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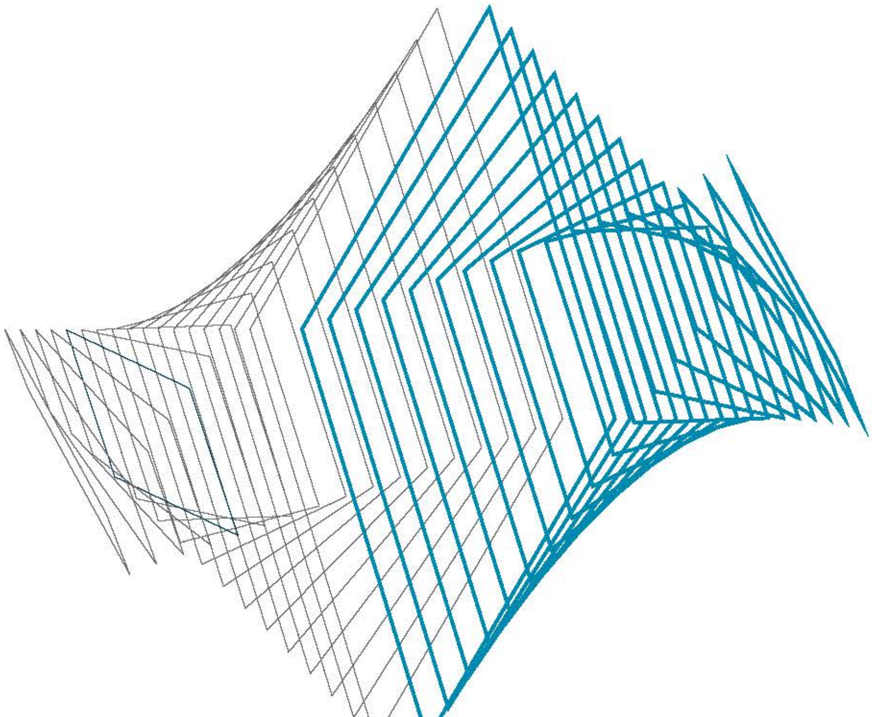

Conference Proceedings Entrepreneurial Spirit V

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Conference Proceedings

Entrepreneurial Spirit V

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Content

Introduction

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The educational process at VSEM involves **conveying information** on development and current trends in line with the concepts and approach of individual study programmes, with the objective of preparing the graduates to succeed in the increasingly competitive environment of the integrated and globalized world.

VSEM encourage students' personal and professional growth by supporting their self-confidence and social responsibility. We help them to put their ambitions and personal beliefs into effect, and maintain international ethical standards.

The conception of study plans and teaching methods is developed in line with changing social needs and requirements and it reflects the individual attitudes and needs of the students, who **are helped to cope with management and analytical tasks.** Students are trained to be able to assess the existing situation (input and output) of the examined area using both external and internal information sources.

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Every year VSEM welcomes many foreign students who wish to spend a part of their studies at our university. VSEM accepts students from all over the world, so that they can experience at least one trimester on our campus.

The annual international student conference „Entrepreneurial Spirit" is organized by the students of University of Economics and Management. The goal of the event is to improve presentation skills, to provide the floor for discussion and exchange of experiences, and to master English language of the participants**.** Therefore, the whole programme is carried out in English language.

Students´papers

1. Viktorie Del Maschiová: Objectives and Key Results as a management tool in 2FRESH s.r.o.

SUMMARY
Main objective: Main objective of this article is to evaluate 2FRESH agency's success in applying Objectives and Key Results in fourth quarter of 2017 and define recommendations for the following quarter.
Research methods: Theoretical part of this thesis is based on research of current professional literature. For the needs of the practical part, internal confident documents of the company are being used as well as a primary research done by the author. Based on defined problems, recommendations are being formulated in the final chapter of the article, for the agency to state OKRs better in the upcoming quarter.
Result of research: The first application of OKRs failed in 2FRESH agency. Most of the teams were not able to measure their OKRs and the company’s OKRs were not measured properly as well. Also, the employees were not fully satisfied with working on OKRs, stating that they did not feel identified with their team’s OKRs, found the evaluation of OKRs time consuming and felt separated in their efforts to achieve the company’s main OKRs.
Conclusions and recommendation: Key problems are listed in the final part of this article, all connected to OKRs setting and their later measuring. The author than formulates the recommendations for the agency to follow in next quarter in order to get more of the benefits of using the OKRs as a management tool. These recommendations are: to better describe Key results and presented their metrics, together with tools to measure them; hold a meeting with all the Activity leaders and Board before OKRs are set for the next quarter and checked all of the team OKRs and discuss whether they contradict and if they all really aim for the company’s superior OKRs; prepare templates for weekly measurements and evaluations and if possible, generate automated reports.

KEYWORDS
Management, Strategies, Objectives and Key Results

JEL CLASSIFICATION
M11, M12, M13, M15, M19

1.1 Introduction

Nowadays business is mainly about bringing ideas to life. As honestly shares Ries (2011, p. 4) in his own experience, despite the volumes written on business strategy, innovators unfortunately still struggle to bring ideas to life. Many startups fail and many of them fail despite the fact that their success could be a breakthrough in their field. Wodtke (2016, p. 9) agrees with Ries on this and adds, that ideas are easier to come up with than one might think, but as she explains, what is actually hard is moving from an idea to reality. Having the motivation and moral to stay focused, to follow the track and get to a goal. Thus building companies from scratch, as suggested, is hard. Business might be hard. It might be a long lasting process of failing and learning from mistakes, than failing again. Only few make it and survive on the market. Niket (2014) confesses he often wondered how the companies he admired knew what direction to go and he could not have been the only one. How do the leaders decide which road to take and how do they stay on the track? It is unfortunate that there is no guaranteed receipt for success. Or is there?

Countless books promise the turnkey success, the guaranteed steps towards easy managed company that generates profit and holds happy employees. While some of the approaches might work, some do not. And as there are many fields of expertise and many types of companies, while something might work for a small family business, it does not have to work for a big corporation and of course, this rule applies in different directions as well. What could work for a software development company does not have to work for a marketing agency. What is left for the leadership and the managers is to try what suits their business and teams and find their own way. The range of management tools keeps on growing and processes chosen by similar types of companies make out the field's buzzwords. What do they all seem to have in common is setting a strategy or set of goals and to follow some kind of steps until accomplishing whatever was set to be accomplished at the beginning. One of these approaches made famous by big technological companies such as Google and Zynga is a goal-setting tool called Objectives and Key Results, or shortly OKRs. Originally invented in the Intel Corporation, OKRs were presented to companies in technological business field and celebrated a big success. As they are able to connect a company’s vision with management’s planning and work as employee’s motivation at the same time, well managed OKRs became a powerful tool. Authors intention is to present how OKRs are being used in a digital marketing agency 2FRESH and to evaluate their benefits for the company.

The first part of this article will be dedicated to further theoretical explanation of OKRs. The second, practical part will present the way 2FRESH company set OKRs for fourth quarter of the year 2017, go through a brief satisfaction research between employees and formulate conclusions. Main objective of this article is to evaluate 2FRESH agency's success in applying Objectives and Key Results in fourth quarter of 2017 and define recommendations for the following quarter. In the final chapter of this article, author will state a recommendations on setting OKRs for the next quarter.

1.2 Theoretical part

In this part of the article, author will go through theoretical knowledge needed to introduce the topic of observation in the practical part. First, different approaches to people management from several authors will be presented and compared by the author. Then, the Objectives and Key results method will be explained in detail as the main topic of this article. At the final part of this chapter, methodology of writing this article will be explained.

1.2.1 Different approaches to people management

While building and managing a team, Wodtke (2016, p. 9), finds it hard to keep people working on a common goal, keep them stay focused and not forgetting why they work together at the first place. Sinek (2009, p. 2) believes, that the employee motivation is the key here, not only the key for building a successful team, but also for building a business. He puts emphasis on employee motivation and presents stories of those who succeeded thanks to putting their purpose and vision first rather than their goal. Due to Sinek (2009, p. 3), reason why Wright brothers built a functional airplane (even sooner than the team of their competitor, Langley), was their ability to inspire those around them and truly lead their team to develop a technology that would change the world. He states that the same abilities led Wozniak and Jobs to success while building the Apple company.

But while Sinek puts the vision and purpose of the leaders first, Ries (2011, p. 4) believes in more scientific approach. According to him, success can be engineered by following a certain process, which - as a management tool - can be learned and it can also be taught. Ries (2011, p. 4) himself innovated and pioneered a management approached characterised by an extremely fast production cycle time, thus shortening the risk of expensive failures to a minimum. This approach contains managing both the production and the people involved. While Wodtke (2016, p. 10) states quite frankly the success might be about effectivity of the workflow and that "it's not important to protect an idea, it's important to protect the time it takes to make it real," she still agrees with Sinek on the importance of people management and their motivation for proceeding to the common goals.

Actually, Sinek (2009, p. 236) even claims, that a good vision (which he famously calls the company's WHY) motivates not only the employees to follow the lead, but also the customers and the stakeholders of the company. As he explains (2009, p. 59), humans are genetically given a desire to belong somewhere, to be part of a group, family or a community, in order to feel safe in the world - the same desire is what makes us choose the companies and brands we trust. As Sinek (2009, p. 59) tirelessly repeats not only through his books but lectures as well, is that the belief is what people are best in sharing, thus the company's vision should be the key to a successful business strategy and should be given the highest importance. This article will not go through Sinek's theory of decision making based on human biology, but author highly recommends further studies of his theories in order to widen knowledge on this topic.

1.2.2 Objectives and Key Results

Weekdone (2017) explaines Objectives and Key Results as a popular leadership process for setting, communicating and monitoring quarterly goals and results in organizations. Objectives and Key Results are a famous management practise mainly thanks to the fact that they are being used by Google and it has been working for them for years. It is no surprise that Google has become a role model for nowadays tech companies and that almost every one of them wants to follow Google's lead in business. But OKRs were not made by Google's leadership. As Weekdone (2017) adds, they were initially implemented in 1970s by the President of Intel Andy Grove. As Klau (2017) explains in his article, OKRs were originally presented to Google's management back in 1999, shortly after it came to life. As documented by Wodtke (2016, p. 9), the system that originated at Intel is now being used by companies such as Google, Zynga, LinkedIn and General Assembly to promote rapid and sustained growth.

What are OKRs for

Niket (2014) writes that OKRs are meant to set strategy and goals over a specified amount of time for an organisation and its teams, which Wodtke (2016, p. 9) confirms. She states to be using OKRs for setting up business goals and advices companies to set OKRs up for a specific three months long periods, not only to fit the quarterly planning, but also to give the teams enough time to persuade their goals. Due to Weekdone (2017) the goal of OKRs is to connect company, team and personal objectives in a hierarchical way to measurable results, making all employees work together in one unified direction. Niket (2014) adds that *"spending a concerted effort in identifying company strategy and laying it out in a digestible way with OKRs can truly help your employees see how they are contributing to the big picture and align with other teams."* But thought it may seem the personal objectives have a key role in the OKRs evaluating, Klau (2017) warns, that OKRs are not to be used as an employee evaluations. He points out that OKRs are about the company's goals and how each employee contributes to those goals, whereas employee's performance evaluation should be absolutely independent from their personal OKRs. Yarrow (2014) states that in Google, personal OKRs are a piece of employee's internal profile, independent of his or hers performance, but displaying their scores through the years on their OKRs, thus showing their contribution to the company goals through the time.

How to start with OKRs and how to make them work

As Wodtke (2016, p. 204) offers more approaches to start with OKRs, some common basic mindsets for setting up company's OKRs are formulated by different authors in similar manner. Niket (2014) stresses out that one of the most important thing is for leaders to put the time in and commit fully to setting the OKRs strategy - discuss the ideas with their management and in between each other and devote their time. As he puts it, the best leadership knows that an extra day spent planning will reap rewards down the line if executed properly. Wodtke (2016, p. 203) calls out for the right mindset as well, saying that it is important to remember that OKRs are about continuous improvement and learning cycles, not about making check marks in a list. Which is why, she continues, when company does not hit any of stated key results, it is not time to dwell on it as a failure, but a moment to ask why it happened and fix it. The same she says about the improbable situation of hitting the objective at first try - it is not a clear success, because an objective should not be easy to get but otherwise, quite ambitious and daring (as explained in next subchapter). If this happens, Wodtke (2016, p. 203) advices to set harder goals. Niket (2014) adds that also taking the time to adequately assess them after each time period is a sign of respect for your colleagues and employees, because it means you respect the placement of their time and efforts. Klau (2017), as well as Wodtke (2016, p. 217) further explain, one of the keys to what makes OKRs work is keeping them public, so that everyone in the company is able to see what everyone else is working on and how they did in the past. Yarrow (2014) and Klau (2017) confirm that at Google, all OKRs are public "from Larry Page on down." Yarrow (2014). Although this might seem intimidating, Klau (2017) states this is what helps Google management understand what everyone's working on. Still, due to Wodtke (2016, p. 180) OKRs cascade from the top of the company down; first to set are the company OKRs, then group's/role's, and then individual's.

Objectives

The Objective explained by Wodtke (2016, p. 158) should be inspirational by design and due to Klau (2017) it is supposed to be ambitious, and even should feel somewhat uncomfortable. In overall, Wodtke (2016, p. 175) claims, Objectives ought to be qualitative and inspirational, time bound and actionable by the team independently. Due to qualitative character of Objectives, author adds that the metrics should be kept out of the Objective. Because, as Wodtke (2016, p. 158) further explains, the Objective is designed to get people exciting to come to work in the morning and *"while CEOs and VCs may jump out of bed in the morning with joy over a 3% gain in conversion, most mere mortals get excited by a sense of meaning and progress."* This concludes her point of view at the Objectives - as on an inspiration for the company and its teams. This is also why she advices to write down the company's Objective in a company language and with respect to its culture.

As Wodtke (2016, p. 217) states OKRs cascade through the company, the Objectives should cascade as well, thus the first to be set is the company Objective. Although Weekdone (2017) does not limit the number of Objectives to be defined, Wodtke (2016, p. 217) advices to set only one Objective for the company, unless it has multiple business lines, because what helps persuade OKRs is focus, which is kept much easier when following only one Objective at a time.

Key Results

Niket (2014) sees Key Results as the secret sauce to using OKRs, naming them expectations that are numerically defined. Weekdone (2017) defines Key results as quantifiable, achievable and leading to objective grading and be difficult, but not impossible, Klau (2017) explaines them simply as measurable; as they should be easy to grade with a number. As Weekdone (2017) states they are often numerical, it is also possible show if something is done or undone, in binary as a zero or one. Klau (2017) testifies his experience with OKRs in Google, where the scale 0–1.0 s being used to grade each Key result at the end of a quarter.

Weekdone (2017) states that under each objective, one should define 3-4 measurable results, not more, Wodtke (2016, p. 160) writes there are typically three of them for one

Objective. Weekdone (2017) and Wodtke (2016, p. 161) agree on the fact that Key results can be based on growth, performance, revenue or engagement.

Measuring OKRs

The important element while working with OKRs according to Niket (2014) is measuring success. While qualitative goals tend to under-represent our capabilities because, due to Niket (2014), the solution tends to be the lowest common denominator, Wodtke (2016, p. 161) supports companies to use them, because although it seems hard to measure quality, with tools like Net Promoter Score (further refered to as NPS), it can be done. When measuring OKRs in Google's manners, Klau (2017) recommends that the "sweet spot" for an OKR grade is 0.6—0.7. Lower grades shouldn't be punished; but viewed as data to help refine the next quarter's OKRs. As to regular checks of the OKRs, Wodtke (2016, p. 217) recommends to keep up with the results on weekly check ins, while company's and group's OKRs should be discussed, along with the change in team's confidence, health metrics and priorities in achieving the results.

1.2.3 Methodology

First, literature and various online secondary sources were studied for the theoretical part. All the printed publications are owned by the author. The whole theoretical part is then based on a literature research and comparison of found opinions and best practices.

Author of this theses reached also internal information of the 2FRESH company. Both internal materials saved on company's Google Drive, such as credentials, and information publicly displayed on the website of the company were used to define the company's character described in beginning of the practical part of this article.

The OKRs were assessed by the company by the methodology described further. First, the company's Objective was created by the leadership. Following Wodtke's methodology (2016, p. 175), the leadership than stated three Key Results complementing the company's Objective. Complete company's OKRs were then presented and explained to all the teams (thus all the company's employees), following the assignment to build their team Objectives and Key Results for the following quarter. Every team of the agency collected employee's opinions and held meetings in order to find the way they can contribute to company's OKRs. Based on common conclusion of the team's members, every team then presented their own OKRs, together with intended methodology of their measurement. Then, two metrics of success were prepared to be observed and recorded. First, employee satisfaction with the new management technique, second, the ability to measure the OKRs by the teams and the results themselves.

The company's Google Drive documents were used by the author to recover the written recordings of meetings and to study all of the Objectives and Key results defined by each of the company's team. Later, also to see the results of company's survey evaluating employee satisfaction. The authors access to company's confidential data was guaranteed and officially granted for purpose of writing this article.

Outcome of the employee satisfaction survey, distributed by the leadership among employees, was evaluated and described. Key results for the fourth quarter of 2017 were observed and reviewed. Also, the conclusions formulated by the leadership of the company were read up. Based on all of these activities listed, author formulates the overall conclusion for the elapsed quarter and presents recommendations for the agency to be followed in the upcoming quarter. These recommendations are formulated such way, to allow the agency to use OKRs as a management tool more effectively.

1.3 Practical part

In the practical part of the article, the author will go through the essential information needed for the observation and describe the observation in the company. First, the company itself will be introduced, then the chosen method of OKRs implementation will be described. Afterwards, the concrete OKRs of the company and of one chosen team will be presented. The quarter will be then evaluated from two points of view. First, results of the employee satisfaction questionnaire will be presented and then, author will go through the results of the OKRs measurement. Concrete results of the team chosen for the previous OKRs description will be introduced as well.

1.3.1 2FRESH agency

Creative digital agency based in Prague, currently employing 65 people on positions of designers, account managers, project managers, social media managers, copywriters, creative directors and more. 2FRESH's mission is to help companies listen to their customers. The core methodology of the agency is using Human Centred Design for creating websites, applications, marketing and business strategies, brands and complex online marketing services. The hierarchy of the agency, illustrated on Picture 1 attached to this article, has only three levels: on highest level there two Board members; accountable to the Board there is an Activity leader for every team in the company (Account management, Project management, Back office, Public Relations, User interface design, User experience design, Research, Marketing & Social media team, Creative team); and each remaining employee is an equal part of one of the teams. This makes the company's hierarchy rather flat.

1.3.2 OKRs implementation

Wodtke (2016, p. 203) advices several different approaches to start off with OKRs implementation in the company. One of them is to have one team adopt OKRs before the entire company does. She suggests to choose an independent team that has all the skills to achieve their goals and celebrate their success if it happens, or wait a cycle or two until they perfect their approach and then roll out OKRs across the company. That is the approach that 2FRESH Board chosen to try, deciding to define the company's OKRs first and then to make the User Experience design team (further referred to as "UX team") define their team OKRs first and to persuade them for a month, before the final quarter of the year starts.

Activity leaders and board members attended a workshop during July 2017, following Wodtke's (2016, p. 178) instructions to held a Human-centred design styled workshop. Well prepared and with suggestions from all the employees, Activity leaders proposed the company's main Objective and Key Results and Board adjusted them together with their own vision. Then, in August, the UX team defined their OKRs and followed them the whole September. During this period, all the other teams observed and learned, while building their own OKRs, knowing they have to make it till the end of the month, so the company is ready for a trial starting the first week of October.

UX team as an example of building team OKRs

The User Experience team held two workshops for defining the Objectives and Key results, based on the company's OKRs defined by the leadership. The company's OKRs as presented by 2FRESH (2017) were defined as such:

- Objective: Get dream jobs for 2FRESH;
    - Key Result 1: Sell 60 % of our time;
    - Key Result 2: Our NPS will be higher than 40;
    - Key Result 3: We will triple the visibility of our agency.

It is important to state here, that "a dream job" is defined to detail in a dedicated document and is widely known through out the company. Unfortunately the format of this article does not allow the author to go through this in the boundaries of the article in detail, but "dream jobs" is a wildcard term for specific kind of clients and projects.

As advised by authors in ways described in the theoretical part of this article, the UX team defined its own OKRs in boundaries of the company's OKRs. This means, the team looked closely on Key Results of the company and aimed to create an Objective similar to one of the Key Results stated above. Team held discussions within the workshops and concentrated on increasing profitability, which as to a production team, made the best possible sense. Choosing the first Key Result as a direction to Objective, the UX team stated OKRs for the quarter as such:

- Objective: Get into profit;
    - Key Result 1: Sell 1500 hours of UX team's work;
    - Key Result 2: 33 % of the sold hours will be on product design jobs;
    - Key Result 3: Get NPS 40+ from our clients.

