the current time of COVID-19.

Company Marketing PPC provides a service free of charge where company can ask additional questions connected to their online marketing problems, propositions that can lead to an official meeting or not. If there is a need for complicated tasks, they are able to prepare a non-binding, tailor-made price offer for more time-consuming tasks.

Their services are online, without the need for personal meetings. The cooperation is set with a mutually agreed price offer. In the case of long-term cooperation, company do not commit to anything. Thanks to this, you can adjust the conditions of cooperation as needed or terminate the cooperation. Campaigns set up and their management are in full usage of selected company- they are in your ad accounts; company 1981 can oversee them if requirements are met at any time or remove Marketing PPC from ad accounts. They focus not only on google ads, but they also deal with other online marketing methods. In following table, there is a demonstration of price and package of needed service. Keep in mind that price can change based on specified service.

Table n.9: Price offer by Marketing PPC

Google Ads - From 8 000 CZK	
Package includes:	
○	Keyword analysis incl. match types
○	Creating ad texts for all ad formats
○	Automatic and manual bid management
○	Professional management of all types of campaigns
○	For all types of websites incl. e-shops and service offers
○	Support for code deployment - directly or via GTM

(Source: own processing available at: <https://www.marketingppc.cz/ceny-ppc-sluzeb/>,2021)

4.3. Employees

An important role in 1981 Ltd. is played by its employees. Due to the fact that the company is small, it operates on basis of friendships and mutual trust. This approach might be appealing but at the same time it can evoke disrespect towards founders of company. Qualified and satisfied employees are an important part of the success of any company. Based on the current organizational structure of employees described in the company's characteristics and the identification as weakness in the created SWOT analysis, we recommend the company to organize employee training called teambuilding. Based on an interview with the founder in case of motivation of employees/teambuilding,

he mentioned non-formal small meetings where they enjoy each other company as group of friendships without mentioning work.

The recommended teambuilding could benefit for deeper strengthening relationship among employees. This might help to set goal of the company in the upcoming cooperation with those employees. Teambuilding should include all employees in company, from part-timer to founder. This activity will contribute to company by developing employees outside the workplace and their usual habitats, by building deeper team-cooperation and skills in the areas of business operation, set functions and goals.

A part of this teambuilding from point of founder, there should be presented visions and goals which will be consequently discussed with employees. They will have a chance to engage with new ideas, opinions and brainstorm all possible improvements together.

Main aim of teambuilding:

- **Establishing professional relationships-** determining newly set positions in the company, goal aspiration brainstorming, receive feedback, opinions from employees - their vision, areas for improving the company, complaints
- **Motivating employees** and supporting strong cooperation at the workplace.

I suggest organizing this proposal as two days activity. One night spent by employees outside the workplace, with the first day focusing on business talk- positions, goals, support employees. The second day will be about fun, and relaxation focused on building team cooperation of employees. As an example of the financial budget, the recommendations for teambuilding were chosen accommodation in Brno through Airbnb. It has multiple choices and the fact that company operates as small company, I reckon that form of apartment accommodation is sufficient enough with all required equipment (for presentation, etc.). I chose Brno because it is a nice location with interesting touristic attraction, culture, culinary experiences, and fun. This location is well-known by company as they used to organize pop-ups here as well. Price has different range based on location and how many people are accommodated. I included ten people in accommodating price in center of Brno and in table down below we mentioned highest possible price for this accommodation because I don't know about employees' standards and their requirements. Travelling costs are stated as individual purchase in category of train transport in standard class.