The UX team followed advice of Wodtke (2016, p. 174), that each Monday, the team should meet to check in on progress against OKRs, and commit to the tasks that will help the company meet its Objective. Thus for the whole September, and then for the Q4 2017, the team met every Monday morning and followed the agenda suggested by Wodtke. First, take a look at how company's OKRs are doing, second how the team OKRs are doing and went on to let every each team member present how they worked on team's OKRs last week and how they plan to work on them the week starting at the point.

September, as the trial month, led to lighted discussions and showed many unexpected flaws in the implementation of the OKRs. For example, the company had to clarify how it tracks employee's billable time spent on projects, to be able to quantify Key results such as the 1st of UX team's. The agency also had to create a system for measuring NPS, dividing the teams to units that get their own NPS.

1.3.3 First quarter with OKRs and its evaluation

By the end of September, every team of the company had set their own OKRs and vowed to persuade them in the final quarter of the year. The whole agency accepted that - as Wodtke (2016, p. 193) warns - the first time company tries OKRs, it is very likely to fail.

Together with their OKRs, every team stated their anxieties connected with OKRs openly and wrote them down. Every week, team meetings took place and also, the Board met with Activity leaders every week. As advised by Wodtke (2016, p. 217), those meeting always were a discussion, problems were uncovered and handled, anxieties heard and employees encouraged, as 2FRESH (2017) documented.

Employee satisfaction

In the last working week of December (before everybody is gone for Christmas), questionnaire was sent to all the company's employees, also including the Board and all the Activity leaders, asking open questions about employee's satisfaction with the OKRs first run. Questions asked in this questionnaire are to be found attached in Annexes to this article in Table 1. Questionnaire was made with the online tool Typeform, containing open questions. Those questions were based on the fears connected with OKRs implementations collected in the end of September. Every question was stated so that it had a chance to find out whether employee's concrete fears were justified and what could hold employees back from working on OKRs. Those concerns were mainly about how time consuming will the OKRs get and wether or not will the employees be able to persuade them within their scope of work.

As the questionnaire contained open questions, the resulting table with answers of twenty nine respondents is too large to be enclosed to this article. However, the answers did show patterns, which the author found and describes further. The results showed three main problems perceived by employees:

- Some of the employees admitted that they did not feel identified with their team's OKRs.
- Evaluating the OKRs continuously was time consuming for the Activity leaders and felt like a lot of bureaucracy to them.
- As the team OKRs were set separately, the employees felt the teams were separated in their efforts to achieve the company's main OKRs, because the Key Results did contradict through the company in some cases.

OKRs evaluation

As Wodtke (2016, p. 193) predicted, the first run of OKRs in 2FRESH agency failed. During the evaluation of the quarter, some teams even failed to properly measure wether or not their OKRs were fulfilled, let this be an illustration to it. The measurement results to each team's OKRs are to be found in Table 2, attached to this article. As the scope of this article does not allow the author to go through every team's measurement and evaluation issues with the OKRs, the author will recapitulate results within the boundaries of the following paragraph.

Account management and PR team failed to set up metrics, although the Key Results were credibly measurable. They were not able to evaluate their success at all. Project management team did set up metrics, but did not find the time to do the research and count the numbers at the end of the quarter, thus their evaluation failed as well. Marketing & Social media team did set up OKRs in means of their working routine, they did fill all their Key results at hundred percent and more, but it was no challenge to them - leaving the true benefit of OKRs omitted. User Interface design team stated five Key results for their team Objective and found not enough time of the employees to persuade all of them, which left the employees demotivated although they did fill in two of their Key results for hundred percent and should have celebrated a success. The Research team did set up very good OKRs, following precisely every important advice Wodtke (2016, p. 217) gives on the topic, but found out, that their results actually depended on activities of other teams and unfortunately on such activities, they were not able to influence. UX team, as the original pioneers of OKRs implementation, did almost accomplish on of their measurable Key result with stated metrics. As an example, author will present the results of UX team, as their OKRs were presented and talked over earlier in this article.

UX team results for the final quarter of 2017

Team **Objective** to get into profit was successfully achieved. **Key Result 1**, to sell 1500 hours of UX team's work was achieved by 89 %, by selling 1330 hours of work during the fourth quarter. This Key result was divided to 500 hours in every month and was achieved slightly over Klau's (2017) "sweet spot". The team sold 490 hours of work in October (filling the Key result by 98 %), 435 hours of work in November (87 %) and 405 hours of work in December (81 %). **Key Result 2**, to make 33 % of the sold hours on product design jobs, failed to be measured. The team failed to define what is a product design job and what metric will they use to measure the ratio of their projects. **Key Result 3**, to get NPS 40+ from team's clients, failed to be evaluated and was turned down by the team for the next quarter. As the team got Net Promoter Score from only one of its clients, they were not able to measure the overall satisfaction of their clients. Also, their clients replied in confusion, not understanding, whether to rate the company or the team itself, which led the ream to rethink whether NPS is or is not a suitable Key result for any team within a company.

1.4 Conclusion

For the final conclusion, all the measured metrics of success are brought together and summed up as results of observation. Both employee satisfaction with the new management technique and the ability to measure the OKRs by the teams and the results themselves is taken in account. Altogether, the main problems with creating and measuring the OKRs within the company were these as listed below:

- The Key results stated by the team lacked measurable metrics for evaluating their success rate.
- Weekly evaluation of the Key results took too much of a time for the Activity leaders.
- The Key results of teams contradicted within the company.
- The Key results of teams were dependant on activities of other teams than those who stated the OKRs.
- Some employees felt detached from the OKRs and did not understand their connection to company's vision.

All of these problems listed are connected to OKRs setting and their later measuring. The author of this article will continue by formulating the recommendations for the agency to follow in next quarter, based on the knowledge gained in the Theoretical part of the article.

Three key recommendations for the 2FRESH agency are:

- Every Key result is to be described in more detail, to assure employees in OKRs attainability. Also, the team Key results shall be presented with the metrics to be measured. The metrics are to be chosen in such way, they the team is able to measure them, meaning the tools for measuring them must be available to the team and must be learned to be used properly. This may lead to accurate measurements and thus valuable evaluations of the OKRs.
- Team Key results are advised to be checked by all the Activity leaders at the same time, on a joint meeting, before they are set for the quarter. Activity leaders are advised to present all of the team OKRs to each other and discuss whether they contradict, to check their common aim for the company's superior OKRs. This is where the Activity leaders are prompted to check whether their teams' Key results are dependant on activities of other teams and to prevent if from happening eventually.
- If possible, automated reports are advised to be provided for the Activity leaders. If not possible in following quarter, templates of weekly measurements and evaluations are highly recommended for the Activity leaders. This may lead to reduction of the Activity leaders' time spent on the OKRs analysis and reporting.

Resources

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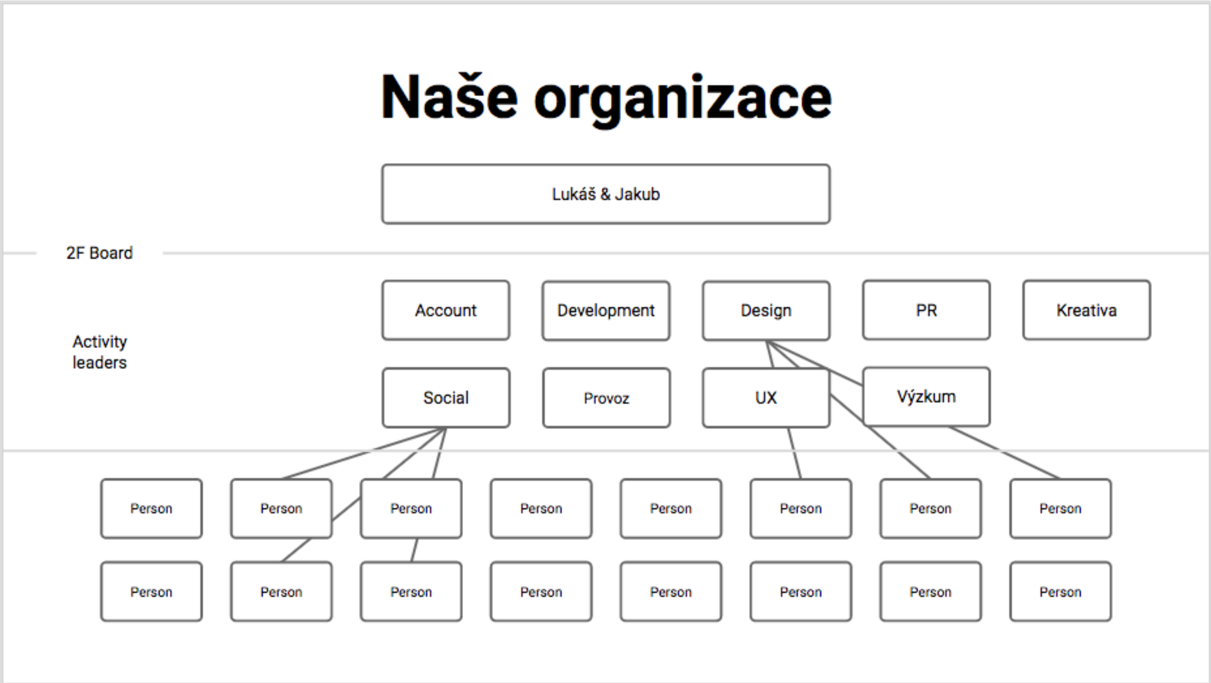
Annexes



Picture 1 Organisational structure of 2FRESH s.r.o.

Source: 2FRESH s.r.o. (2017)

	Dotazník | Objectives and Key Results Q4 2017	
	otázka:	možnost odpovědi:
1	**Z jakého jsi týmu?**	text
2	Jak vám byli vaše OKRs vysvětleny vašimi lídry?	text
3	**Kolika hvězdičkami bys hodnotil/a svou spokojenost s OKRs?**	škála 1-10
4	Proč dáváš OKRs zrovna tolik hvězdiček?	text
5	Kolik času si mohl/a OKRs věnovat? (0=málo, 10=hodně)	škála 1-10
6	Proč zrovna tolik času si mohl/a věnovat OKRs?	text
7	Jak moc OKR zapadlo do tvých běžných pracovních povinností? (0=vůbec, 10=velmi)	škála 1-10
8	Proč zrovna takhle zapadli OKR do tvé práce? Kterého konkrétního Key Resultu se to týká?	text

Table 1 Questions for the questionnaire tracking employee satisfaction with OKRs

Source: 2FRESH s.r.o. (2017)

Table 2 OKRs for the Q4 2017 and their measured results

	Objectives and Key Results Q4 2017 - výsledky	
Tým	**2FRESH Board**	
Lídr	Jakub, Lukáš	
Objective	**Získat pro 2F skvělou práci**	
Key Result 1	Prodáme 60 % času	Více než v Q3. V říjnu 36%.
Key Result 2	NPS klientů je větší než 40 (Spokojenost klientů s 2F po doručení výsledku)	Nevíme. (Design UI má 63)
Key Result 3	Ztrojnásobíme viditelnost 2F	Nevíme.
Tým	**Account management**	
Lídr	Markéta	
Objective	**Budovat důvěru u klientů**	
Key Result 1	Zvýšit počet spokojených klientů (pociťující partnership)	Nemáme metriky.
Key Result 2	Zvýšit objem jobů u stávajících klientů	Nemáme metriky.
Key Result 3	Zvýšit procento prodaných jobu full HCD	0%
Tým	**Project management**	
Lídr	Adam	
Objective	**Tým a klient budou vědět, že máme projekty pod kontrolou**	
Key Result 1	Týmy jsou spokojené s PM procesem (výzkum, NPS 40+)	Nemáme metriky.
Key Result 2	Z každého projektu připravíme nový deal pro accounta	0 %
Key Result 3	Výstupy doručujeme v mezi +- 10% prodaného času	Ano.
Tým	**Public Relations**	
Lídr	Veronika	
Objective	**Firmy, pro které chceme pracovat, vědí, v čem jsme nejlepší**	
Key Result 1	Veru ví, i o půlnoci, vysněný projekty všech 2F týmů	Nemáme metriky.
Key Result 2	Každý náš výstup má stanovené KPIs	Nemáme metriky.
Key Result 3	Napíšeme 4 články o procesu práce na projektech	Nemáme metriky.
Key Result 4	Dostat nás do Forbesu	0%
Tým	**UX Design**	
Lídr	Milan	
Objective	**Dostat se do zisku**	
Key Result 1	Prodat 1500 hodin	89%
Key Result 2	33 % prodaných hodin jsou práce na produktu	Nemáme metriky.
Key Result 3	Získat od klientů NPS 40+	Nedokázali jsme posbírat data.
Tým	**UI Design**	
Lídr	Jarin	
Objective	**Prezentovat naše postupy a výstupy**	
Key Result 1	Získat od klientů NPS 40+	100%
Key Result 2	Spustit nový 2F web	0%
Key Result 3	Vyrobit 5 a 5 case studies pro produkt a reklamu	0%
Key Result 4	Každý designér si prezentuje na svém Instagram, Behance, Dribbble a Forbes... účtu a linkuje na #2freshcz	100%
Key Result 5	2 talky na 2F Talks	0%
Tým	**Výzkum**	
Lídr	Terka	
Objective	**Udělat výzkum klíčový pro 2FRESH**	
Key Result 1	výzkum je součástí 50% všech billable projektů v 2FRESH	0%
Key Result 2	6x článek, 1 workshop (které podpoří newbiz)	0%
Key Result 3	5000 respondentů v databázi	0%
Tým	**Reklama a Social media**	
Lídr	Olie, Milan	
Objective	**Etablovat reklamní divizi**	
Key Result 1	Získat od klientů NPS 40+	100%
Key Result 2	100 000 v měsíčních fee u nových klientů	120%
Key Result 3	5 připravených příležitostí pro produkt u reklamních klientů	100%

Source: 2FRESH s.r.o. (2017)

2. Marek Fiala: The impact of automation and robotization on employment

SUMMARY
Main objective: The aim is to identify whether there is a real risk of job losses due to automation and robotization in production, why people should not worry about their jobs, and to define steps to preparing the society to take advantage of the whole potential of automation and not to worsen the social situation due to large unemployment.
Research methods: The method of literary research was used for writing a theoretical-methodological part, by which the necessary theory was processed and the opinions of various authors and sources were compared. The methods used in the practical part are investigation and synthesis. The surveyed company did not want to be named and is therefore referred to as "Company XY" throughout the work. In the practical part an evaluation of the concrete impact on the implementation of automation in Company XY is made, which was achieved through qualitative research, in form of a semi-structured interview.
Result of research: Based on the qualitative interviews that were confronted with the theoretical part, respondents clearly agree that jobs are taken over by machines and that without doubt this trend will continue. Everyone agrees that there is a need to change the education system so that the universities prepare their students more effectively for their future careers.
Conclusions and recommendation: Certain jobs are naturally threatened by automation and will disappear over time. At the same time automation brings the potential for creating new jobs. But these will be different, compared to the existing jobs, not only in work responsibilities but also they will be moved to other fields. Employees who are willing to reclassify themselves and are not afraid of changing their workloads are not to be worried about losing their jobs. In order to be ready to use the potential of automation, the employees are recommended to reconsider their education at schools, and to use retraining courses. Companies, on the other hand, should seek funds to retrain their staff and complete employees' qualifications.

KEYWORDS
Automation, Robotization, Unemployment, Industry 4.0

JEL CLASSIFICATION
M12 Personnel Management, Executives; Executive Compensation M52 Compensation and Compensation Methods and Their Effects M54 Labor Management

2.1 Introduction

Succeeding in today's modern world is not easy at all, and it does not really matter whether this is taken in the context of national or multinational corporations. The current market situation is characterized by increasing pace and growth of competition. Actually every business tries to gain some advantage from its competitor and can choose a different way to achieve this goal.

One of the ways and the key things to succeed is the possibility of controlling time. It is precisely this possibility that is related to the often mentioned concept that occurs in all areas of human action, which is effectiveness.

Effectiveness is a term often named in all areas of human activity. It is measurable and, due to the often limited amount of resources, it is also a great concept for measuring performance and competitiveness. Many companies are already aware that time is one of the resources used in our actions and is as valuable as other resources. Therefore, no one is surprised to find consistent research in ways of increasing efficiency or productivity at all levels. That is why one of the most useful tools for improving these parameters is automation and robotization. Companies are prepared to invest substantial amounts of money in the automation development, and this is why the topic is very common and up-to-date. This topic is very broad, for example, the automation of manufacturing processes, administrative processes, automation in transport, agriculture automation etc. All these efforts on efficiency and automation have one common issue, and that is the fear of people of losing their jobs and the work those machines, robots, software and artificial intelligence will perform in the future. People ask whether they will be out of work in the future or will have to reclassify themselves to another type of job. If jobs are disrupted due to automation, will other jobs be created in an adequate number? Will people have the necessary qualifications? Will we also have to change the education process?

Automation has become a very urgent topic in recent years, which is why the author has chosen it for his research. The aim is to identify whether there is a real risk of job losses due to automation and robotization in production, why people should not worry about their jobs, and to define steps to preparing the society to take advantage of the whole potential of automation and not to worsen the social situation due to large unemployment.

The thesis is divided into four parts, introduction, theoretical-methodological part, practical part and conclusion. In the introduction, the first chapter, the topicality of the subject today is highlighted, the main aim of the work is set, and the basic structure is described.

In the practical part, the third chapter, of this thesis evaluation of the concrete impact in the implementation of automation is carried out in a particular enterprise. This chapter is elaborated according to the methodology, which is discussed in the previous chapter. The objectives were fulfilled by analyzing qualitative interviews with representatives of the world's leading companies in the field of industrial technology and automation. In the last chapter of the conclusion, the results obtained during the elaboration of the practical part are summarized and the author of the thesis formulates recommendations based on his research.

2.2 Theoretical – Methodolgical Part

In modern factories, the process of digitalization, which can be in various forms (Tomek, Vávrová, 2014, p. 344), is at an unstoppable pace at the head of production and logistical processes. The authors state that the concept of Industry 4.0, which marks the beginning of another, the fourth, industrial revolution, is linked to this. Current time is, according to the same source, associated with increasing productivity and resource efficiency where automation and process robotization is the way companies improve a number of performance indicators. Lamb (2013, p. 1) defines automation as follows: "*Automation is the use of logical programming commands and mechanized equipment to replace decision making and manual command-response activities of human beings.*" Vojtovič (2011, p. 72) adds that automation is a technical means of implementing a production function and can influence, for example, the quality of products, the energy intensity, the speed of the production process and overall competitiveness.

As the National Observatory of Employment and Education and the National Education Fund (2017, p. 12) has stated the impact of automation will result in a reduction of mainly low-skilled jobs, especially in industry and other activities, depending on the growth of the economy. This is confirmed by Acemoglu, Restrepo (2017, p. 5), where it is consistent that robotization brings a clearly higher productivity rate, but for the cost of losing less qualified jobs.

However, this issue is mentioned much more often and many authors try to point out this situation. For example, Deloitte (2015) describes an overview of the types of jobs that can be well automated and their relation to employment according to these positions, which clearly shows the correlation of employment in relation to positions that are easily automated. The same resource describes that jobs with low probability of automation are: managers and senior officials, professional occupants, associate professionals and technical occupants. According to the same source, moderate automation replacements include, for example: caring, leisure and other service occupants. On the other hand, jobs with the greatest potential for automation are elementary occupations, process plant and machine operators, sales and customer service occupations (Deloitte, 2015). These jobs are summarized in Appendix 1, which is a graphical statement of the claim.

Similarly, Acemoglu, Restrepo (2017, p. 5) designate areas where automation is most significant and mention routine work, typically assembly operations, job positions that require less than college education, blue collars, automotive segment, and related occupations. Against Deloitte (2015), they add that the impact of robots on men and women is similar, although the impact on male employment is somewhat more negative.

Based on the impact of automation, it will be necessary for these employees to retrain to the positions that will be created by this influence (Chui et al., 2016). Chui et al. (2016) gives an example when the demand for automation where machine read barcodes are being applied to a higher degree, there have been new jobs in companies supplying these technologies, and there are a number of similar cases.

Feit (2014), who claims that up to 47 % of today's work can be automated over the next 20 years, is inclined to the same view. The same source claims, they also describe the trend, for example, of today's startups, which are big companies and turnovers with minimal head-counts. Instagram, for example, has earned 30 million users and was bought by Facebook for $1 billion, and only 13 employees were able to do so (Feit, 2014).

Miller, Atkinson (2013, p. 2) describes the situation through the history and development of the company after the improvement of the production process. They describe automation and robotics as a key development tool, but they do not consider them to be a threat to employment. Delloitte (2015) describes an example where in England it is predicted that up to 35% of jobs can be automated over 10-20 years. This naturally raises the fear and uncertainty of the older population Deloitte (2015).

De Michelis et al. (2013, p. 50) notes that it is also necessary to consider the total cost of human work. According to the same source, these costs are not negligible in the overall cost-per-employee ratio compared to the cost of a robotic workplace. This is true even in the case of relatively high prices for some automation (De Michelis et al., 2013, p. 50).

However, there are also companies such as AKZO NOBEL, where the return on investment must be around three years, and for example, the annual report of one of the companies in this group (SCHÖNOX GmbH annual report, 2010) was rejected by the automation of pallet moving from the factory to a new large-scale warehouse. Therefore, the carriage continues, according to the source, to be provided by special cars, which made it possible for 4 workers to work in the company.

But there are also notions that robotics and automation do not pose a threat to jobs because it is expected that for example robots will not replace human posts but complement them and therefore people and robots will work together (Davenport, Kirby, 2015). Davenport, Kirby (2015) also mention that people will still be needed for jobs requiring, for example, empathy, and these are properties that cannot be programmed or artificially created for the time being. Therefore, according to the source, robots and smart machines will need to be seen as our partners and assistants, not as competitors.

However, some experts and economists point out, that the work of robots and robotic workplaces, as well as the products that they produce, should be taxed (Gates, 2017). Gates (2017) speaks of this in such a way that companies using robots who take people to work should be additionally taxed so as to at least temporarily slow down the development of automation and thus be better prepared to finance other types of job opportunities. This is an unexpected reaction, according to the source, from the richest person in the world who has become rich in IT technology and the growth of his empire Microsoft is driven by an increased interest in artificial intelligence.

Massoglia (2017) gives the example of South Korea, which is already preparing a new law on robot taxation. This law, according to the source, has the task of balancing the drop of taxes in the government budget due to the replacement workers by robots.

These opinions are still in striking contradiction with the European Union's view (Kharpal, 2017). Kharpal (2017), European Commissioner for a Digital Single Market, and he clearly said he would not support robot taxation. Referring to Bill Gates' statements, the source said, he did not share his opinion. He refuses to tax progress and adds a comment in which he explains that if he does not support the progress now, somebody else will make it and Europe will be technologically overcome.

The partial success of preparing for the period of automation will be an important change in the mindset of the whole society and will adapt to the current trend that is clearly coming. Such changes will require a change in people's education (Fortune, 2014). Fortune (2014) says there is no need for more schools today, but different types of schools are needed than we have today. Schools that will focus on the ability of future generations to benefit of the current technology wave, instead of being marginalized (Miller, 2017).

Miller (2017) says that we do not know yet when people will finally be replaced by robots, how much it will cost or how many jobs it will cost. However, we can say with certainty that it has already begun and it is necessary to start with education so that in the future people are ready to work alongside robots and at automated workplaces.

2.2.1 Methodology

During this thesis was used a methodology, which can be divided into two different parts - the methodology used in the theoretical-methodological part, and the methodology according to which the practical part was developed.

The method of secondary sources was used for writing a theoretical-methodological part, by which the necessary theory was processed and the opinions of various authors and sources were compared. These were secondary resources and were created by the author in the following ways to work with this chapter: search through the Google Web browser or working with books from a library.

All sources used in the thesis were quoted in a Harvard style, which is the standard of the University of Economics and Management. Bibliographic records are listed after the conclusion at the end of the work. These have been written to help eliminate clues by using the citation program www.citace.com. The literature used for the development of the theoretical-methodological part was read primarily in an informative way, where it was mainly searched using content and keywords.

The practical part contains several parts, divided into sub-chapters, in this part of the seminar work were used the knowledge gained from the theoretical-methodological part, while the logical sequence of steps and the interconnection of the individual subchapters were followed. The methods used are investigation and synthesis. First, the surveyed company, which did not want to be named, was introduced and is therefore referred to as "Company XY" throughout the work. Apart from the brief business history, his attitude towards automation is briefly characterized.

In this section an evaluation of the concrete impact on the implementation of automation in Company XY is made, which was achieved through qualitative research, when it was used as a semi-structured interview. This part of the thesis is based on own research, when the Director for Automation and Digitalization of the company was approached by e-mail on 8 December 2017, asking for the possibility of working in this area. Firstly, a semi-structured interview was conducted on the issues listed in Annex 2 with the mentioned Director for Automation and Digitalization, which took place on 14 December 2017 directly at the headquarter of the company and took 12 minutes. The second interview with the Director of Capital Investment took place on the same day and took 16 minutes. These interviews were rewritten into the written form that is part of this work.

The main findings helped to move to the evaluation. The information and theoretical knowledge gained in automation enabled steps to be taken to prepare the company to exploit the potential of automation and did not worsen the social situation due to large unemployment. The results of the overall comparison and the evaluation of the theoretical and practical part are interpreted in the conclusion of this work together with the recommendations that are set as the goals of the whole work.

2.3 The Practical Part

The task of the practical part is to focus on the issues of automation and the subsequent dismissal of high-quality and skilled workers in the company. Company XY, which has invested in process automation and robotics over the last few years, has been struggling with this problem until 2012, when it has not been able to properly use the workers and consequently release them through automation. The new positions recruited new employees who were qualified for a given position, but it took approx. 6 months to join the company. Of course, this phenomenon did not appeal to the trade unions who appealed to the management to put the issue in an innovative way. Here are the phenomena that have been described in the theoretical and methodological part. On a real-life case, it is now described how Company XY was struggling to solve the issue. All the information described in the theoretical-methodological part is confronted with this practical part.

2.3.1 Introduction of Company XY, s. r. o.

Company XY, s. r. o. is a global multinational company that manufactures and supplies technologies for infrastructure, energy, buildings, automation, transportation, chemistry, petrochemistry, paper, metals, minig engineering, renewableables (Company XY, 2017a). Employing over 150,000 employees worldwide, operating in more than 100 countries world (Company XY, 2017a). Its technology helps its customers to improve safety, ecology, and efficiency. In the new era, the company is engaged in the development and implementation of robots who work with people but not just as a product they sell, but they also install their technology everywhere in their own manufacturing plants around the world (Company XY, 2017a). Company XY, s.r.o. is a pioneering technology leader that is writing the future of industrial digitalization (Company XY, 2017a). For more than four decades, been at the forefront, innovating digitally connected and enabled industrial equipment and systems. Every day, drives efficiency, safety and productivity in utilities, industry, transport and infrastructure globally (Company XY, 2017a). With a heritage spanning more than 130 years (Company XY, 2017a). The ultimate parent company of the Company XY, s. r. o., is listed on the SIX Swiss Exchange in Zurich, the NASDAQ OMX in Stockholm and the NYSE in New York (Company XY, 2017a). Company XY globally operates its business via 4 divisions (Company XY, 2017b):

- Electrification Products:

Offering: Technology across the full electrical value chain from substation to the point of consumption, enabling safer and more reliable power. A range of digital and connected innovations for low- and medium-voltage, including EV infrastructure, solar inverters, modular substations, distribution automation, power protection, wiring accessories, switchgear, enclosures, cabling, sensing and control.

Customers: Distributors, installers, panel builders, OEMs, system integrators, contractors, architects and end users.

- Robotics and Motion:

Offering: Motors, generators, drives, mechanical power transmission, robotics, wind and traction converters.

Customers: Manufacturers, OEMs in a variety of industries and utilities, industry end users and *transportation* and infrastructure operators.

- Industrial Automation:

Offering: Products, systems and services designed to optimize the productivity of industrial processes. Solutions include turnkey engineering, control systems, measurement products, life cycle services, outsourced maintenance and industry specific products (e.g. electric propulsion for ships, mine hoists, turbochargers and pulp testing equipment).

Customers: Process industries such as oil and gas, petrochemicals, mining, metals production, marine, pulp and paper, and cement.

- Power Grids:

Offering: The Power Grids division offers power and automation products, systems, service and software solutions across the generation, transmission and distribution value chain. Its portfolio includes grid integration, transmission, distribution and automation solutions and a complete range of high voltage products and transformers.

Customers: Power generation, transmission, distribution and other utilities; industries across the spectrum, transportation and infrastructure customers, and commercial enterprises. ABB Power Grids division is the partner of choice for enabling a stronger, smarter and greener grid.

In 2013, it was not only at the instigation of the trade unions to hire a crisis manager who suggested how the company should increase its competitiveness and get the desired profit. Part of the proposed plan was to automate semiconductor production and implement the MES (manufacturing execution system) to monitor the entire production process. Automation involved the implementation of two robotic workplaces that set prefabricated machines into machines, and once they have finished, they take and place finished products in ready-made transport boxes. This resulted in two results. On the one hand, the company has increased its production efficiency and thus has tripled production, while 20% of the jobs serving these jobs have been canceled.

But this step was necessary for the company not to lose customers that we would otherwise not be able to satisfy. Based on higher production, we have hired new resellers so that we can cover all our customers with the sales service. At the same time, it was necessary to increase the number of technicians who participated in new projects due to increased production. Even those positions were filled by employees who would otherwise be out of work. This fact again reaffirms the company management's assertion that there is no reason to be skeptical about automation and the idea of destroying jobs. In addition, due to higher production, the company saves costs even in the form of buying commodities that buy in bulk and at better prices.

People who originally held the job now being done by robots did not want to lose the company. That is why it sought a different application, after lengthy negotiations, discussions with external experts, but also based on recommendations and cooperation with trade unions, managed to find a solution. New automated lines and robotic workplaces need to be maintained, a lot of human work and, above all, reason to plan system shutdowns, finance maintenance planning, or investment for further refinement. That is why so-called facility teams were created, the composition of these teams was just from the people who have vacated their jobs for robotic assistants. In these new positions, there is mainly pressure on human creativity, problem solving, planning, etc. However, employees with initial education cannot be able to perform these tasks immediately, so a new system of education has been created to prepare existing employees for their new role. Here, too, the involvement of the trade unions, as well as the entire HR, which is indispensable throughout the process, played a big role here. On the other hand, there are people who did not want to be educated and were afraid to move into new positions. Unfortunately, in this case, companies with these employees had to say goodbye. Still, the lessons learned from it are that people who are interested in continuing education and are not afraid to make a change in the form of a change in their workload will most likely find work after the onset of automation and robotization.

2.3.2 Qualitative interview

Interview with Mr. ABC, Director of the Automation and Digitization Division, which is transcribed in the relevant part of this thesis.

From this discrepancy, it is clear that the company is not only responsible for generating profits, and maximizing it, but also for social values and concern for its employees. From this experience, we can see that in this company it is possible to keep jobs even when replacing workers with automation or robots. All it took was for people to want and were interested in learning and maintaining their jobs. On the other hand, the employer is ready to create such conditions that the transition and application in another place is possible. The company records all the results and experiences of this type, and based on these results, a plan for further development was set for the next period, where this knowledge will be applied in the next phase of automation and process robotization. As a major drawback, the education of today's graduates is seen in the area of co-operating with and collaborating with collaborative robots. Today's school system is slow and outdated and cannot flexibly respond to dynamic changes in both economic, manufacturing and other fields.

Interview with Mr. ABC, Director of Capital Investment, which is transcribed in the relevant part of this thesis.

This interview shows that together with the CAPEX investment in the development of automation, the company logically calculates a lower investment in after-care facility maintenance (OPEX) and those savings will be used for additional staff training, retraining courses and the associated costs. Therefore, the company will definitely count on the use of existing staff and after re-training, moving to the emerging positions that automation is clearly delivering. This is a factor for workers to help them believe that even in the future, after the onset and the significant expansion of automation, they will still find their job. He is a little bit afraid of the process how the education should be changed. Who will lead the main role? Probably it should start with some open discussion with professional public that should let to creating appropriate law and presented by national governments.

The evaluation of qualitative interviews revealed that automation unmistakably cancels jobs, but in turn creates opportunities to create new ones. These places, however, may not be traditional as they are today, and people will have to be prepared for that opportunity and will be able to successfully transition to emerging places. This will require both a new approach to teaching in schools and universities, as well as the willingness of employees themselves to retrain and relieve fear of this change.

2.4 Conclusion

It is clear that existing jobs are clearly at risk and sooner or later will be replaced by new technologies such as robotic workplaces, automation, artificial intelligence, cognitive systems, etc. This is a fact that is not avoided by almost any sector as it is today. Above all, however, this concerns jobs that are less demanding, recurring, requiring low qualifications of workers. Survey results have shown that jobs with a higher level of qualifications are less automated and the change in employment of these people is negligible.

This thesis is focused on Company XY, a multinational company that manufactures and supplies technologies for infrastructure, energy, buildings, automation, transport, chemistry, petrochemistry, paper, metals, minig engineering, renewableables. Employing more than 150,000 employees worldwide, in more than 100 countries. Its technology helps its customers to improve safety, ecology, and efficiency. The company does not want to be named in this work.

This company is fully aware of the risks of deploying and expanding automation technologies and not only their positive features, but also the negative ones, and they are with a respect and the will to find a solution. During implementation, they found out it is necessary to find some funding for retraining employees. These will be in the form of increased production, increased product quality, and savings in maintenance costs for new technologies. Another part of finding funds is to reduce costs due to the larger turnover of their suppliers and thus higher rebates. This firm also demonstrated that employees who want to reclassify themselves and are not afraid of changing workloads may not be worried about losing their jobs. These solutions will later be applied to the next stage of automation and robotization of processes and production in this company.

Based on the results of the personal interviews together with the comparison with the principles described in the theoretical part. Suggested recommendations could be made. Employees must be prepared to use the potential of automation, one way is to change education at schools, and the use of retraining courses. Companies, on the other hand, should seek funds to retrain their employees.

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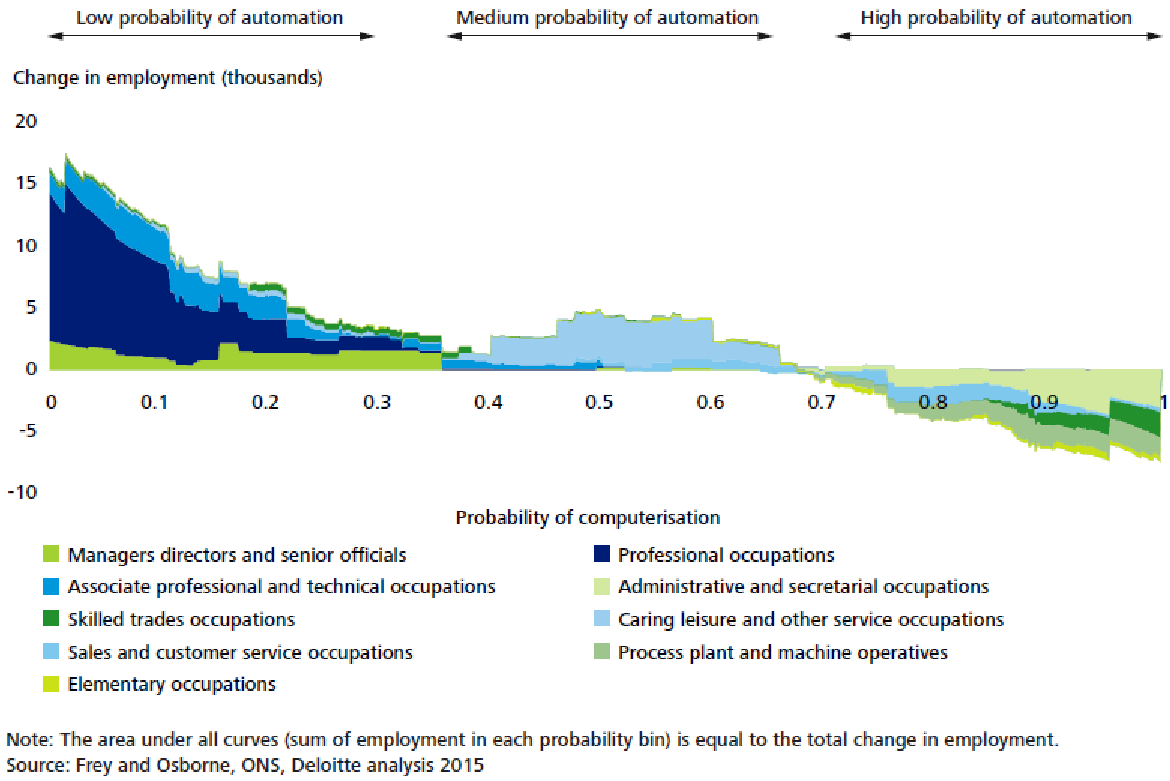
List of attachments

Chart 1 Change in employment by occupation from 2001 to 2015



Source: Deloitte (2015)

Annex 2 Questions of semi-structured interview (outline)

How long have you been operating in automation industry and how do you feel current situation and the industry has changed?
How do you see the role of your company in automation and robotization?
How did you deal with the situation when automation is taking jobs?
Are you satisfied with level of education according to future trends? It means: How are people ready for cooperation with robots?

Annex 3 Transcript of an interview with the Director for Automation and Digitalization

Date of conversation: 14 December 2017
Duration of the interview: 12 minutes
Place: Company XY
Stakeholders:
"I" = Interviewer (author of the thesis)
"R" = Respondent (Director for Automation and Digitalization)

I: *How long have you been operating in automation industry and how do you feel current situation and the industry has changed?*
R: I have been working in industrial automation for more than 20 years and can confirm it is so dynamic time now. Companies nowadays have enough money to invest and this speed up the development.
I: *How do you see the role of your company in automation and robotization?*
R: First of all we are not only producers but also employers. So except of creating a business profit we also have to take care about our employees and be responsible for their families.
I: *How did you deal with the situation when automation is taking jobs?*
R: Our Company has prepared a program where our employees affected with automation can relocate to new positions and remain still with the company. Unfortunately sometimes those people are not willing to learn anything new or start with absolutely new role; in that case we must say good bye to them.
I*: Are you satisfied with level of education according to future trends? It means: How are people ready for cooperation with robots?*
R: Now I see this as a big problem. Current schools are not ready for such education and we need to fill this gap as soon as possible. I doubt that our education system can be as fast as industry, finance area etc.

Annex 4 Transcript of interview with Director of Capital Investment

Date of conversation: 14 December 2017
Duration of the interview: 16 minutes
Place: Company XY
Stakeholders:
"I" = Interviewer (author of the thesis)
"R" = Respondent (Director of Capital Investment)

I: *How long have you been operating in automation industry and how do you feel current situation and the industry has changed?*
R: I'm working in this area since I was 20 years old so now it is 15 years. But I'm now more than 5 years especially with this company.
I: *How do you see the role of your company in automation and robotization?*
R: I think we have a great position now, as one of the worldwide leaders in automation we can set the direction.
I: *How did you deal with the situation when automation is taking jobs?*
R: We are already prepared for that. We count with additional money to fund this progress. And mainly we know where that money will come from. With higher productivity and our savings from our supplier thanks to bigger order that we are able to purchase.
I: *Are you satisfied with level of education according to future trends? It means: How people are ready for cooperation with robots?*
R: No at all, this world needs to be changed and education must go first. This is a new era and we must to prepare for it. We cannot leave the train.

3. Markéta Jakoubková: Sharing as a new option to consider

SUMMARY
Main objective: The main aim is to compare the financial aspects of buying a new car, buying a used car, getting an operational leasing and renting a car via HoppyGo for given personas with different needs. Subsequently provide recommendations based on the results and other specific requirements.
Research methods: The theoretical part is based on secondary resources, mainly relevant literature bought in Kindle version and articles, blogs and other on-line resources. The need of personas introduced in practical part were described based on personal and Facebook Messenger based interviews. The information about the company HoppyGo were found on its website and in their app. The data for calculations were derived from results of search engines, companies' websites and correspondence with the companies' representatives. Deduction was used in order to give recommendations based on results of financial comparison and other requirements of each persona.
Result of research: The research had shown that for some people is beneficial to choose sharing economy platform over traditional ways and for others it is worthy to at least take it into account for its benefits.
Conclusions and recommendation: Sharing economy platform HoppyGo was proven to save money and stress to some people and has a number of other benefits to consider. It can be seen as a relevant option, which should be attention worthy in decision making.

KEYWORDS
Sharing Economy, Peer-to-peer, Start-up, Case study

JEL CLASSIFICATION
M13 New Firms • Startups 035 Social Innovation Q01 Sustainable Development

3.1 Introduction

The current buzzword "sharing economy" is not as a fresh idea as one may think. Sharing things had always been a common thing to do in societies worldwide, it is just that nowadays, as the technology advances and the access to it widens, the term is getting a brand new perspective. Thanks to the internet and technologies, it is now possible to connect supply and demand in a smarter way than ever before. It is exactly what sharing economy does. Using technology to connect people and to create a functional net of providers and obtainers of goods. The difference between traditional economy and thousands of new business in the field of sharing-economy is that they are selling access rather than ownership.

Many argue that the term "sharing economy" is being misleading as many companies presenting themselves to be a part, are just profit-driven, and the original peer-to-peer idea is no longer the case (Tuttle, 2014).

Therefore, in this thesis is preferred not to get into a discussion about the legitimacy of controversial services such as Airbnb and Uber, but rather investigate Czech start-up company providing peer-to-peer platform offering sharing of cars and observe the pros and cons for real users, based on calculations and investigation of their needs. The main aim is to compare the financial aspects of buying a new car, buying a used car, getting an operative leasing and renting a car via HoppyGo for given personas with different needs. Subsequently provide recommendations based on the results and other requirements.