Table n.10: Estimated costs connected to teambuilding

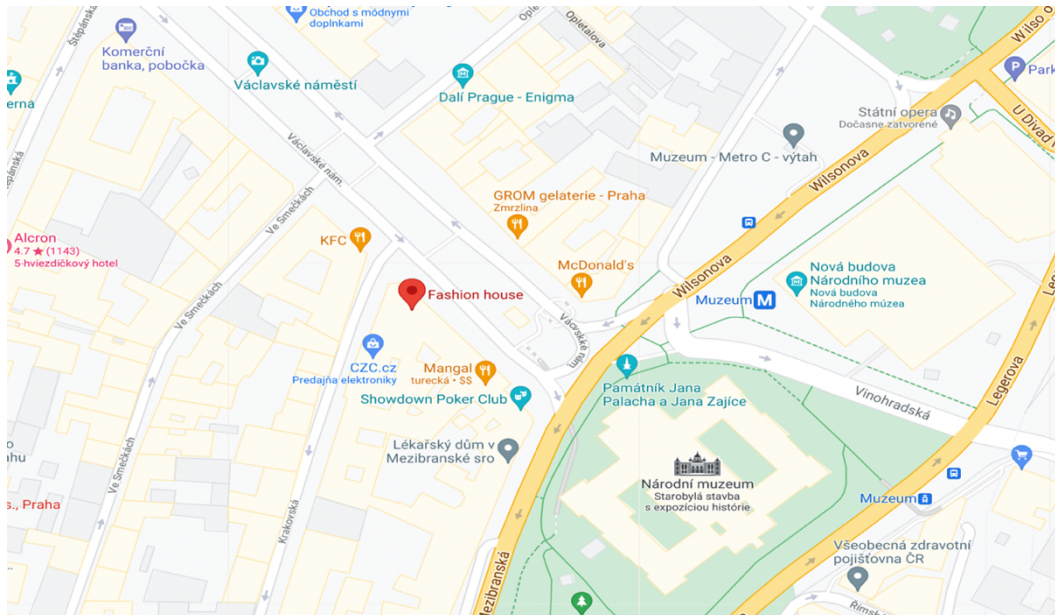
TRAVELLING COSTS -	ACCOMMODATING COSTS –
Regiojet	Airbnb per night for 10 people
Adult- 275 CZK Student- 68 CZK	5 342 CZK

(Source: <https://www.regiojet.cz>, <https://sk.airbnb.com>, 2021)

4.4. Opening a new branch

After analyzing competitive space and based on interview with founder, I concluded SWOT analysis and I was able to detect one of weaknesses which might cost losing some potential customers. The company only correspond with one branch located on Oldřichová street which is not so popular among tourists and also for local inhabitant. That is why suggestion to open one new branch located in heart of Prague was proposed. I believe that in times of COVID-19 it is a great opportunity to find suitable place for this branch. As corona stroke many of business went bankrupt and that offers a wide range of real estate for rent.

I conducted a brief research connected to most visited places in Prague and narrowed it down to one particular area of this town. I believe that new branch doesn't have to correspond with large spaces. This branch could represent the best piece for purchase and if regulations got stricter (COVID-19) it could function as pick up place or as a warehouse. If company would work on attraction of new customer, branch could be beneficial for both of parties- company and customer. The area Prague 1 is very easily reachable, as it is one of the most visited area in town. The selected premise is located in this area on Václavského náměstí (near to National Museum, monuments, etc.) which is one of the most popular streets among many visitors of this town, so the frequency of visitors is guaranteed this way. On picture n. 11 there is exact location marked with red color on the map of specific area.



Picture n.12: Location of proposed premise- Dům módy/ Fashion house

(Source: Own screenshot, Google maps, 2021)

I recommend cooperating with real estate office Top reality which offers variety of options of real estate for rent in mentioned area. It is well known company with many experiences in field. As I was searching for the most suitable option for 1981, I limited down the criteria to focusing on price factor, visual appearance and lastly some aesthetic features. After elaboration I propose a possibility to rent a space with measurements of 50 m² in building Dům módy/ Fashion house which is in my opinion very accurate since this slow-fashion brand sell unique fashionable pieces of clothes. Pricing in unit is based on monthly cost of 25 000Czk = 1 m² for 500 Czk, which is the average price for real estate of these standards. The deal for this premise is offered without paying begging provision. This specific space is located on 4th floor of this building. This feature can be considered as disadvantage as customers won't be attract by company's exposition. But at the same time, it can be added value as it has spectacular view. During interview with founder, he mentioned about this possibility to expand company by this new branch and that is why I believe there couldn't be a better time than this corona virus created. If founders weren't satisfied with these spaces real estate office offers other prospects for rent from 50 m² – 129 m². The price fee varies in the range of 450- 625 CZK per 1 m².