3.2 Theoretical part

There is an obvious difference between terms sharing and sharing economy, and that is money involved. Sharing is an activity old as humankind itself, and it comes out of the goodness of one's heart. On the contrary sharing economy is based on the income for the provider, which is usually the motivating factor for the provider to offer his belongings for others to use (Sundararajan,2016). Investopedia, 2017 describes a term sharing economy is an all-purpose term used to describe economic activity involving online transactions in which someone in possession of a car, apartment or almost anything imaginable, "shares" it with a stranger. By sharing is meant providing access to its belongings for the others in exchange for money.

The platforms create the connection between the owner and the obtainer and enable the consumer to have a two-sided role and let anybody to act like either of them (Botsman,2010).

Sharing economy is an umbrella word for activities such as swapping, collaborative consumption, shared ownership, upcycling, trading used goods, crowdfunding, peer-to-peer, pay-as-you-use economy and many more (ThePeopleWhoShare, 2016). Peer-to-peer economy, which this thesis is specialized on, is described by Investopedia (2017) in theory as an economic model, which is decentralized and whereby two individuals interact to buy or sell goods and services directly with each other. There is no any intermediation by third-party involved. However, Stephany (2015) also adds, when an intermediator removed from the transaction, there is a greater risk for both buyer and seller. The good may not be, delivered but the quality is not as expected or the buyer may not pay. The companies presented in case studies are created, with the intent to reduce the risk for both sides of peer to peer transactions and to facilitate and ensure the whole process. Moreover, as the

platform is online based, more people can connect and be a part of the community. Other difference is that it is much more about lending and borrowing than buying and selling.
Sharing economy is beneficial to people and society in many ways. As mentioned above the model is financially beneficial for people who use it. Borrowing instead of buying saves money and let people obtain things that may be beyond their means if they would have to own them. *Zipcar boasts that its member report they save $500 a month over car ownership, on average. In a survey of its members Capital Bikeshare in Washington, D.C., found that they save an average of $800 a year in travel costs (Rosenberg, 2013).*
Strauss (2017) is talking about some main benefits of sharing. Sharing instead of owning things is in many ways more favorable for the environment. As the demand for new goods decreases, production lowers and less material is needed. People don't throw away things they don't use, but offer them for others to do so instead. Lastly, the products in sharing economy are designed, for sustainability rather than obsolescence. As the product is meant to be regularly used and ought to keep the same quality even after many uses, the products must be durable and of high quality. That lowers the overall waste and create healthier and sustainable view of product making in the future. That allows people to live lighter, waste less and de-cluttered lives.
Tina Rosenberg (2013) from Opinionator, points out that building a spirit of community is another aspect which is helping to grow better societies. Sharing works better in places with a higher density of people, which are usually large cities where people barely know their neighbor's next door. By sharing, one can meet like-minded people in their area and build relationships with people they wouldn't meet otherwise.

3.3 Methodological part

Theoretical part provides the base for practical part and explains terms which are later used. This part is based on secondary resources, primarily books found on-line and bought as a Kindle version on www.amazon.com. Because of the novelty of the topic, on-line articles, blogs and websites were used to obtain the rest of data. Theoretical part explains the history of sharing economy, reveals the current situation and talks about its advantages and disadvantages for a user.

In order, to observe the advantages and disadvantages of different economical behavior for different needs, there were 3 different personas taken into consideration in practical part. These personas are not imaginary; they are real people- friends and acquaintances of an author, who were anonymized. The data are based on semi-structured interviews which were done in person with Marek and company X on 7.12. 2017 and on-line via Facebook Messenger with Jana on 10.12. 2017. The aim of the interviews, was to obtain the information on how often do they use a car, for how long distances, if they have parking spots and other personal aspects associated with the car. Later in the practical part the company HoppyGo and its business model were introduced. The data are based on company's website and information in their app.
In order to get the data for calculations, data such as results of search engines and information on website of chosen companies were used. Due to extraordinary nature of Marek's operative leasing, there has been done a phone call and information was delivered via e-mail.

Subsequently data were calculated following the formulas and table showing the comparison of financial aspect was created. To recommend an ideal option for each persona, method of deduction was used, which is a process of reaching a decision, answer or recommendation, in this case, by cogitating about the known facts, or about the decision that is reached (Cambridge Dictionary, 2018). The recommendations, formulated at the final part of the thesis, are based on financial aspect, but as well on other personal preferences and needs of each persona.

3.4 Practical part

In order to observe the financial benefits of using sharing economy platform over traditional economic behavior, the different needs of people have to be considered. There had been 3 different personas introduced with different wants and needs. Although they all can make use of a same car, in this case Škoda Octavia Combi. The option of purchasing a new car and operational leasing is calculating with new models while HoppyGo and purchase of a used car are taking into account model from 2007, 1,9 of the same quality.

3.4.1 Personas' introduction

First to introduce is Marek, Pharmaceutical Sales Representative. He drives all around the Czech Republic- about 200 km per day/ 5 days per a week and always carries boxes of pills, testers and promotional materials with him. He has chosen Škoda Octavia Combi, because it is a comfortable car which looks representative. He lives in a house with garage and likes to have a comfort of having the car ready whenever needed.

The company X is an event company which coordinates weddings, celebrations and other events. Most of the preparation work is done on-line and they need to use the car mostly in the weekends to go to the events themselves and the events are always planned in advance. The events are all around Czech Republic. So for the calculation, they use the car twice a week and drive around 250 km per day. They have chosen Škoda Octavia Combi, because it is spacious and can fit comfortably people in the back seats. Although they sometimes need to rent a van, because they need more space for audiovisual technologies and other large things. They have one parking spot in front of the office.

Jana is a single mother of two which is working hard to ensure her kids. She doesn't need a car on regular basis as the school, supermarket, doctors and everything else she needs is very close to her central apartment, and she is used to use a public transport. She enjoys this lifestyle and tries to be eco-friendly, but sometimes she needs the car when her and her kids want to visit her parents or for weekend trips. That happens about once a month. Her parents live 450 km away, but she usually doesn't go that far for trips. The calculation will be therefore 750 km/ once a month and usage for 3 days per month. She chose the Škoda Octavia Combi because she often carries sport equipment for the kids and wants to have enough space in the backseat to change diapers.

Table 1: Usage of cars

Marek	48.000 km/year	240 days/ year
Company X	24.000 km/year	96 days/ year
Jane	9.000 km/year	36 days/year

Source: own calculation

3.4.2 About HoppyGo

Founders of HoppyGo claim that most cars park 95% of time unused on the street or in the garage (Kejduš, 2017). The time when to have your own car was a must, and a car possession was a „status issue" has long been overcome. People become more and more conscious about car pollution and ecology, and carsharing is the best way to save our environment as well as costs related to own car. In order to borrow or lend a car, you just have to download a mobile app which is very simple and intuitive. It allows you to search a car you need or insert your own. The idea is also that you may need another type of car for different activities – to the Ikea store, to the trip, to the Prague traffic so it offers a flexibility. All the cars can be found in the app, where can also be seen information about the age of the car, technical parameters, photos, the owner´s profile, car evaluation ale the daily rental price of course.

Regarding Terms and Conditions (HoppyGo, Obchodní podmínky, 2017), share car mustn´t be older than 10 years, and you must be the direct owner. The drivers (borrowers) have to be at least 21 years old and have a driving licence for longer than 1 year (HoppyGo, Pro řidiče, 2017). HoppyGo arranges the insurance, and its price is refunded, by the driver (borrower) (HoppyGo, Obchodní podmínky, 2017). The total daily price of a vehicle includes three parts – the basic price set out by owner, the insurance and the provision for HoppyGo service which is 20 % of owner´s price (HoppyGo, Pro majitele, 2017). So if the owner is providing his car for CZK 700/day, the driver will pay CZK 700 to the owner + CZK 140 to HoppyGo + some extra amount for insurance (it depends on the type of car and a driver´s characteristics). All other expenses therefore not have to be taken into account as they are included in the price.

3.4.3 Calculation of yearly costs

New Škoda Octavia Combi 1.4 with basic equipment currently costs around 600 000 Kč (Škoda, 2018). But the amount per year must be increased by insurance cost and reparation costs. Insurance cost is about 5.000 Kč/ year (Epojistěni, 2018). The amount is approximate and doesn't count with new drivers with no record, who pay extra. The new car will last for 10 years before it is sold for 1/3 of the price and used car will be used for 10 years as well, but put into landfill after the use. The repair cost for a new car are counted as an amount of 10.000 Kč every 50.000 km of use starting after 2 years of warranty period. For the used car it is 20.000 Kč every 50.000 km. This amount is approximate estimation based on interviews with the repair shop worker and can vary. In reality the reparation costs are progressive, but for the use of a thesis there had been used an average amount.

Besides other accessories that may be needed in the car, the cost of tires have to be taken into consideration. Tires have to be replaced after about 45.000 km. The price of 1 tire is 1.403 Kč (Michelin, 2018).
Another cost taken into account will be called operational cost, which includes the highway tax, car washes etc. It is estimated to be 3.400 Kč per year.

Formula 1: Purchase of a new car -P1 (Kč/year)

p= price

t = time of usage (years)

i= insurance costs per year

co= operational cost per year

cr1= reparation costs per year for new car

ct = cost of tires per year

P1= (p – (p/3)) / t + i +cr1 + ct + co

P1= (400.000)/10 + 5000 + cr1 + ct + 3.400

P1= 48400 + cr1 + ct

Formula 2: Cost of tires- ct (Kč/year)

p= price per one tire

m= mileage per year (km)

t = time of usage (years)

l= lifetime of a tire (km)

P= m/ l *4p- 1*4p

P= m/45000 * 5612

Table 1: Cost of tires (Kč/year)

Marek	5986
Company X	2993
Jana	1122

Source: own calculation

Škoda Octavia Combi 1.9 year 2007 currently costs around 150.000 Kč (Škoda, 2018). But the amount per year must be increased in insurance costs and reparation costs. Insurance cost is again about 5.000 Kč a year (Epojistěni, 2018). The reparation costs are higher- average 20.000 Kč per each 50.000 km. Just as in a case of purchasing a new car, it is necessary to count with exchanging the tires and operational cost.

Formula 3: Purchase of a used car – P2 (Kč/year)

P= price

t = time of usage (years)

i= insurance costs per year

cr = reparation costs per year

ct = cost of tires per year

co= operational cost per year

P2= P / t + i + cr + ct +co

P2= 150.000/10 + 5000 + cr + ct + 3400

P2 = 23.400 +cr+ct

Formula 4: Reparation costs – cr (Kč/year)

cr1 = reparation cost for a new car per year

cr2 = reparation cost for a used car per year

m= mileage per year

t= time of usage (years)

cr1 = ((m/50000 * 10000) *8)/10

cr2 = (m/50000 * 20000)

Table 2: Reparation costs (Kč/year)

	Reparation costs for new car (cr1)	Reparation costs for used car (cr2)
Marek	7680	19200
Company X	3840	9600
Jana	1440	3600

Source: own calculation

Operative leasing is an option when the user of a car doesn't own the car, but pays monthly fee for the usage. The biggest advantage is that the service and insurance is already included in the price, so there are no unpleasant high amounts payments when something goes wrong with the car. Another reason people choose operative leasing rather than buying a car is that they don't have to invest as much money at once. There are some limits in number of kilometers that the car can be used for. Each of the examined personas than uses different kind of operative leasing regarding their needs following the prices on www.bart-operak.cz. As the typical highest amount of kilometers allowed is 30.000 per year, the offer for Marek had been requested via e-mail.

3.4.4 Comparison of financial aspect

The data taken from the companies' websites, results of search engines, were calculated following the formulas in order to come up with comparison of financial aspects of different options for each persona. The Table 4 shows the results of calculations.

Table 3: Comparison of options (Kč/year)

	purchase new car	purchase used car	operative leasing	HoppyGo
Marek	62066	**48586**	95244	181200
Company X	55233	**35993**	78948	72480
Jana	50922	28122	57732	**27180**

Source: own calculation

The table 4 is showing financial comparison for given personas. Referring to the table Marek and Company X should buy a used car and Jana should opt for HoppyGo option. But the financial part is just one part to be taken into account and specific recommendations will be given in the following paragraph.

3.5 Recommendations and Conclusion

The main aim was to compare the the options of buying a new car, buying used car, operative leasing and sharing economy platform HoppyGo for people with different needs financially and give recommendations based on other personal aspects taken into account.

Marek, a sales representative, regarding the financial analysis should choose to buy a used car. But he needs his car to be absolutely reliable as his job relies on it and he doesn't want to be afraid of having to pay large amounts of money when the car breaks down. The large amount of kilometers, it is an important aspect to take into consideration, because the car will be aging very fast and will be worn down maybe even earlier than expected due to its constant usage. As well he will probably appreciate the comfort of a new car as he spends every day driving and no matter how superficial is that, he wants to look good in front of his clients having a nice new car. The car is his everyday necessity, so he might consider opting for, in this case more expensive, but rather more convenient option, of operative leasing. The strong motivating factor might be the cash flow as well. He will probably not even want to share the car via HoppyGo on weekends, as he would like to have some belongings in the car, which he probably will like to leave in the car even on weekends.

Company X is financially recommended to opt for a purchase of a used car as well. If decides to do so, the car can be offered to others to use via HoppyGo as the car is mostly not in use and the company always knows in advance when the car will be needed, so they can earn some extra income. In case they decide to buy two cars- one smaller car and one van to fulfill their needs, it will be better to choose an option of HoppyGo and be able to always decide which size they need for the specific occasion. As they have only one parking spot and would have to pay for another one, it is better to save that money, don't have to think about reparation costs and other annoying activities such as going for check-ups, changing of tires, etc. which are linked to possession of a car and enjoy the full flexibility of car type options.

Jana is surely a perfect candidate for using the HoppyGo app as she barely uses the car and another option would be nonsense for her. She can benefit from getting a car in an easy intuitive app instead of traditional rental and pay not for whole full days but just for hours She lives centrically and it saves her lot of stress with finding a parking spot and she doesn't need to worry about reparations, tire changing and other car related problems and costs. As well she can enjoy the other benefits of car sharing such as building community and feeling good about not creating more waste and live more sustainably.

As a result, the sharing economy option can be relevant to those, who use the car only sporadically or are looking for a way which enables them to choose which car is the most suitable for the given situation. Though, financial point of view is not always the most important and other requirements must be taken into account. Having an option of just borrowing a car instead of owning it can take away a lot of unnecessary stress connected to responsibility with car ownership. Having an option of sharing economy platform can be beneficial to specific target group and is a good possibility to consider for more sustainable living.

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4. Luboš Korbelář: Mobile Applications for Grocery Stores

SUMMARY
Main objective: The aim of the thesis is to design and formulate recommendations regarding the properties and functions of the mobile application, which would be used for grocery stores. The recommendation is formulated on the basis of a questionnaire survey and respondents' replies.
Research methods: The theoretical part of the thesis is based on the study of secondary sources, while in this part of the thesis the method of analysis was used. The method that was used for the practical part of the work is quantitative research in the form of a questionnaire survey. Survey questions were created on the basis of theoretical information. For clarity, survey questions are shown graphically.
Result of research: The questionnaire survey showed that almost half of respondents were already using or would use mobile apps for grocery stores. The most important features of mobile apps are the list of products that are in the discount, the possibility to make their own shopping list and the possibility to use discount coupons thanks to the mobile application.
Conclusions and recommendation: Investing in a new mobile application or owning an already running application is good for customer care. If it is possible then it is recommended use all the mentioned features. The main features that should be in the application are the list of products that are in the discount, the possibility to make your own shopping list and the possibility to use discount coupons thanks to the mobile application.

KEYWORDS
Customer care, mobile applications, mobile application features, customer satisfaction

JEL CLASSIFICATION
O310 Innovation and invention: Processes and incentives M31 Social innovation

4.1 Introduction

Pat Wellington (p.1, 1999) wrote that everyone is a customer for something, he adds that the service, which customer often gets is poor or non-existent, but if customer gets a good service or note how well the shop assistant takes care of the customer, he decides in his mind to use the same supplier again. His second thought is about a happy customer, because happy customers are more likely to be loyal, what means buying more often from the same organisation.

The aim of this work is to overview one of the possible ways to make customer care in grocery stores better - the mobile applications. It is more and more important platform which customers use. The Czech Republic was the 19th country in percents of smartphone users with a number 64.8% in April 2017, what was about 6,835,000 people who used a smartphone at least once a month. (Newzoo, 2017) and then number is increasing fast according to www.idc.com (2017) Smartphone companies shipped in total more then 1.400 billion smartphones in 2016. In the world were 7.442 billion of people in 2016 (The World Bank Group, 2017) what means each 5.3 people got a new smartphone in 2016.

Aim of this work is to find out if the customer would like to use mobile applications of their or other grocery store and find out which features are the most important, so they have to be part of the mobile application and which features are the least important for customers.

The work is divided into two parts; it is the theoretical – methodological part and the practical part. The theoretical – methodological part deals with introducing the problem to the reader. It introduces slightly the customer care, goes through the mobile application and presents an image of the actual running mobile applications from the grocery stores in the Czech Republic. The study of secondary sources could be created on the basis of literary research and research from the Internet resources. In the theoretical – methodological part is also information about the methodology, which was used for the completion of the practical part.

The practical part is the second part of the work in which was used the knowledge from the theoretical – methodological part. The practical part deals with the results of the survey. Giving the details and all the results from each question, which were part of the survey. Survey contains eight questions and the results were based on the answers of 83 respondents. Furthermore, there is the social description of the respondents for better understanding.

On the base of the results from the survey and knowledge from the theoretical part, there are at the end of the work results and recommendations. The conclusion contains summary of the most important results and recommendations.

4.2 Theoretical - methodological part

Customer service and mobile applications will be defined in this part. Furthermore, the mobile applications will be added as a part of customer care and examples of features, which are used in mobile applications of grocery stores in the Czech Republic. At last the methodology of the work will be explained.

4.2.1 Customer care

Pattie Gibson (2013, p.5) explains what is a customer service. The customer service is about dedicated trustworthy employees and loyal, satisfied customers. Pattie Gibson (2013, p.6) adds that every customer is a unique person, but every single customer expects three basic things. It is a quality product, reasonable prices and reliable timely service. *„Comprehensively stated,* ***customer service*** *is the process of satisfying the customer, relative to a product or service, in whatever way the customer defines his or her need, and having that service delivered with efficiency, compassion, and sensitivity.*" (Gibson P., 2013, p.6)

According to the author's translation, there is a transformation in all spheres of life and it does not even stop before the market and customer care. That means that customer's wishes and expectations are changing very fast and are unexpectable, but it is important to care of these aspects of customers, because a customer who gets a good customer care is satisfied customer and satisfied customer is the one, who is willing to increase the number of orders and spread a good word about the company. (Geffroy E.K., 2001, p. 109)

4.2.2 Mobile application

„Mobile applications (also known as mobile apps) are software programs developer for mobile devices such as smartphones and tablets. They turn mobile devices into miniature powerhouse of function and fun" (Viswanathan P., 2017) There are many purposes of mobile applications. It is everything from the utility, productivity, navigation, sports, fitness, entertainment and a lot more. Few of the most popular applications are social media. Facebook was the most widely used app in 2017. (Viswanathan P., 2017)

There are various online platforms for **distribution of mobile applications** for smartphones. Those are reliable platforms, so downloading from it will minimize the risk of downloading a malware. First of all, there is the Google Play Store for customers with the Android devices. Second of all, there is the Apple App Store for customers with the iOS operating systems. The next one is the BlackBerry App World what is a place where can be downloaded the BlackBerry-friendly applications. The Windows Store is a place for customers who own the Windows Phone. There are few others like App Catalog, Ovi Store, Opera Mobile Store, Firefox Marketplace and many others. (CCM Benchmark, 2017)

4.2.3 Connection between mobile applications and customer service

Websites are still a tool to promote products, but the number of mobile users is increasing. Most of these mobile users are also connected to Internet and even do most of the things including commerce, trading and payment with mobile devices. (Viswanathan P., 2017) Ross Brown (2017) lists **six reasons why the business should launch** a mobile application.

- *„You have a business problem to solve or an optimization to make"*
- *„You know your audience would love the app"*
- *„You know exactly what will keep your audience coming back to the app"*
- *„You want to be see as innovative and cutting-edge"*
- *„Your competition is getting ahead of you with apps"*
- *„You're borrowing an app idea from competition and improving on it"*

The mobile application has a lot of **benefits for the business**. Business of Apps (2017) lists benefits of mobile applications and why there should be an investment in mobile applications.

Picture 1 Benefits of the mobile app

Source: BusinessofApps (2017)

The first benefit mentioned by BusinessofApps (2017) is, that the mobile application gives more value to the customers. There can be some rewards offered to the application subscribers. The mobile app also leads to more interaction with the customer.

The second benefit is that mobile application provides easier and faster alternative to web browsing. (BusinessofApps, 2017)

The next benefit is reducing of costs and increasing customer engagement. The mobile application can reduce the costs of instant messages – the communications are directed instantly to the customers. (BusinessofApps, 2017)

The fourth benefit is aid of promotion and great support. The application can be used to respond for customer queries or resolve issues. (BusinessofApps, 2017)

The mobile application also enhances the visibility of your brands. The great looks and features of the mobile application increase the brand awareness. (BusinessofApps, 2017)

The last mentioned benefit is using mobile applications as a social media platform. Today's generation of people is obsessed with social media. The mobile applications are future place for the peoples interaction, which are people now doing on social media. The mobile applications are changing how people review, buy or sell the product. (BusinessofApps, 2017)

4.2.4 Examples of mobile applications for grocery stores in the Czech Republic

There are already few mobile applications for grocery stores available on AppStore. First mentioned mobile application will be **Tesco Clubcard CZ**. The application has some features to make the customer service better. There is a list of products in sale and possibility to see customer’s loyalty card information. There is also possibility to see customer’s personal coupons or vouchers. (Tesco Stores CR a.s., 2017)

Second mobile app is **BILLA Czech**. It has only one similar feature as Tesco Clubcard app – Billa application also has the list of products in sale. Then it has few features, which are different. It has contact information to contact Billa customer services, it has BMI calculator, feature to make a shopping list and the news from a store. (Billa AG, 2014)

The last mentioned application is **Penny Market app**. It has also the list of products in sale of the applications mentioned earlier. It also has feature to create shopping list, contact information for customer service and the news from the stores as the app from Billa. On the top of already mentioned features it has a possibility of a customer to find him the closest store if he enables his localisation. (Penny GmbH, 2017)

4.2.5 Methodology

In the theoretical – methodological part was performed literary research on the base of studying books dealing with the topic of a customer care. The idea of a customer care, mobile application and functions of mobile application was explained in the theoretical part for better understanding of given issues. The books or professional publications were acquired from own resources. On the basis of literary research and usage of Internet sources was made the basically knowledge of given topic as a basis for a practical part.

The practical part is the second part of the work and it is made on the basis of the practical part. The theoretical part was used for assembling of the online survey. This method is against different types of questioning cheaper and faster. Author in purpose to find out, if the people in the Czech republic are using the smartphones and how would they like to have a mobile application of their local grocery store, which features should be in the application and which features can be missing, assembled the survey.

The online survey ran on the online portal www.surveymonkey.com. This online website was chosen, because it is possible to check the responses during the running survey.

For finding the respondents there were no criteria, because all people are visiting and shopping in the grocery stores. The survey was spread with the Facebook website. The survey was answered in total of 83 respondents since 22nd of December 2017 until 31st of December 2017.

4.3 Practical part

The main objective of this part is creating and evaluating of the survey, which deals with the mobile applications of the grocery stores from the Czech Republic and was made according to the methodology part, which was introduced in the theoretical – methodological part. In the first part are introduced the basic parameters of the survey, which deals with collecting information from interviewed people, who answered the online survey in the website www.surveymonkey.com. Furthermore the answers from the questionnaire are evaluated in each paragraph for each question, which was in the survey except the last two questions about the social characteristics of the respondents. In the next part the social characteristics of the interviewed people are shown. The last part is for recommendations, which flow from the results of questionnaire answers.

4.3.1 Survey Questions

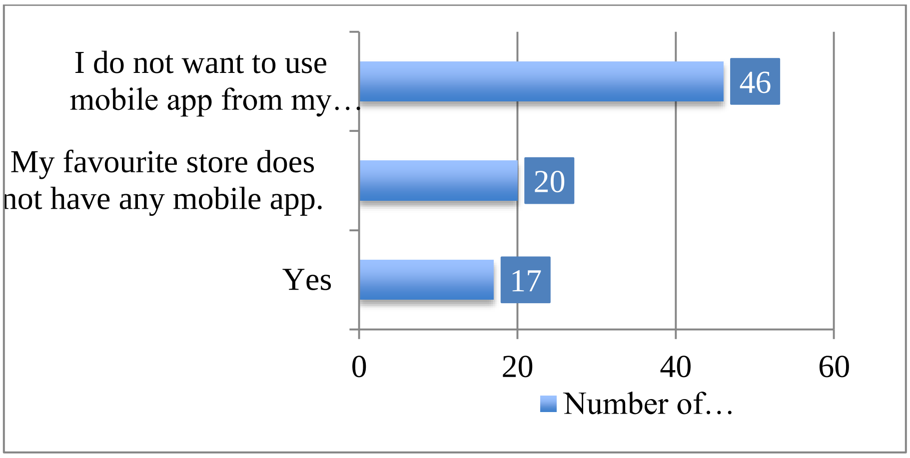
The questionnaire starts with question, if the people own smartphones and if they are using mobile applications or even if they already use some mobile applications from the local grocery stores and continues until the last questions about age and gender of the respondents. The questionnaire was available online on the official survey website - https://www.surveymonkey.com/ and was open for everyone, who wanted to answer the survey. In total 83 respondents answered the questionnaire in the time period since the 22nd of December 2017 until the 31st of December 2017. The questionnaire contains in total eight questions on 1 page, where 5 questions were mandatory and 3 questions voluntary. The completion rate of the survey was 100 percent, so none of the volunteers, who started the survey, stopped filling the questions during the survey. I took 2 minutes and 9 seconds in average to complete all the eight questions, which were displayed in the survey.

The first question – Do you own a smartphone? Was about ownership of a smartphone. It was answered by 83 respondents and 0 respondents skipped the question. The result shows that rounded 94 percent of people own a smartphone. That is a bit more then number of people who own a smartphone, which was mentioned in the introduction from the source of Newzoo. According to it, the sample of people who responded are a bit more into smartphones then the average population in the Czech Republic, but it is more usable as a target group for mobile application. If we look at the 5 respondents, who do not own smartphone, they are all females and two of them still use mobile application even when they do not own her smartphone.

The second question – Do you use any mobile applications? Was about using of mobile applications. It was answered by 83 respondents and 0 respondents skipped the question. The result of the second question shows the total number of more then 96 percent people using the mobile applications. According to the number of smartphone owners in the first question (93.98%), it is possible to say that people are finding ways to use mobile applications even when they do not have their own smartphone and according to the IDC numbers (1.4 billion shipped smartphones in 2016) mentioned in the introduction, these people will probably have their way to use the mobile applications even easier.

The third question - Do you use any mobile app from your local grocery store? Was about using of mobile applications in respondents local grocery stores. It was answered by 83 respondents and 0 respondents skipped the question. Four of the respondents answered in the option "other." Three of the four answers were close to the answer "I don't want to use mobile app from my local store," but they did not accept the answer as it was written in the survey. Fourth answer written in "other" was basically not the type of answer, which would be acceptable for the evaluation, because the answer was "Lidl," what is the local grocery store in the Czech Republic. So these respondents are not counted in the graph, therefore the count of the answers in the graph is 79.

Graph 1 – Answers for question – Do you use any mobile app from your local grocery store?



N = 83; Source: Author's research

The graph shows the usage of mobile applications in local grocery stores. The most of the respondents 46 (55.42%) do not want to use mobile applications at all, but there are still 37 (44,58%) of respondents who want to use mobile applications or even already use them. According to Pattie Gibson (2013, p.6) every customer is a unique person. It is possible to see it in the numbers of the graph. Not everyone would be satisfied with the mobile application, but increasing the number of happy customer can increase the number of orders, because as Geffroy E.K. (2001, p. 109) wrote in his book, satisfied customer is the one more willing to increase the number of orders. After all, the mobile application will not satisfy all the customers, but it can satisfy almost half of the respondents from this survey and that can increase the satisfaction and the number of orders in the future from these more satisfied customers.

The fourth question - When using the app which of the following features would be the most important for you? Was about the most important features for the customer, when they are using the mobile applications. 80 respondents answered it and 3 respondents skipped the question. The aim of this question is to find out the most important features, which have to be a part of the mobile application according to customer's wishes and needs. Every respondent had an option to choose up to three different features, which he would like as features for the future mobile application. The possibilities, which were the options, were chosen from other mobile applications mentioned already in the theoretical – methodological part. One of the 80 respondents answered "other," but did not fill the answer, therefore this answer want be used for the following evaluation and used as invalid answer, therefore the number of respondents for this fourth question is only 79 out of total 83 respondents, who started from the beginning of the survey. The following graph shows the results of the fourth question, about all the listed possibilities and number, how many times was each possibility chosen from the survey volunteers, who can choose up to three possible answers.

Graph 2 – Answers for question – When using the app which of the following features would be the most important for you?

N = 79; Source: Author's research

The most chosen answer (59 – 73.75%) was the list of products in sale. This feature is used in all three applications mentioned in the theoretical-methodological part. There was one more answer, which was chosen by at least half of the people who responded to this question. It was the feature of making own shopping list in the app. This feature is missing in the Tesco Clubcard mobile application. The third feature most requested by the respondents was availability to use coupons with the mobile application. The least requested answers according to this question were news from the local store (19 – 23.75%), contact information (11 – 13.75%) and news about the company (5 – 6.25%). The neutral answers, which are wanted by more than a third of people, are feature to find a closest store (30 - 27.50%) then availability to use mobile app as scanner during shopping (28-35.00%) and the information about the customers loyalty card (33.75%).

The fifth question - When using the app which of the following features would be the least important for you? Was about the least important features for the customer, when they are using the mobile applications. 78 respondents answered it and 5 respondents skipped the question. The aim of this question is to find out the least important features, which don't have to be a part of the mobile application. The possibilities, which were the options, were chosen from other mobile applications mentioned already in the theoretical – methodological part. One of the 80 respondents answered "other," but did not fill the answer, therefore this answer want be used for the following evaluation. Based on the results of this question in the survey, the least important feature of the ones, which were possible to choose, was news about the company (57 – 73.08%) then there is two more which were chose by more than a third of the respondents - news from customers local store (37 – 47.44%) and contact information (30 – 38.46%). The feature, which was chosen, as the least unimportant one was availability to customer's coupons (5 - 6.41%) with the mobile application. It jumped from the third place from the previous question, switching the top position with list of products in sale (7 – 8.97%). Then there were few answers in a small range – loyalty card information (16 – 20.51%), making own shopping list (14 – 17.95%), feature to find closest store (13 - 16.67%) and availability to use mobile app as a scanner (11 – 14.10%). Therefore this question shows the top three answers are the ones, which are not important to be the part of the mobile application.

The sixth question - In the past 30 days, which of the following grocery stores have you shopped at? Was about the grocery stores, which were visited by the respondents in the past 30 days. 81 respondents answered it and 2 respondents skipped the question. Six more people also used "other." The most visited grocery store is Albert with 55 (67.90%) respondents. More than a half of respondents visited Tesco (44 – 54.32%). More than a third of respondents visited also Lidl (37 – 45.68), Billa (35 - 43.21%) and Kaufland (29 – 35.80%). The least visited store is Makro with only 10 (12.35%) respondents. The second least place is for Globus (20 – 24.69%). The stores mentioned in others were – Žabka, twice Penny, Coop, DM, Sklizeno, and Delmart).

4.3.2 Social characteristics

The questions 7 and 8 were about social characteristics. Question number seven was about the age of the respondents. The question divided people into six age groups. The question was mandatory and answered by a total of 83 respondents with 0 respondents skipping the question. Starting with the youngsters until 21 years old (21 – 25.30%), following with the most common group 22-30 years old (50 – 60.24%), third age group was 31-42 years old (10 – 12.05%) and only two older respondents, one was in the age group 43 – 61 years old and the second one in the age group 84 years old and older.

The eighth question was about a gender of the respondents. The respondents were more often females (49 – 59.04%). The number of male respondents was in total 34 (40.96%).

4.3.3 Recommendations

After evaluating the survey with support of the theoretical part it is recommended to use a mobile application as help in customer service of grocery stores as almost half of the respondents. Fifth of the people are already using the mobile application so there is still 24.10% of people who would like to use an application, but cannot use it, because their local store does not have any application yet, therefore the grocery stores which do not already have their own mobile application should launch it or the there is maybe possibility, that these 24.10% of people do not have a clue if their local grocery store already have mobile application.

There are few important features, which have to be the part of a mobile application. The most important three are list of products in sale, feature to make a shopping list and availability to use coupons with the mobile application. These three features are for people comfort, which leads into satisfaction of the customers. The list of products in sale was in all the mobile applications, which were listed in the theoretical – methodological part so the designers of these applications already predicted this feature to be important. The second most important feature is feature to make own shopping list, the people want to make their shopping list through the application to have it with them in their mobile phones. The third most important feature was a possibility to use the sale coupons with their mobile applications, which is similar to the shopping list, the people basically do not want to have more things with them then it is necessary.

Sometimes the designers do not want to make the mobile application too big, so according to the question 5 results the designers can skip few features, which are not so important for the people. If there is not enough place in the application for some features, then there are few features, which are not needed to be a part of the application. It is mostly the news from local store, news about the company or the contact information. Two of the least important features are news. The people basically do not need to read about their local grocery store or the whole company; they would rather have some different features, which are not about the news.

4.4 Conclusion

In the conclusion of the work are listed the main knowledge found in the work. The goal of the work was to find out if customers of the grocery stores are using smartphones and if they would like to have mobile application of the local grocery store and to make a recommendation for features, which should be part of a mobile application for a grocery store.

The work is divided in two parts, theoretical-methodological part and practical part. Theoretical-methodological part was made from the literature and online articles made by author from everywhere over the world.

Practical part is about the survey and results of all the survey questions. These questions are evaluated on the base of the aswers from the respondents in the survey. Survey was run on online platform www.surveymonkey.com and the evaluation was made from surveys answered by 83 respondents, it was spread through the social networks.

Thanks to the survey it was found out, that almost all the customers are using smartphones and that almost half of the respondents are using or would use a mobile application. There is still 24,10% of customers who are looking for the mobile application of their local grocery store. The other questions helped to find out which features are important and which are not important for the mobile applications. The important ones are – list of products in sale, feature to make shopping list and availability to coupons with a mobile application. The least important ones are – news about the company, contact information and news from the local store. All results can be seen in the chapter 3.1.

The final recommendation is to use an actual running mobile application or launch new mobile application for a grocery store and use all features if there is place for it, because all the features which were in the survey were wanted by at least 6,17% of respondents. There are few important features, which are needed to have in the mobile application. It is list of the products in sale, feature to make a shopping list and availability to use coupons thanks to the mobile application.

Previously mentioned recommendations were deduced from the results of the survey, which cannot be used as a representative sample of people. Thanks to the survey, it can be said that the mobile application would make a better customer service for some people.

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5. Maryna Lakhno: Facebook Marketing in Czech Fashion

SUMMARY
Main objective: The main aim of this paper is to formulate recommendations and suggestions concerning Facebook marketing strategy of the fashion start-up SYN v pohybu.
Research methods: Theoretical part of the paper includes the review of the previous research on the topic, which establishes the thematic fields that can additionally be looked at while examining the fitness wear brand. The theoretical background comes from the variety of sources, both from academic and professional, such as FB Online Training for Advertisement or websites of the companies that work in the field of online marketing. The data for the practical part is mainly collected from the SYN v pohybu official FB page and FB Insights. Additionally, the engagement of the followers was observed, such as likes of the posts. Both deductive and inductive methods were used in order to specify the strength and weaknesses of the social media marketing performed by the team of SYN v pohybu. After mapping the recommendations the online marketing calendar based on SOSTAC Marketing model for the case organization, which includes costs and time management details, was developed.
Result of research: According to the data obtained from the social media and its comparison with the recommendations found in the previous research on the topic, a few suggestions were outlined. They were based on the current social media presence, which has its positive aspects and drawbacks. Among advantages are its appealing photos and videos posted on its fan page. The content looks professional, authentic and story-like which is crucial for a fashion brand. The examples of the disadvantages are the absence of the English and user generated content, irregular posting, little investment into paid promotions etc. Based on the existing strengths and opportunities of the company, it is clear that SYN v pohybu has a potential to grow both locally and internationally, increase sales and grow the awareness of the brand. These results are described in the SWOT analysis of the company. The analysis of the previous marketing was summarized, which demonstrated that some of the posts had a very effective ratio of investment and engagements. Thus, a detailed marketing action plan with the approximate costs was developed.
Conclusions and recommendations: After a thorough investigation, some advantages and disadvantages of the marketing campaign are described. Clearly, the appealing philosophy and design of the brand are the main strengths of the company, which can be further enriched by expanding the online influence. Numerous ways of improvement were shown, among which are more English content; more user-generated content; introduction of the YouTube channel with healthy lifestyle and work out videos which can be linked to the FB page; effective cooperation with influencers etc. In general, the company has numerous strengths which can be enhanced by adopting successful online promotion action plan.

KEYWORDS
Online marketing, social media marketing, Facebook advertisement.

JEL CLASSIFICATION
M31 Marketing M37 Advertising

5.1 Introduction

Generally speaking, advertisements on social networking websites like Facebook can be defined as content that appears alongside with user generated posts in the News Feed. Thus, FB algorithms collect data regarding preferences of the users and work with their newsfeeds as ads placements. Snih (2009, p. 99) calls it hyper-targeting, which can be described as the ability of social networks to target promotions by basing them on the specific data, which is a crucial feature of the precision in online marketing. This function has transformed FB into one of the most influential digital marketing tools.

Taking into consideration the number of monthly active users worldwide, which constituted around 2 billion in 2017 (CNBC, 2017), FB offers one of the largest potential customers databases. The main advantage of FB advertisement is that it targets specific audience, which is currently more specific than Google Ads, and many successful brands base their promotion strategies on the social media website. According to FB, there are three types of audiences: core (information which people share on their websites), customer audiences (followers) and look-like audiences (users with similar interests) (FB Blueprints, 2017). Moreover, FB has a wide range of data available for the selection of potential customers: age, gender, relationship status, education, career, page likes, location and frequency of posting (FB Blueprints, 2017).

Overall, the marketing shift towards social media platforms accumulated the importance of content engineering, which, according to Dokyunet (2016, p. 2) *"seeks to develop content that better engages targeted users and drives the desired goals of the marketer from the campaigns they implement."* Therefore social media promotions need structured Furthermore, the key factors that attract businesses are the possibilities of awareness increase and the acquisition of new shoppers (FB Blueprints, 2017).

Moreover, FB advertisement has numerous advantages. First of all, it allows the company to create free fun groups and fun pages, which enables communication and reach out. Next, it is easy to set up a visual and interactive advertisement that the users can comment on, share or like. It is also flexible from the financial point of view, as the advertisers can outline their campaign and daily spending. The companies set bids and frequently pay less than they are ready to invest, which is very appealing to start-ups and small businesses. According to Blue Corona, FB offers a wide range of advertisement formats, such as video, pictures, slideshows, carousel, canvas or Dynamic Product Ads (Bluecorona, 2017). The free FB tools enable to check the success of the campaign and to measure its outcomes.

The level of growth can be considerably influenced via digital promotion especially in the case of the fashion brands. Although there are other social media websites in the Czech Republic, such as Spolužáci.cz, Lidé.cz, FB is clearly the market leader and therefore was chosen it on the basis of popularity. Notably, this paper examines SYN v pohybu, a fashion company which was established by Kristina Synek, Petra Šubrtová a Břetislav Stromko in 2014. As it was mentioned above, the main aim of this paper is to formulate recommendations and suggestions concerning Facebook marketing strategy of the fashion start-up SYN v pohybu.

In order to reach the aim of the research, a brief overview of the previous research on social media marketing will be provided. A special attention will be given Facebook advertisement and its benefits for the companies. Next, current FB channel of SYN v pohybu will be discussed. Both paid and unpaid content alongside with the fan engagement will be discussed. Based on this investigation, some positive factors will be discussed alongside with the areas to be improved. FB marketing needs time and finance, therefore the approximate time plan and budget will be introduced.

5.2 Theoretical and methodological part: Social Media Marketing as an Essential Tool of Communication with the Customer: An Overview

The purpose of this chapter is to provide an insight into the current developments in social marketing, which are selected on the basis of relevance to the fashion brand. The literature review helps to establish the theoretical framework of the paper. Thus, the practical investigation of this paper is based on the theoretical part.

5.2.1 Social Media Marketing

Sinclaire and Vogus (2011, p. 294) define social media as a broad term which can be applied to the websites that help us to create content which can be later shared with the wider audience. It has to noted that user generated content is one of the defining features of any social media platform and it is the social media users who decide what the future trends would look like. Among most popular social media networks are FB, Instagram and Twitter.

Hajili (2013, p. 388) summarizes the main benefits of social media marketing by stating that it offers many advantages to the companies, such as increasing the popularity of a brand, helping to establish word-of-mouth communication, growing sales, sharing content etc. Clearly, social media enables interaction between the consumer and the brand and share their preferences with the wider virtual brand community. Therefore social media has changed the way marketing worked previously, as the interconnectivity of businesses and customers rocketed alongside with the need for multichannel communication. Moreover, it is more cost effective as the traditional marketing, as it can target the potential customers and therefore increase the ROI of the promotion. Furthermore, social media marketing outcomes are easier to measure, as there are tools that can track the conversion rate or website traffic.