Table n.11: Estimated monthly costs for proposed premise

RECOMMENDATION	COSTS PER MONTH
Renting space- Prague 1 in “Dům módy”	50 m ² = 25 000 CZK 1 m ² = 500 CZK

(Source: <https://www.topreality.sk/pronajem-obchodniho-prostoru-50m2-v-dome-mody-vaclavske-namesti-praha-1-r5910378.html>, 2021)



Picture n.13: Street point of view of proposed building

(Source: <https://www.topreality.sk/pronajem-obchodniho-prostoru-50m2-v-dome-mody-vaclavske-namesti-praha-1-r5910378.html>, 2021)

4.5. Summary of contribution to company 1981 Ltd.

The analysis of internal and external factors influencing 1981 environment unveiled spheres where company need to change or adjust some of their action. That is why I came up with four proposals for improvements and elimination of these insufficient factors. In table n. 6 I demonstrated these contributions from July 2021 till December of 2021 where were included all monthly costs connected to these contributions.

The first contribution I decided to propose is an option of marketing audit by external company myTimi. Currently, the company 1981 is unable to identify competition on the market, but there are risks that new competing branch will be established in no time as

the trend of secondhand store increase or the possibility of current competition to catch up with selected company. The main reason why I recommend collaborating with firm myTimi is to analyze potential competition and solve any difficulties connected to marketing activities and strategies. This option is the right improvement mostly because it enriches company by new perspective and opportunities. Company would acquire clearer vision about what is their position on operating market. An independent view from an unbiased perspective will provide selected company completely objective outputs. All data are checked and verified at the same time, and it gives company the opportunity to develop and learn from the mistakes made over the period.

Second proposal I consider as essential to improve marketing plan is to procure a Google Ads. The advantage of Google Ads (AdWords) is that company can target their ad group almost precisely with google ads targeting methods. If users have already visited site but haven't taken the wanted action, it can reconnect with them and attract them back. Registration to Google Ads is free of charge. Company is able to determine how much they want to pay if people click on their ad. Unlike regular advertising, they only pay when someone actually notices your ad and clicks on it. For this advertisement it is very keen to act professional that is why we recommended two options. Recruitment of marketing specialist or external company. In case of recruitment, this option is more time consuming but, in the end, I believe they can acquire a really strong help to their team and increase sales. As second option I suggest cooperating with an external company Marketing PPC based on their professional approach and websites. The price and reviews from previous customers also determined decision for this company. This company provides consolation and the beginning, sessions connected to specific problem are for free. Later it is up to 1981 if they are going to trust this company or not. They also offer a webinars and courses. Alternatives are “unlimited” and in high quality based on multiple reviews as I mentioned before.

In third part of thesis, I propose a teambuilding for team unification and to set clear positions in the company to establish strong organizational structure where division cooperate, and everything run smoothly. I reckon that two days trip as teambuilding will strengthen relationships among colleagues, supervisors and subordinates. I advise using this time to get know each other more and talk about possible improvements in internal environment of company. Supervisor might find what their subordinates consider as

important and what on the other hand bugs them or isn't suitable for them. Organizational structure will help develop determination in different kind of fields and allow smooth operation on the market, so there won't be problems in completing tasks because each employee would have clear vision about their role in business.

Lastly, I recommend opening a new branch in more popular area of business operating town- Prague. As I marked one operating branch and its location as a weakness to company which can result in losing customers, I propose to contact a real estate company Top reality which offers different kind of spaces for rent in area Prague 1. Selected premise is located in this area on street Václavského náměstí. It is one of the most popular streets, easily reachable by public. Building is called "Dům módy" which corresponds with multiple choices to pick from. One specific space was presented in proposal for 25 000CZK per month for 50 m², which is very acceptable price in this area. The fact that COVID-19 affected a lot of companies in negative way, provides colorful scales of real estates on market. This makes it the best time if company is willing to invest into this kind of expansion.