Hess and Hillary (2014, p. 65) stressed the importance of social media for small businesses. The authors highlighted hat good campaigns require investments from the side of the business, such as time, internal experts or outsourcing etc. In some cases, the companies would require social media managers, who plan, organize and implement the marketing strategies. Of course, it is not always an option for the smaller companies, who can instead either outsource the advertisement or invest more time internally. The authors also provide advice for the effective social media campaigns, which require monitoring, gathering insights of the audience, communicating with the wider online community, posting frequently and consistently and using more user generated content.

Yet it might be relatively difficult for the companies to stand out, as social media marketing is used by the majority of businesses nowadays. Moreover, more and more users worldwide are aware of the online monitoring of their actions and storing their data for the advertisement purposes. According to the survey by Socialmedia.market (2017, p. 5), 63% of the users are worried about the violations of their privacy and prefer to stay anonymous online. Moreover, the study explains that the journey of the consumer has changed, as an average shopper takes more paths as before and searches for the information about the product more extensively as previously (2017, p. 31). One of the trends in social media marketing is cooperation with influencers, which was used by 86% of businesses, from which 94% found the tactic successful (2017, p. 31).

Another study by The University of British Columbia (2017, p. 4) provides four key factors which are crucial for social media campaigns. Among them are strategy (platform decisions, goals and outreach), community management (communication with the audience), content management (designing content) and analysis (performance analysis, best practices selection and further application, comparison with competitors etc.) (2017, p. 4). The paper recommends using an editorial calendar as an organization tool, which helps to build structured and effective campaigns (2017, p. 8).

Overall, both small retailers and international corporations can benefit from the employment of social media marketing. Staying relevant and constantly improving the online performance helps to achieve more sales and increase the popularity of the brand. Furthermore, retailers have access to the direct feedback of the shoppers and are able to adapt their strategies flexibly to the newest trends. In this way, it is not a question whether retailers should use the social media to promote their businesses yet it is more vital to know how to represent the brand online.

5.2.2 Facebook Advertisement and Electronic Word of Mouth as a Crucial Marketing Tool

FB has an option of a business account, which helps the businesses to stand out and reach broader audiences on the international level. Unlike personal profiles, a business page has followers who subscribe to the news by hitting Like Page bottom. Notably, creating a business page is free of charge and easy to follow. Yet the advertising of the page is paid and it depends on the FB auction and the bidding option a business chooses, which can be CPC (cost per click), cost per thousand impressions (CPM) or cost based on conversions (CPA). The option a business employs depends on its aims and, for example, brand awareness objective requires CPM method.

Aguirre et al. (2015, p. 45) states that one of the reasons for the popularity of Facebook among retailers is its targeting function. The authors also stressed the importance of sensitivity of the consumers to the data collection and recommended avoiding explicit targeting of specific identities. The greater extend of personalization in promotion may lead to the distrust of the consumer and have negative consequences on the campaign in general.

There are numerous factors which influence the behavior of users on Facebook. For instance, Bernritter et al. (2016, p. 27) state that non-profit features often gain more support than commercial posts. In this way, it is recommended to use a reasonable ratio of explicit call to action campaigns and educating posts. Shao and Ross (2015, p. 258) also stress the importance of the entertainment character of the posts. Thus, company which sells sport clothes can produce work-out videos which will entertain and at the same time demonstrate the fitness outfits of the moderators. Furthermore, Swani et al. (2013) mentions the importance of the emotional part of the content, which has to be more visible to the user as the commercial aim of the post.

On the other hand, one of the useful tools in online marketing, especially in retail, is electronic word of mouth. A study by Heywood (2015, p. 6) states that 54% of consumers are influenced by peer reviews and social media recommendations when searching for items to purchase. It works similarly to the real life word of mouth, yet on the digital level. We can take a simple example of a friend who bought something in an online store and shared a photo to their FB page. By seeing the post, their friends automatically receive a recommendation. However, a content manager has to select content carefully as even one negative feedback can ruin the campaign and frustrate potential customers. Hiding or deleting bad comments may save the situation yet it does not prevent next negative reviews. It has to be noted that sometimes it might be more useful to reply to the comment and solve the issue by improving the services, providing more information at the same time being responsive and open to any kind of feedback.

5.2.3 Methodology

The study is interpretative and suggestive in nature and the data is driven from the online presence of the company, in particular from the FB fan page and Facebook Insights. This project follows the case-study approach with the application of qualitative and quantitative models of investigation. As the brand is relatively new, it is possible to observe the overall FB presence without complications.

Previously to the practical part, a brief overview of the current trends was provided. As the literature on the topic is extensive, only relevant to the research works were selected. In order to meet the objectives of the paper the information was selected from the academic sources and the websites of the companies like socialbakers.com who specialize in the area of online marketing.

For the sake of the presentation of a functional action plan for the company advantages and disadvantages of the current campaign were taken into consideration. Notably, the size of the company was taken into consideration and other paid options like Google Adverts were excluded from the marketing plan, as the main focus of this paper is FB. Moreover, the SOSTAC marketing planning tools were applied to the creation of the plan. The following questions develop the structured answer to the main question of the paper, which is How to create the effective FB marketing for the brand? The points are easy to follow and have six main parts (Smart Insights, 2017):

Situation – where are we now?
Objectives – where do we want to be?
Strategy – how do we get there?
Tactics – how exactly do we get there?
Action – what is our plan?
Control – did we get there?

Due to the limitations of the size of the paper not all of the aspects are described in detail and therefore the comprehensive review of the situation needs further exploration. The advantage of the SOSTAC is in its systematical structure and the relevance of the processes to the implementation of the plan.

The practical part is divided into the basic information about the company, the analysis of the FB campaign and the recommendations which also include paid FB advertisements. On the basis of the data from FB Analytics tool of the page, a brief financial recommendation is developed. The summary of the calculations are represented in the tables, which illustrate the effectiveness of the promotions in the period from 29.05.15 to 15.12.17. Notably, the effectiveness of the campaigns is calculated via ratios of money spent and the marketing outcomes achieved. The interpretation of the tables sums up the most efficient promotions. The suggestions and FB marketing calendar with the duration of six weeks provide a brief summary of the strategies that can be implemented in the nearly future. The calculations in the marketing plan are approximate as FB provides a possibility of flexible advertisement bidding. It should be noted that bidding higher does not necessary mean achieving marketing goal and increasing the customer base.

The research has several practical applications. Firstly, it can be applied in the case of SNY v pohybu. Secondly, other fashion start-ups can learn from the marketing strategies of the company as some of the recommendations can be implemented regardless of the size of the company. The recommendations are formulated throughout the paper and then summarized in the conclusions.

5.3 Practical part

The practical part of the research provides a new understanding of online promotion strategies that are used by SYN v pohybu. The key strengths of this study are its advisory nature and open to transformation recommendations. This is the first study reporting on SYN v pohybu and its findings may contribute to online marketing strategies of the company.

This section begins with the situational analysis and then incorporates other SOCTAC points. Crucially, an action plan, which is developed on the basis of the data obtained from the FB Analytics tool, follows the descriptive part of the study.

5.3.1 SYN v Pohybu: Information about the Brand and its Target audience

The English version of the website starts with the motto of the company: *Movement is energy,/ It is everywhere,/ In both: body and mind…* (SYN v pohybu, 2017). The poem goes on and explains the main ideas on which the brand is based, among which are: "*movement, control, never stop"*etc. (SYN v pohybu, 2017). It's clear that the brand addresses the interests of an active customer who enjoys sports. As a start-up company found a little bit more than 3 years ago, the project has a good potential as it stresses the uniqueness of the sportswear which radically differs from the mass manufactured goods in Asia. Its location in the center of Prague is profitable mostly because of the possibilities of sales that the Czech capital offers. Clearly, the initial objectives of marketing or the answer to *where do we want to be?* can be expanding the customer base in Prague and also increasing awareness on the international level. Furthermore, the brand has created four collections and took part in different competitions and exhibitions, among which are Acrolor fashion marathon (2015), Designblok (2016) and Dream and Fly Yoga day (2017). They also have the triathlon Olympic champion Vendula Frintová as the supporter of the brand.

Overall, this retail business is of a particular interest, as distinctions can be drown between selling fashionable experience and just clothes that are necessary for the everyday usage. It is obvious that SYN v pohybu cares more about unique shopping experience and customer loyalty. As it was mentioned above, the company aims mostly at sporty and active people. It can be also added that it is suitable for adults only. One of the most distinctive features of the brand is its production in the Czech Republic. The price level of the clothing is higher than average, as it is a limited collection brand. According to Kristina Synek, a founder of the brand, people are tired of global brands and *"are looking for local designers"* (Czechcrunch, 2017). Therefore the ethical principles make it stand out, unlike its competitors who lack local production and unique design. Moreover, the customers are able to track the information of the origin of the clothes.

It should also be underlined that the consumers these days have changed in comparison with the past, as there is more attention towards the social responsibility of the brand. In our case, SYN v pohybu promotes a local brand, which supports local charities and, on the top of it, is made in the Republic. These facts may be the key factors of winning new customers.

The next SOSTAC question *how do we get there?* can be applied to the acquisition of new customers, which can be effectively made through improvements of marketing strategies and increasing the brand value. A brief SWOT analysis of the company, which will help to look at the potential improvement in FB marketing, is summarized in the table 1 below:

Table 1 SWOT of SYN v pohybu

Strengths	Weaknesses
Appealing idea of a local designer brand Interesting design of the clothes Eye-catching photos and videos Location in the center of Prague The company has influencers among Czech sportsmen	Online marketing needs certain improvements No channel on YouTube Little fan base on FB Only Czech content on FB
Opportunities	**Threats**
International market (e-shop) via shopping FB campaigns Opportunity to raise awareness of the start-up and to gain more customers	Price competition in retail Excessive usage of FB advertisements by the competitors

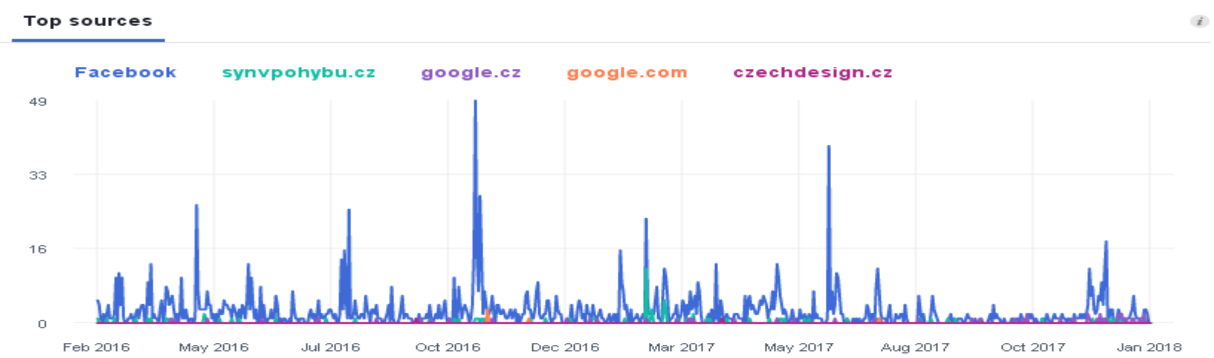
Source: own processing

It helps to outline the situation and to consider how the company can turn weaknesses into strengths. The analysis is concentrated on marketing as it is used as a helping tool for the suggestions.

5.3.2 Facebook Marketing of the Brand

FB is the top source of communication that the business uses with its potential shoppers. This can be clearly seen from the graph 1 below.

Graph 1 Top Sources for Customer Reach

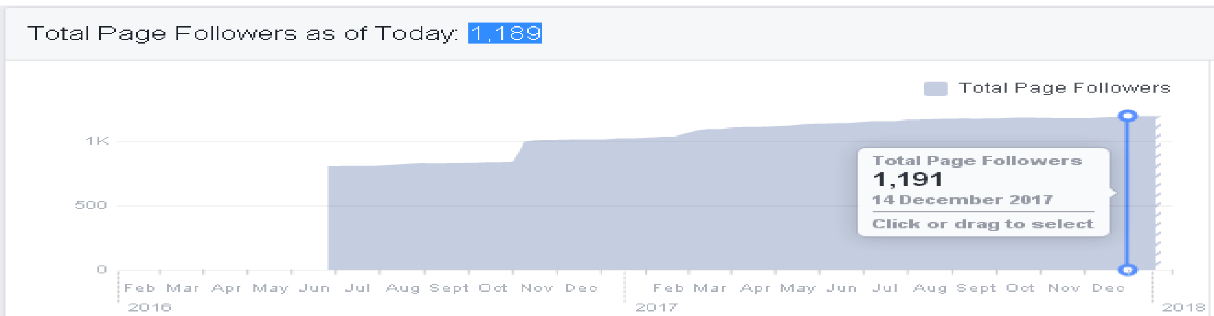


Source: Facebook Insights (2017)

Clearly, FB has much greater influence as Google or the website of the company. Therefore it is obviously the best place to obtain new customers. It would be also reasonable to increase the influence of the home page, which can be also done via FB promotions which include links to the SYN v pohybu website.

The FB fun page was established in March, 2015 and the statistics regarding the number of followers is available from the 10th of June, 2016. The data comes from FB Insights. The graph 2 shows the fluctuation in the number of people that liked the page.

Graph 2 Total Page Followers from June, 2016



Source: Facebook Insights (2017)

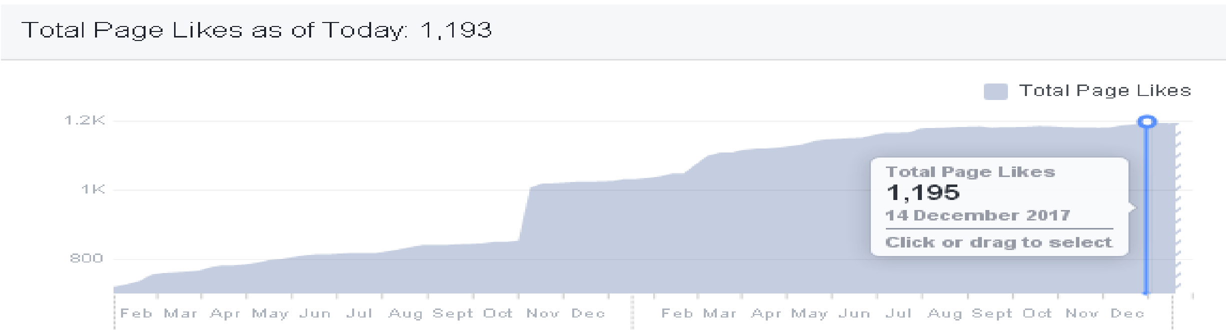
There was a sharp increase in October 2016 and afterwards the numbers remained relatively steady. The number of followers reached its peak in December 2017 (1191). However, the number of the followers does not mean their actual activeness on the page. As it can be seen from the statistics, page views dropped to 263 in the period from 16th December to 12th January (FB, SYN v pohybu, 2017).

Regarding the content of the page, some of the posts were especially successful. One of them was the post with the baby wearing SYN v pohybu T-Shirt (see Appendix), which received 47 likes and reached 1.845 people. Looking at the post it is clear that the key factors that won the attention of the public are the authenticity of the post and the emotional appeal. It tells the story of the family that likes the brand and wears it outdoors. The baby plays a key role in the advertisement, especially concerning the fact that almost 80% of the page fans are women.

As we can see, a typical post receives around 25-50 likes. It would be more strategic to involve more clients in sharing and liking the posts. Perhaps by adding more appealing content that is similar to that with more likes can enrich the performance. Another possibility will be tracking the time when most of the customers are online and post in these times only.

Yet the number of followers is not the same as the number of the number of likes, which can be observed from the third graph, which describes the period from February, 2016

Graph 3 Total Page Likes from February, 2016



Source: Facebook Insights (2017)

Unlike the previous graph, there is a greater change in numbers. As it can be seen, the number of likes reached its peak in 2017. Similarly to the number of followers, the number of likes remains almost unchanged since the end of 2016. Perhaps one of the reasons can be found in the relatively small amount of paid campaigns and less systematic posting.

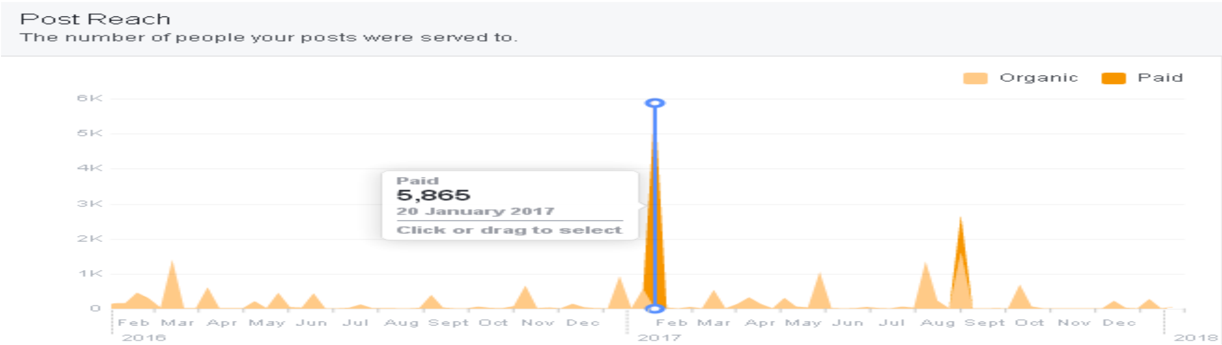
Regarding the total amount of the fans, women constitute 81% and men only 17% (FB, SYN v pohybu, 2017). As FB Insights explains, 50% of women are between 25 and 35 years old and more than 200 fans use English as FB interface language (FB, SYN v pohybu, 2017). Thus, it would be reasonable to post more English speaking content.

Looking at the visual side of the page, SYN v pohybu uses authentic experiences, such as eye-catching photos from the sport events and videos. It can be also useful to mention that posting collages may perform better than the usual photos (Unbounce, 2017). A good example of the implementation of this tactics can be a fashion company Leneys, which posts collages and asks the fans to choose the best photo (FB, Leneys, 2017). It is also known that videos get more attention than pictures, so it would be useful to add more video content. Video content that has a form of a story is trending among successful businesses: Sephora, Google, Microsoft use the strategy actively. Due to the fact that the brand bases its philosophy on the movement and sport, it would be useful to create work out or healthy food videos. The videos can be interconnected with the YouTube, so that views and shares can be achieved.

It should be noted that there have been different kinds of events since 2015, such as Christmas party, sales, Birthday party, yoga days, Pilates etc. Yet it would be beneficial to create more exclusive events for the public and share on them on FB, in order to network with the potential customers and partners. In this way, social media marketing will enable the brand to use both digital and real life word of mouth strategy.

The study by Socialbakers.com, a company that specializes on online marketing, provides a number of 48% of paid advertisement engagement statistics (Social Backers, 2017). Clearly, the basic goals on any business on FB are more active followers and more traffic that leads to more sales. As we can see it from the graph 4 below, paid search reach has visibly better results as organic. The top results were achieved in January, 2017, when almost six thousand people were served with the posts of the company.

Graph 4 Post Reach



Source: Facebook Insights (2017)

There is plenty of information online regarding the social media success, yet it has to be remembered that it cannot be applied to any business. Start-ups and corporations have different financial possibilities, yet it has to be remembered that start-ups have bigger chances of promotion nowadays, mostly because of the accessibility of digital advertisement.

The brand has already used paid campaigns which ran from 2 to 7 days in 2017. The campaigns reviewed are both from the official page and FB Insights. As it can be seen from the table 2 below, which summarizes the promotions from 2015 up to nowadays, the total amount spent is CZK2500. Almost all campaigns targeted women from 25 to 45 years old who live in Prague. The number of engagements varied from 141 to 904 and the amount of people who were reached by the advertisement was maximum 14.998, which is much more than average posts.

Table 2 Facebook Promotions

Date	Gender	Age	Duration in days	People reache d	Engage ments	Photo Clicks	Post likes	Page likes	Budget in CZK
29.5.15	M and F	22-40	7	11.670	904	861	123	3	510
31.6.15	F	22-40	4	4.142	236	209	24	2	250
8.7.15	W	22-40	5	14.988	102	53	18	0	300
5.9.15	W	22-40	2	5.899	421	407	22	3	250
15.2.16	W	22-40	2	7.558	350	345	131	1	300
6.12.16	W	20-45	1	3.121	562	496	39	0	260
23.8.17	W	20-45	2	2.308	141	15	28	2	300
15.12.17	W	20-45	2	3.631	254	236	95	2	330
8 posts	*	*	25	53.317	2970	2622	480	13	2500

Source: Facebook Insights (2017)

In total, the ratio between the money spent and people reached is 53.317/2500 is CZK 0.047 per person, in comparison with the engagement which constitutes CZK0.84, photo clicks CZK 0.95, post likes CZK5.2 and page likes CZK192.3. This information can be found in the calculations in the table 3.

Table 3 Ratios of Money Spent Vs Marketing Outcomes

Date	CZK per reached person	CZK per Engagement	CZK per Photo Click	CZK per Post like	CZK per Page like	Budget in CZK
29.05.15	0.04	0.56	0.59	4,14	170	510
31.06.15	0.06	1.05	1.19	10.41	125	250
08.07.15	0.02	2,9	5,66	16.6	-	300
05.09.15	0.04	0,59	0.61	11.3	83.3	250
15.02.16	0.03	0,85	0.86	2.29	300	300
06.12.16	0.08	0.46	0.52	6.66	-	260
23.08.17	0.12	2.1	20	10.71	150	300
15.12.17	0.09	1.18	1.39	3.47	165	330
8 posts	0.047	0.084	0.95	5.2	192.3	2500

Source: self-calculations based on the data from Facebook Insights (2017)

As it can be seen, the campaign of 06.12.16 is the most successful from the point of CZK ratio between the cost invested and engagement rate and click per photo. It was "Rozhýbejte s name Vánoce!" post which aimed at women looking for Christmas presents. The post also included the link to the website and had the duration of 1 day only. Yet it has to be highlighted that the post did not receive any page likes, which is crucial to the future remarketing unpaid campaigns. In total, there were 13 page likes in the period of the paid campaigns, which might be associated with the current followers engaging in the advertisements more than the general public. If the company aims to acquire more page fans it should exclude them from the audience while setting up a new campaign. In order to save costs, it can be useful to reach the existing fan base with the unpaid posts. Another successful post was from the point of viewer/fan conversion according to the budget/page likes ratio is campaign from 05.09.15 (CZK83 per page fan) and 31.06.15 (CZK125). Notably, the most expensive part of every post is CZK per page like, which is CZK192.3 per post.

5.3.3 FB Marketing Suggestions

Following SOSTAC marketing plan format it is crucial to concentrate on two last questions which are: How do we plan it? How do we check if it works? The suggestions below are attempts to provide the explanation.

1. Posting: 2-3 posts per week (with approximate budget of CZK500-1000), 1 boosted post and 1 paid advertisement campaign:
   - educating videos (lifestyle, sport) and possible setting up of YouTube channel;
   - more English content;
   - less words in posts and more space for pictures/videos;
   - post more carousel advertisements which tell stories;
   - use more influencer posts;
   - boost more posts;
   - implement more user generated content.
2. Create polls which engage the existing fan base.
3. Respond and like comments of the fans.
4. Create more FB events.
5. Set up contests.
6. Ask partners to advertise the page and promote their pages as well.
7. Create weekly budget that can be spent on ads (at least CZK300 a week)
8. Measure the performance and spend more or improve the quality of content in case the conversion rate is low

In order to make the recommendations more structured, the social media calendar, which can be found in the table 4, was developed. It is a six week plan that can be used together with the suggestions above. The costs are flexible and they are based on the numbers of the previous campaigns. Notably, the costs can vary and be adjusted in order to maximize the performance of the brand. It can be argued that the cost of advertisement is too high, yet one might think about the positive outcomes in the future, such as more sales. Of course, CZK3500 in 6 weeks is more than the company has spent for three years, yet maybe it was not enough, as start-ups in general need more investment at the beginning, which later helps to establish the awareness of the brand and increase the customer base.

Table 4 Advisory Facebook Marketing Calendar

Week	Action	Cost
Week 1. Goal: set up YouTube channel	Set up the YouTube channel Integrate the past videos Start to create new content which can be later linked to FB	 *
Week 2. Goal: Increase Awareness and Reach	Post a couple of feel good videos Post a carousel add Post a slideshow advertisement	CZK500 CZK250 CZK250

Week 3 Goal: Increase traffic of the website and its visibility	Post a video advertisement with the link to the new collection Post single image ad with the best seller which has a link to the website.	CZK500 CZK500
Week 4 Goal: Engagements	Boost a couple of posts Create an event ad Run a contest with user generated content	CZK500 CZK250 CZK250
Week 5 Goal: Conversions	Run shopping campaign with a couple of items on sale	CZK500
Week 6 Goal: Analyzing and improving the FB promotion strategies	Collecting data via FB Insights and calculating ROMI (return on marketing investment) Adjust the next promotions based on the data	*
	Total	CZK3500

Source: own suggestions based on Facebook Insights (2017)

All in all, it is crucial to analyze the performance after a certain time in order to estimate whether the campaign strategies are working and the customer base is increasing. The key performance metrics of the campaign can be summarized in the following questions:

1. What is the number of conversions after the campaign? Compare the numbers before and after.
2. How many new page fans will be acquired?
3. How does the situation with the website improved? Does it receive more traffic? The data can be found in Google Analytics.
4. What is the number of likes/shares?
5. What is the ROMI?
6. Which posts were the most successful in terms of ratios money spent/engagements, page fans etc.? What was the format of the promotion (carousel add, video etc.)?
7. How can the next advertisement strategies can be improved based on the statistics?

If the campaign is successful, ROMI should have positive percentage. The bigger it is, the better it is for the brand. Moreover, based on the answers the company can think of the new methods and time frames. Notably, there should be constantly new strategies to develop, as the trends. trends in social media advertisement develop rapidly and the competition is excessive.

5.4 Conclusions and Recommendations

It is obvious that nowadays it is almost impossible to grow a business without social media promotions. FB offers huge customer database which can be used in order to achieve marketing goals of the company. Relatively easy and efficient way of advertisement offers visual solutions that can grow the number of customers and increase awareness. There is a variety of formats to choose from, which are videos, photos, slideshows, carousel and canvas advertisements. By choosing the audience by demographics the company saves resources and increases the chances of conversion.

In the case of SYN v pohybu, the company has a unique position on the Czech market as it promises the customer designer sport clothes which are locally produced and have reasonable prices. There is a niche on the market regarding locally produced clothes and SYN v pohybu has a big potential to grow fast. The brand has the official FB page where authentic and appealing photos and videos are shared with the followers and brighter audience.

The current online presence of the brand was analyzed, which estimated that it has over a thousand fans who are mostly females younger than 45 and live in Prague. Most of the posts are organic although there were 8 boosted advertisements which mostly used female 20-40 year olds in Prague as the target group. Paid posts received more outreach and engagement in comparison with the unpaid ones. All content is in Czech which often includes links to the website that also has the English version. The page has relatively stable number of fans that is constant since 2016.

Regarding suggestions one might advise more English content alongside with the quantity of content in general. FB offers relatively affordable and easy advertisement possibilities that can be effectively used. For instance, by creating a posting calendar and FB marketing plan the company can increase the number of customers. A six weeks action plan was proposed, which can be adopted in order to increase sales and promote the brand in general. The total costs are flexible as FB lets the businesses to decide on their budget freely. Crucially, the measurement of the results is essential as return on marketing investment plays a key role as well as helps to select the best strategies.

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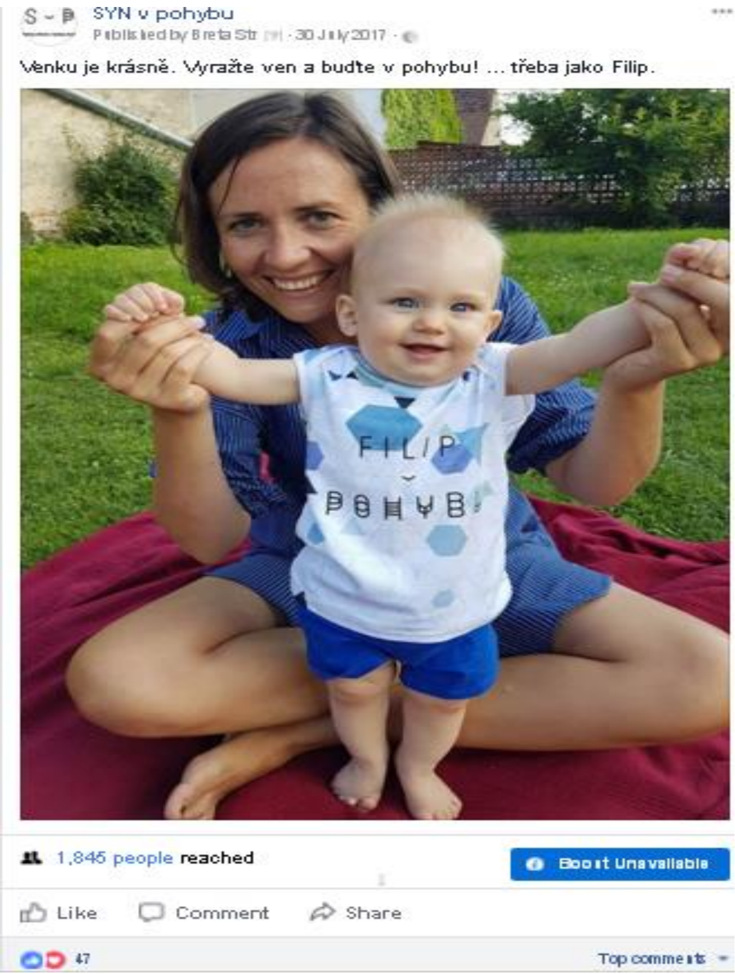
Appendix

Picture 1 Syn v pohybu Content



Source: SYN v pohybu

6. Martin Pitrman: Modern technology in retailing

SUMMARY
Main objective: Main goal of the paper is to formulate recommendations for company XY which can potentially lead to the increase of the number in self-service devices users.
Research methods: The theoretical part is elaborated on the basis of secondary sources of czech and foreign authors, when in this part of the work were used methods of comparison and analysis. The method that was used for the practical part was the quantitative research in the form of a questionnaire survey. The questionnaire has been developed and based on the study of theoretical information. All questions are further analyzed and shown in graphs.
Result of research: Research results have shown that czech customers are interested in "modern technology". A total of 36 % of respondents would like to use these technologies regularly but don't know how to use them. In total 79 % of respondents regularly or occasionally use self-service cash registers. By contrast, self-service scanners use only 25 % and QR codes by only 8 % of customers. More information on "modern technologies" would be welcomed by 68 % of respondents.
Conclusions and recommendation: The main recommendation for company XY is to provide their customers with more information on how to use technology in their stores and the benefits of using them. This should be supported by the motivation of customers to use modern technology. A loyalty bonus system for using these technologies will help make use of less-used technologies more popular. Last recommendation is to start using self-service cash systems even for large purchases, which could result in a complete switch to a self-service shopping system.

KEYWORDS
Retailing, Self-service cash registers, self-service scanners, QR codes

JEL CLASSIFICATION
M20 General D20 General D29 Other

6.1 Introduction

Retail industry has made a great leap forward in the Czech Republic since the revolution in 1989. Starting with introduction of smaller retail units in the early 1990s through the expansion of transnational chains in the late 20th century to the introduction of shopping centers at the beginning of the 21st century. Increase in the income of the population set up base for unrestrained revolutionary retail development. Consumer price index rose from early 90s and effect is visible on the number of sales units. Individual retailers have also begun to merge into increasingly larger companies. Traders have gained control over distribution processes - that allows them to decide on the final prices of goods. Nowadays retailers are forced to refine their services and make it easier for the customer to shop. Inevitably innovation comes into place when cost reduction is needed. One of the great examples is self-service cash register. Operating +self-service cash register can saves up to three salaries for whole day operation – one salary for each shift. Because of current shortage of vacant workers on the labor market, the introduction of self-service cash systems becomes a necessity for some big retailers. Therefore self-service cash registers can be found in large supermarkets such as Tesco or Globus, as well as in smaller COOP or Terno chains.

Retail sector is considerably effected by the technical progress in twenty-first century. The main reason for the introduction of new technologies in retail industry is a gradual transition to the concept of unattended service of costumer. This greatly reduces the operating costs for retailers, moreover it can be a competitive advantage which will help attract more customers at the same time. Nowadays shopping is a kind of hobby or a leisure activity so it is necessary to catch customer attention and attract them to their business. Enable customer to make the fastest and most convenient purchase is also important for each retailer especially in today's busy times.

Main goal of the paper is to formulate recommendations for company XY which can potentially lead to the increase of the number in self-service devices users.

The theoretical part is elaborated on the basis of secondary sources of czech and foreign authors, when in this part of the work were used methods of comparison and analysis. This section is concentrated to a theoretical definition of the concepts of retail and types of retail shops and lastly three selected "modern technologies" used in the retail sector.

The method that was used for the practical part was the quantitative research in the form of a questionnaire survey which was done in December 2017. The questionnaire has been developed and based on the study of theoretical information. Section comprehends questions asked in the questionnaire which were analyzed in detail. Based on the analysis of the results recommendations are described and identified as a potential improvements for retailers.

6.2 Theoretical part

The first chapter deals with the definition of the term retail. Following subchapter briefly characterizes the retail sector in the Czech Republic. In the rest of the theoretical part are described types of retail shops and subsequently the three selected modern technologies, which are used in the czech retailing.

6.2.1 Retail

Cimler et. al. (2007, p. 305) characterizes the function of retailing as a transformation of the production assortment into a sales assortment. The same author further states that main task of retailing is to ensure a supply of goods that corresponds in terms of place, time, kind, quality, quantity and price level to the requirements of end customers. On the other hand, Kotler, Wong (2007, p. 978) offers the definition of retail as an enterprise whose revenue comes primarily from retail sales. Kotler and Keller (2013, p. 487) describe that all activities related to the sale of goods or services directly to the final consumer for private, non-personal use may be included in the retail trade. Furthermore authors argue that retail is an important intermediary between the manufacturer and the end consumer in terms of exchange of information. This assertion is meant by the fact that the retailers in the context of its active marketing passes information to customers through offered range. Also receive feedback from customers on individual products through complaints, warranty claims or hidden feedback derived from the development of sales. The information obtained by the retailer is passed on to the manufacturer which based on the findings can enhance product innovation or other business decisions towards customer satisfaction.

Cimler et. al. (2007, p. 307) describes retail as an internationally active retail enterprise with a highly sophisticated information system that has its own logistics background and distribution system.

6.2.2 Types of retail stores

Mulačová, Mulač, et.al. (2013, p.70) states that retail in a network of stores is a dominant form of organization of operating units in today's globalized economy. Authors further state that this form occupies nearly 90% of all retail sales in economically advanced countries.

Mulačová, Mulač et.al. (2013, p.70) offers a basic division into two groups

- Food retail.
- Non-food retail.

Food retail - According to Hes (2004, p. 23) food retail deals mainly with food trade but usually retailers include fast-food non-food goods in order to satisfy customers demands and needs. The same author further states that cigarettes, tobacco, cleaning and laundry detergents, and personal hygiene products are also included in the food assortment in most countries. Food retail is traditionally the most concentrated, has the largest average store size, and the latest logistics and information systems. Mulačová, Mulač et.al. (2013, p. 70) describe that this category includes stores that offer food, but also a range of daily needs and other complementary goods.

From the typology point of view authors includes business units into same group as following: grocery stores, mixed shops, supermarkets, hypermarkets or self-service department stores.

Non-Food Retail - Mulačová, Mulač et.al. (2013, p. 72) refer that this group includes a wide range of business units of various assortments. Degree of difficulty of individual markets is always influenced by the specific effect of factors for the given business focus. Therefore a proactive approach and the use of progressive marketing tools are necessary. Cimler et. al. (2007, p. 305) states that non-food retail tends to have a specialized assortment. New assortments are constantly being developed and new types of operations are emerging. Most of them are developing in a range of computer technology and mobile phones, showing customers' interest in modern technology.

ÚOHS (2011) uses the **food** category (including food), the category **near food** or **non-food I** (including a close complementary range, eg toiletries, cosmetics or detergents) and the **non-food** category II (including non-food goods such as textiles, household appliances, etc.). For products in the food and near food category, it is also typical that they are bought at short intervals and used to meet the normal household needs. Non-food products are purchased by customers occasionally in longer period of time.

Mulačová, Mulač et.al. (2013, p. 74) also offers a retail segmentation based on where buying and selling takes place.

- **Retailing realized in the network of** stores - (store retail) is one of the main components of retail and clearly prevails. After World War II it represents about 90% of all retail sales in economically developed countries. In addition to the shops themselves, stalls, markets place and markets also belong to this division.
- **Retailing out of the network of shops** - (non-store retail) is implemented through vending machines (particularly popular in Japan because of high cost of labour), mail order or direct sales. In recent years, so-called e-commerce, or e-business, has become increasingly popular.

6.2.3 Retailing technologies used in the Czech Republic

The aim of this subchapter is to introduce the main modern technologies that customers can use in Czech retail outlets. This part focuses mainly on self-service sales and QR codes.

6.2.3.1 Self-service sales

Klánová (2016) notes that the self-service way of purchase was introduced for the first time by the Swiss company Migros Zürich. The customer could serve himself at the till, but he was allowed to pay for it at another cash desk with the assistance of the operator. Only in recent years self-service cash registers and scanning devices has been introduced in Europe which, in addition to marking the purchase items, make it possible to pay directly.

Self-service cash registers – Cimler et.al. (2007, p. 305) sees cash registers as one of the most common modern technologies that customers can find in supermarkets and hypermarkets on the Czech market. Same author also describes that it is a device that allows customers to scan their own product with barcodes themselves and pay without the assistance of a shop employee. In the case of goods that do not contain a barcode (eg. fruit, vegetables, pastries, etc.), a touch screen is available to help you trace and record the goods. Goods are then placed in a bag zone which includes the weight controlling whether the weight of the goods corresponds to the expected weight. According to Miletic (2008), if the customer can successfully scan all the goods, the payment method is followed. Cash register allows for different types of payment - cash, credit cards, vouchers, discount vouchers, club cards, etc. In some cases, however, intervention of the shop operator is necessary. For example if the customer wants to buy alcohol or tobacco products. It is necessary to verify and confirm the age of the purchaser in which the self-service box itself cannot manage.

Retail connection (2015) describes certain benefits of self-service cash registers both to customers and traders. From a customer's point of view, this is in particular a shortening of the waiting time. Self-service cash desks are most often used for smaller purchases and therefore "check-in" is done relatively quickly. Self-service cash registers are also smaller, and six other self-service cash desks can also be installed where two normal cash registers are located, which also speeds up check-in. Undoubtedly, the biggest advantage for a reseller is the cost savings associated with decreasing operating costs - salaries, as there is usually only one employee to serve up to six self-service cash registers.

On the other hand, Retail connection (2015) shows some drawbacks that self-service cash registers carry. Cash registers do not have to be designed for all customers, because for the full and efficient use of self-service cash registers certain user skills are necessary. Customer who does not understand well modern technology can cause problems at the self-service box. This issue was observed by Knapton (2016) which points out that there have been cases where customers have deliberately replaced barcodes for expensive goods with codes of cheap products, and when they were revealed they said they did not even notice it and did not know they did not manipulate the barcode. Additionally study by the University of Leicester's self-service cash registers has found that the lack of contact with staff has prompted tendencies for theft in some other honorable customers. At other times, customers are not deliberately stealing when using cash registers as customers are frustrated and stressed that the goods cannot properly scan and take it anyway.

self-service scanners – Carolina Barcode (2014) describes a self-scanner as an alternative to a self-service cash register. The customer will pick up a wireless reader before entering the store, which he uses to scan barcodes for the goods he wants to purchase in the course of the purchase. Carolina Barcode (2014) further explains that for bar code items such as pastries or fruit barcodes are located near the merchandise (basket with bread, crates with fruit and vegetables). Reader's touchscreen displays a list of purchased items that the customer can return or change freely during the purchase. Purchases are paid by a self-service cashier, where the customer only joins the reader and the cash register downloads the scanned codes itself which will recognize the purchased goods. Tesco (2017) points out that products with safety labels such as alcohol needs to wait at the cash desk to help the operator remove the label.

Horáček (2013) describes the pros and cons of a self-scanner. Undoubtedly, the biggest advantage of this solution is that the customer does not have to re-store the goods on the cashier but can store it directly in the shopping bags which greatly reduce time spent at the payment area. Continuous display of purchased items and the total price also helps customer to check how much he will pay and can easily track his expenses. Scanners are also able to provide customers with additional services such as celiac warnings. Some product contains gluten, displaying nutritional value of products, or inserts their own shopping lists directly into the scanner is great competitive advantage. The service also reduces the staff costs associated with the operation of classic cash registers, but without the full assistance of the operator, it is not as good as possible. Purchases made with readers are randomly controlled.

Horáček (2013) finds inconvenient that some customers may not be pleased if their purchase is randomly checked and may feel humiliated. Another problem is the occasional mismatch with the payment amount shown in the scanner and at the cash desk. This most likely to happen when some types of merchandise are re-priced during the day however the prices in the offline scanner will not change.