CONCLUSION

The role of developing marketing plan by each company is to bring the company closer to achieving the set goals. The public view of the current marketing activities of 1981 Ltd. also allowed to notice shortcomings in the company's marketing activities. Contribution in form of proposed recommendations were created to improve the company's marketing plan and overall development of brand.

To achieve the set goals in the bachelor's thesis, I characterized the company, its products, prices, promotion, place and developed an analysis of the current marketing status. There were proposed new ways to promote the company's brand and steps that should lead to a successful marketing plan. In the proposal, it was also considered the activities of the primary competition. I elaborated its characteristics and analyzed the current state. The outcomes of bachelor thesis follow several ways of improvements of 1981 Ltd. in their marketing planning.

As the main step of improving the marketing plan, is recommendation to company establish an external marketing audit, which helps to serve as a control tool of the fulfillment of marketing strategies to achieve set goals of the company. The marketing plan is created with the expectation of success in the future, which also forms the progression of employees in the company. Therefore, in order to develop it more, it was proposed to organize the company's teambuilding, based on the weakness of unclear organizational structure which can lead to misunderstanding the functions in the company. This teambuilding should result in a clear organizational structure and suggestions for improvement from the perspective of employees. In the recommendations, there is also a focus on the promotion of the company, given that they used online marketing tools. I suggested that the company create online advertisement through Google Ads. Recommendations also conclude how to process and handle this proposal. As last recommendation I propose possibility to open new branch in one of the most popular areas of Prague to attract more customers and to be more reachable to public. It includes monthly costs and real estate office for further cooperation. Through these activities, the expectations are to enlarge customer base, development of company and an increase in brand awareness.

REFERENCES

- BLAŽKOVÁ, M.: *Marketingové řízení a plánování pro malé a střední firmy*. Praha: Grada publishing, 2007. 280 p. ISBN 80-2471-535-3.
- CIBÁKOVÁ, V.- RÓZSA, Z.- CIBÁK, L.: *Marketing služieb*. Bratislava: Iura Edition, 2008. 214 p. ISBN 978-80-8078-210-8.
- FORET, M.: *Marketing pro začátečníky*. Brno: Edika, 2012. 184 p. ISBN 978-80-266-0006-0.
- CHEBENĚ, J.: *Strategický marketingový plan*. Bratislava: EKONÓM, 2009. 215 p. ISBN 978-80-225-2752-1.
- JAKUBÍKOVÁ, D.: *Strategický marketing*, 2 vyd. Praha: Grada Publishing, a.s. 2012, 368 p. ISBN 978-80-247-4670-8.
- IEDUNOTE. *Marketing Mix: Definition, Elements, Examples, Diagram*. [online] 2021 [cit. 19.10.2020]. Available at: <https://www.iedunote.com/marketing-mix>
- KITA, J. a kol.: *Marketing*. Bratislava: Iura edition, 2010. 411 p. ISBN 978-80-8078-327-3.
- KOTLER, P.: *Marketing insight from A to Z*. United States: John Wiley and Sons Ltd, 2003. 224 p. ISBN 978-0-471-26867-3.
- KOTLER, P. - ARMSTRONG, G.: *Principles of marketing*. England: Pearson Education Limited, 2014. 716 p. ISBN 978-0-273-78699-3.
- KUSÁ, A. –PIZANO, V.: *Marketingové analýzy a stratégie*. Trnava: FMK UCM, 2011. 195 p. ISBN 978-80-8105-239-2.
- KUSÁ, A. PIZANO, V.: *Marketingové analyzy a stratégie*. Trnava FMK UCM, 2012. 95 p. ISBN 978-80-8105-239-2.
- LESÁKOVÁ D. a kol.: *Strategický marketingový manažment*. Hronský Beňadik: NETRI, 2004. 264 p. ISBN 80-968904-8-4.
- LESÁKOVÁ, D. a kol.: *Strategický marketing*. Bratislava: SPRINT, 2007. 354 p. ISBN 978-80-89085-92-7.

MARKETINGSTUDYGUIDE. *BCG Matrix and its Four Quadrants*. [online]. 2021 [cit. 25.12.2020]. Available at: <https://www.marketingstudyguide.com/bcg-matrix-and-its-four-quadrants/>

MARTIN, M. *What Is a BCG Matrix*. [online] 16.6.2020. [cit. 25.12.2020]. Available at: <https://www.businessnewsdaily.com/5693-bcg-matrix.html>

MATÚŠ, J.- ĎURKOVÁ, K.: *Moderný marketing*. Trnava: FMK, 2012. 272 p. ISBN 978-83-7729-184-9.

MIND TOOLS CONTENT TEAM. *Porter's five forces*. [online] 2021. [cit. 5.4.2021] Available at: <https://www.investopedia.com/terms/p/porter.asp#citation-1>

MCDONALD, M. – WILSON, H.: *Marketing plans*. United States: John Wiley and Sons Ltd, 2016. 640 p. ISBN 978-1-119-21713-8.

MOUDRÝ, m.: *Marketing: základy marketingu*. Kralice na Hané: Computer media, 2008. 80 p. ISBN 978-80-7402-002-5.

PAPULOVÁ, E. a kol.: *Úvod do podnikania a manažmentu*. Bratislava: Kartprint, 2006. 248 p. ISBN 80-88870-59-3.

SCOTT. G. *Porter's five forces*. [online] 22.2..2020. [cit. 5.4.2021] Available at: <https://www.investopedia.com/terms/p/porter.asp#citation-1>

THE IN TACT TONE. *Product Life Cycle (PLC)* [online]. 7.3.2019 [cit. 19.11.2020]. Available at: <https://theintactone.com/2018/02/19/m-u2-topic-7-product-life-cycle-concept-strategies/>

TOP REALITY. *Pronájem obchodního prostoru 50m2 v Domě Módy - Václavské náměstí, Praha 1*. .2021.[online]. [cit.4.5.2021]. Available at:<https://www.topreality.sk/pronajem-obchodniho-prostoru-50m2-v-dome-mody-vaclavske-namesti-praha-1-r5910378.html>

VANESSA. A. *Situational Analysis of a Strategic Marketing Plan*. [online] 1.4.2021. [cit. 5.4.2021] Available at: <https://www.mageplaza.com/blog/a-situational-analysis-of-a-strategic-marketing-plan.html>

LIST OF TABLES

Table n.1: Marketing mix 4P x 4C	16
Table n.2: Matrix of SWOT analysis.....	33
Table n.3: Price range on e-shop 1981 Ltd.....	39
Table n.4: Comparison of Textile house with 1981 Ltd.....	48
Table n.5: SWOT analysis of 1981 Ltd.....	52
Table n.6: Estimated costs connected to proposals for year 2021	54
Table n.7: Estimated cost for marketing audit.....	55
Table n.8: Estimated costs of recruitment of marketing specialist.....	57
Table n.9: Price offer by Marketing PPC	58
Table n.10: Estimated costs connected to teambuilding.....	60
Table n.11: Estimated monthly costs for proposed premise.....	62

LIST OF PICTURES

Picture n. 1: Product life cycle.....	17
Picture n.2: BCG Matrix.....	26
Picture n.3: OS matrix of SWOT analysis.....	34
Picture n.4: Logo of 1981 Ltd.....	36
Picture n.5: Home page of 1981's website	40
Picture n. 6: Instagram account of 1981 secondhand	41
Picture n.7: Advertisement of 1981 through Instagram.....	42
Picture n.8: Post towards customers to share purchased product on 1981 e-shop.....	43
Picture n.9: Link to subscription on 1981 newsletter	44
Picture n.10: Logo of Textile House Czech Republic Ltd.....	46
Picture n.11: OS matrix of SWOT analysis.....	53
Picture n.12: Location of proposed premise- Dům módy/ Fashion house.....	61
Picture n.13: Street point of view of proposed building	62