QR Code - (Quick response-code). Zikmund (2012) describes the QR Code as a special type of two-dimensional barcode. A QR code can include both numbers (7089 digits) and letters, and even the Japanese characters of the kanji (sign language system used to write Japanese). Matrix structure and coding both vertically and horizontally ensure that the QR code is able to contain much more information than the classic EAN barcode.

Customers can find most of QR codes on a variety of posters, business leaflets, or on shelves or products themselves as described by Čechurová (2016). However, the use of QR codes in the retail store requires certain rules, and the QR code must first offer the customer some added value. Codes also need to be placed in visible and easily accessible places so they can be scanned without problems.

Growing number of smartphones in the hands of customers is described by Pham, Trine (2015) which draw attention to logical development of usage of QR codes. Their use for direct sales practice such as virtual shops becomes increasingly common. Virtual shops are most often found in busy places such as underground stations or bus stops. These places feature posters with pictures of products that can be bought in stores. Posters with merchandise are designed to be as close as possible to real shelves and aisles in stores and virtual shopping to make it as easy as possible for their customers. Each type of merchandise then contains its QR code. When customer wants to buy the item simply scans the QR code of the desired item into a special application on its smartphone. Scanned products are gradually stored in a virtual shopping cart in the application and the customer pays by online payment. When the purchase is complete goods are delivered to customers either on the day of purchase or on the next day.

Cox, Shiffler (2014) point to the **advantage** of not requiring any special equipment equipped with a light beam to retrieve the QR code, but just a simple smart phone. QR codes are most often used to quickly and efficiently transfer information to your phone, tablet, or mobile device. For dealers, this is another way to offer the customer something extra in the form of additional information, discount vouchers or entertainment. The same authors also point to the indisputable saving of customer time. Waiting for a train or bus can be effectively used to purchase, which is then delivered comfortably to home. Virtual shop is also a smart marketing tool that not only serves as a promotional medium but also a sales channel.

Pham, Trine (2015) not only praise QR codes but also some **disadvantages** can be distinguished. In case of virtual shop customers must have a smart phone and Internet access. This may be very limiting for example to older generations who are still not in the use of smartphones or others whose internet connection is not part of the mobile services.

6.3 Practical part

This part of the thesis is dedicated to the actual marketing research itself and its results. At the end of the chapter, based on the results of the questionnaire survey, recommendations are suggested for retailing companies on how to use modern technology efficiently and bring them closer to more customers.

6.3.1 Own marketing research description

The aim of the marketing research, which was carried out by means of a questionnaire survey, was to find out the Czech consumers' awareness of modern retail technologies and their opinion and experience with their use. Another goal was to propose recommendations for retailing companies based on the findings.

Research plan

A questionnaire containing 9 questions and was compiled in December 2017. The questionnaire used closed questions selective (option to tick only one answer) and alternative (option to choose more than one answer). The questionnaire was available for completion from 10 to 25 December. The main channel with the most respondents was Facebook and particularly the VŠEM group. For objectivity and wider coverage of respondents, data collection was also carried out by personal interviewing in Prague and its surroundings. The main reason for personal interviewing was that in online polling it was harder to focus older age groups. The survey was attended by 75 respondents, of which 48 online and 27 were interviewed.

6.3.2 Evaluation of the questionnaire survey

This section covers the individual questions and its evaluation on the basis of answers from the questionnaire survey. Firstly, sociodemographic questions were assessed, followed by questions about specific technologies used in retailing.

Sociodemographic questions

The questionnaire survey was attended by a total of 75 respondents, of which almost 71 % were women and 29 % were men. Most respondents (44 %) were aged 18-30. The second most relevant age group was women and men aged 31-40, 22 (29 %). 11 people (15 %) aged between 41-50 years and the smallest group of respondents were 51-60 years of age, attended by 9 (12 %).

Questions regarding general information about modern technologies

1. **What do you think are "modern technologies" in shopping?**

This question find out what the respondents understand with "modern technology" in the retail sector and there was the possibility of choosing more than one answer. For 64 respondents (85 %), they are scanners. QR codes are consider by 57 respondents (76 %) as "modern technology". In addition, 47 respondents (63 %) checked out self-service cash registers. A lower percentage for this category can be attributed to the fact that self-service cash registers are already considered a standard part of retail equipment and for respondents it did not meet a "modern technology" standard. Only one person denoted the "other" option.

2. **What is your view of "modern technology" in the store?**

This question determined how the respondents had an opinion on modern technologies in retail. Also it was possible to select more than one answer. The positive perception of "modern technologies" suggests that 62 respondents (83 %) think that these technologies save the customer time, 52 inquiring (69 %) said that "modern technology" is increasing the level of store, and 27 respondents (36 %) they like to use these technologies when buying, but cannot handle them. None of the respondents have skipped the possibility that these elements prevent or have no confidence in the purchase. The answers to this question therefore revealed that most of the respondents to the modern technologies in the retail trade have a positive relationship and their presence is considered to be beneficial.

3. **Do you think that "modern technology" is now a necessary part of retail sales?**

The third question was to find out whether respondents nowadays consider modern technology as an essential part of retail outlets. Most respondents 56 (75 %) checked the "yes" option. On the other hand, 9 of the respondents (12 %) do not consider these technologies to be a necessary part of retail sales and 10 respondents (13 %) have indicated that they do not know "do not know".

4. **Do you use a self-service cash register when purchasing?**

The aim of the fourth question was to find out if respondents use self-service cash registers in their shops and, if so, whether they are regularly (during each purchase) or just occasionally (sometimes they use a self-service cash register, sometimes a classical cash register). The self-service cash register regularly uses 32 of the respondents (43 %) and 27 (36 %) occasionally. Only 16 respondents from 75 (21 %) does not use it at all, most of them comes from age group 40+.

5. **Do you use self-service scanners to buy?**

The fifth question was used to find out if respondents use self-service scanners in shops and, if so, whether they are on a regular basis (during each purchase) or just occasionally (sometimes they use the service, sometimes not). Regular users of self-service scanners were 7 people (9 %) of the surveyed sample, 12 respondents (16 %) use this technology irregularly, and most of them, 56 respondents (75 %) does not use self-service scanners at all.

6. **Do you use QR codes to pay or display product information?**

The objective of the sixth question was to find out whether respondents are making use of payment options through QR codes or whether they use them as a source of product information. QR codes are not used by 69 respondents (92 %) – this is overwhelming majority. Only 2 people (3 %) of respondents use them regularly and 4 (5 %) use this type of service irregularly.

7. **Would you like to know more about "modern technologies" in the store? For example how to use them when shopping?**

This question was designated to find out if people are interested in learning more about these technologies and learning how to use them. 51 respondents (68 %) were interested in such an activity, 7 respondents (9 %) did not showed interest, and 17 people (23 %) answered that they did not care. This question has revealed that people generally have a "modern technology" interest, but they are often only unable to use them.

6.3.3 Proposal to improve the use of retailing technologies

This section focuses on suggestions for company XY to improve the use of modern technology in their stores and bring them closer to more customers. Proposals are based on the results of the questionnaire survey.

Based on the results of the questionnaire survey, it can be concluded that customers generally have a good overview of "modern technologies" in the retail sector. The most commonly used technology is self-service cash registers. Certain self-service scanning scanners and QR codes are also known, but since these two elements are by no means used as self-service cash registers, customers need to be more informed about their functionality and understand its practicality.

In overall, research shows that respondents lack information about some of the modern technology. Although they are interested in trying it they do not try it. Customers are afraid to use new technologies and insecurity about how to use and handle the device properly is another limiting factor to them. Even in the case of the most used technology, self-service cash registers there is a group of people who prefer to queue at the front desk with the attendants rather than save time and use the cash desk self-service. In terms of self-service scanning scanners, there are roughly a quarter of active users of all respondents, while in the case of QR codes, it is only 8% of respondents. Such low figures can be attributed to incomplete knowledge of technologies.

Therefore proposed recommendation is that company XY should begin to provide customers with more information on what modern technology they offer in their outlets, and further mention the benefits of using them. Customers can be informed through promotional materials such as posters describing modern technology and listing their benefits. These posters could be placed at the entrance to the store and also on the technologies themselves. Another option is to organize promotions and hire promoters or hostesses who would hand out technology leaflets and help customers with their use and show them that they do not have to worry about anything. The overall promotion in the store could be supported by radio spots, which would again provide more information and highlight the benefits of individual technologies. Such promotion may be costly for companies, but on the other hand, if customers learn to use modern technology, new sales potential is revealed for company XY. With modern technology, they can get more information about customers and their purchasing behavior and adjust their offer. These data can be turned to very useful information because customer behavior in the store is one of the most valuable thing in the market so far thus should even increase profits. Furthermore, these measures could lead to the transfer of payments to self-service facilities for example the cancellation of the classical cash registers, which means considerable savings for the staff.

Proposal to increase customer motivation using self-service technologies

Increase the motivation of customers to regularly use self-service cash registers or self-service scanners could be a bonus loyalty program. If a customer uses a self-service cash register or scanning pistol, he would get a discount for the next purchase. Although such a bonus is logically reflected in the cost, but in the long run, advantages over the wage costs of operating the classical cash register and acceleration of check-in are outweighed.

It would also be worthwhile to consider whether self-service cash systems would not even recommend larger purchases, which could mean a complete switch to self-service cashiers in the future. Many customers believe that self-service cashiers can only be used for small purchases, and they don’t even realized they can also use them for larger purchases.

6.4 Conclusion

The aim of this study was to formulate recommendations for company XY which can potentially lead to the increase of the number in self-service devices users. In addition, using the questionnaire survey to find out awareness about "modern technologies" among customers in Czech retail stores. Data obtained served as the main source of information for proposing recommendations for company XY.

Theoretical part of this paper first deals with the definition of the concepts of retail and types of retail shops. Subsequently with three selected "modern technologies" used in the retail sector, all from the point of view of czech and foreign authors. These three technologies are self-service cash registers, self-service scanners and QR codes. All three of the above-described technologies are used in retailers in the Czech market. Theoretical part describes their functionality, advantages and drawbacks.

Practical part deals with marketing research carried out by means of a questionnaire survey. The questionnaire consisted of nine questions and its aim was to identify the czech customers awareness of the three selected technologies. Namely whether they use them and whether they have enough information about their functionality. Questionnaire was attended by 75 respondents. Collection of responses took place online but also through personal interviewing because of the impact of older categories as well. Research shows that the czech customer has a good overview of "modern technologies" in retail and 75 % of respondents consider it an integral part of today's retail. Self-service cash registers regularly or occasionally use 79 % of respondents. By contrast, self-service scanners only 25 % and QR codes by just 8 % of customers. A total of 36 % of respondents would like to use these technologies regularly but don’t know how to use them. More information on "modern technologies" would be welcomed by 68 % of respondents.

In conclusion - it is possible to say that czech customers are interested in "modern technology" in retail, but some do not know exactly how to use them. But if they know how to control the technology, they like to use it, as in the case of self-service cash registers. If they can work properly with the technology, they consider their using for time-saving.

The main recommendation for company XY is to devote more publicity and to provide their customers with more information on how to use technology in their stores and the benefits of using them. Customers have the overall impression that these technologies increase the level of business and therefore make sense to spend both financial and personnel resources on their promotion. It would also make sense to motivate customers to use "modern technologies" by using a bonus loyalty system for using, for example, a self-service scanners. The costs associated with the loyalty system would return in the long run in more detailed customer information and saved wage costs. The last point of the recommendation is to begin recommending self-service cash registers even for large purchases, which could result in a complete switch to a self-service shopping system.

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Attachment – questionnaire

Dobrý den,
prosím věnujte 2 minuty vyplnění tohoto dotazníku. Dotazník je zcela anonymní a jeho výsledky budou sloužit pouze pro akademické účely.
Děkuji za Váš čas a spolupráci.
Martin Pitrman

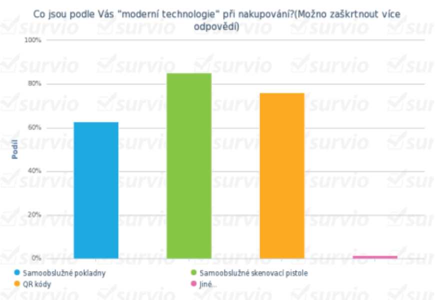
1. Co jsou podle Vás "moderní technologie" při nakupování? (Možnost zaškrtnout více odpovědí)
    - Samoobslužné pokladny
    - Samoobslužné skenovací pistole
    - QR kódy
    - Jiné…
2. Jaký je Váš názor na "moderní technologie" v obchodě? (Možnost zaškrtnout více odpovědí)
    - Šetří čas zákazníkům
    - Zvyšují úroveň obchodu
    - Tyto technologie mi v obchodě vadí a překáží
    - Nemám důvěru v moderní technologie
    - Rád bych je používal/a, ale neumím to
    - Jiné…
3. Myslíte si, že jsou "moderní technologie" v dnešní době již nezbytnou součástí maloobchodního prodeje?
    - Ano
    - Ne
    - Nevím
4. Využíváte při nákupu samoobslužné pokladny?
    - Ano, pravidelně (během každého nebo téměř každého nákupu)
    - Ano, občasně (někdy službu využiji, jindy ne)
    - Ne

5. Využíváte při nákupu samoobslužné skenovací pistole?
    - Ano, pravidelně (během každého nebo téměř každého nákupu)
    - Ano, občasně (někdy službu využiji, jindy ne)
    - Ne
6. Používáte QR kódy k placení nebo k získání informací o produktu?
    - Ano, pravidelně (během každého nebo téměř každého nákupu)
    - Ano, občasně (někdy službu využiji, jindy ne)
    - Ne
7. Uvítal/a byste vice informací o “moderních technologiích” v obchodě? Např. jak je využívat při nákupu?
    - Ano
    - Ne
    - Nevím, je mi to jedno
8. Jaké je Váše pohlaví?
    - Žena
    - Muž
9. Jaký je Váš věk?

Méně než 18 let
- 18-30 let
- 31-40 let
- 41-50 let
- 51-60 let
- 60 let a více

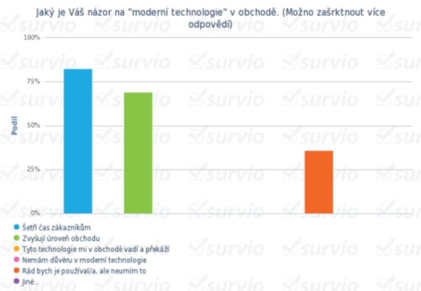
Attachment – graphs

Picture 1 Respondent’s awareness about modern technologies.



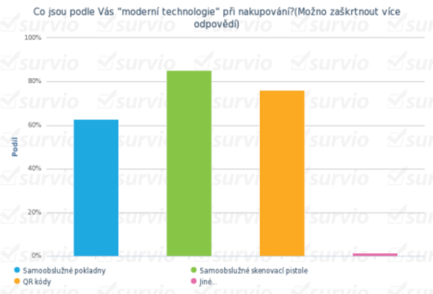
Source: Own survey

Picture 2 Respondent’s opinion on modern technology in retail.



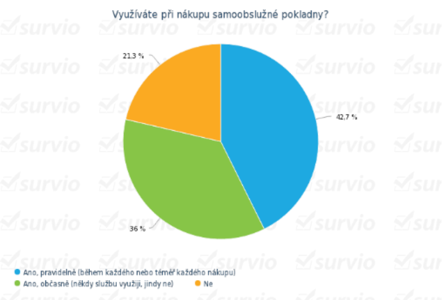
Source: Own survey

Picture 3 Perception of modern technologies by respondents.



Source: Own survey

Picture 4 Rate of use of self-service cash registers.

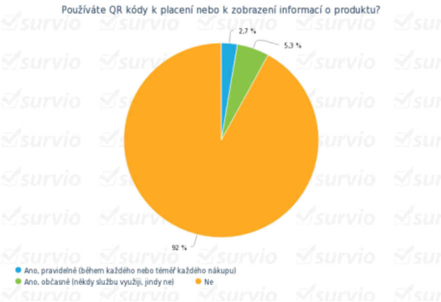


Source: Own survey

Picture 5 Rate of use of self-service scanners.

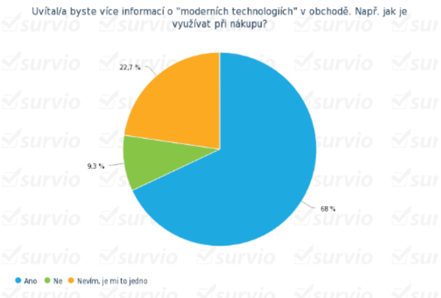
Source: Own survey

Picture 6 Rate of use of QR codes.



Source: Own survey

Picture 7 Opinion on the level of awareness.

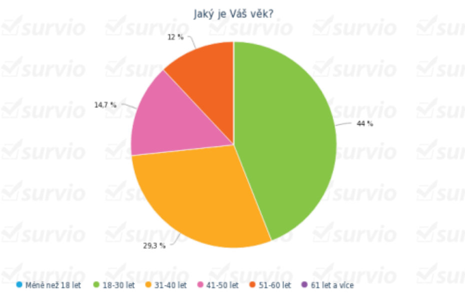


Source: Own survey

Picture 8 Gender of respondents.

Source: Own survey

Picture 9 Age of respondents.



Source: Own survey

7. Klára Šebková: Possibility of using the Facebook as a marketing tool for company Primát.cz, s. r. o.

SUMMARY
Main objective: Proposal of communication means on the Facebook within marketing communication of company Primát.cz, s.r.o. for the first half of the year 2018.
Research methods: The primary source of theoretical part of this thesis is literature research – offline and online. Books are used from the National Library in Prague and Proquest.com as well as professional articles on the internet. The practical part is based on description of the company, analysis of current situation by analytic tools as Audience Insights and Business Manager. The information from theoretical part and analysis are considered and at the and is formulating the proposal of communication means.
Result of research: On the founded data is propose a communication means for Facebook marketing of this company, where are shown good and bad way of it. There is propose of what company should do to improve their achievement of goals.
Conclusions and recommendation: Regarding to detected information, author shows the importance of presentation of company on the Facebook in these days. Mainly it is talked about pages and advertising, which belong to basic usage of the Facebook for marketing. According to set goals are proposed communication means on Facebook for chosen company. Thesis shows that is the most important to publish company's own content and more visual content, in the right time, usage of the right target ads focusing on its own information from customers and make a good relationship with them through communication. At the end it is good to say that every company is different – access to Facebook marketing has to be different.

KEYWORDS
Facebook, social networks, marketing, advertising, marketing strategy, Facebook ads

JEL CLASSIFICATION
M31 Marketing M37 Advertising

7.1 Introduction

Nowadays the Facebook is the most using social network in the world. Almost every second human has account on the Facebook in the Czech Republic. It is very big opportunity for today's marketers.

The goal of this seminar paper is proposal of communication means on the Facebook within marketing communication of company Primát.cz, s.r.o. for the first half of the year 2018.

Company, which has not Page on Facebook is for many people invisible. That shows the importance of being presented on this social network.

In the first part of this seminar paper – theoretical part, the basic facts and information about Facebook are determined. In this capture, Author defines what is the Facebook, how it was founded. Further there are data why is important to include Facebook to the company's marketing strategy and at the end of this capture, what are the opportunities companies and marketers on Facebook.

The practical part is focused on analysing of current situation of the company's marketing activities on Facebook. Based on these data is proposed a communication means on the Facebook.

7.2 Theoretical-methodological part

This part of the thesis is focused on define and explanation of some basic terms and topics connected with the goal of thesis. Author characterizes theoretical background for understanding processes and conclusions in the following part - practical part. First of all, the thesis explains what is Facebook and why it is good to choose it as one of marketing tools. Further, there are shown basic options of Facebook marketing. At the end of this part is included methodology, which shows how this thesis was done and which sources were used.

7.2.1 What is Facebook

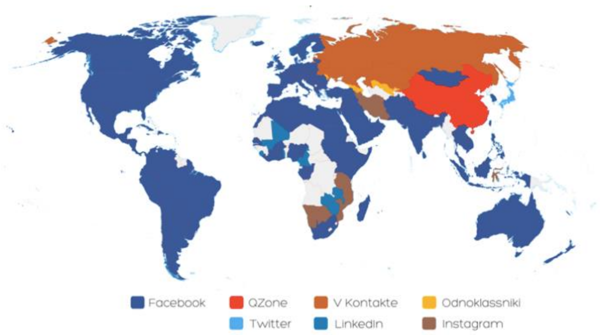
As Weintraub (2011, p. 3) states Facebook is one of social media and was founded by a group of four regular Harvard students in February 2004 (Then known as "The Facebook"). Headed by Mark Zuckerberg (computer science student and hacker), current CEO of Facebook.

According to Treadway, Smith (2012, p. 35) this social network started as a college network, which should have connected Harvard students with similar interests. Facebook very soon overcame this original idea and spread up throughout the United States. After students finished their degree, they brought Facebook to their professional world and it started to be global social network.

7.2.2 Why choose Facebook as a marketing tool

Cosenza (2017) states, that in these days Facebook is global the most popular social network. Picture 1 bellow shows the leading social networks in each country.

Picture 1 World map of social networks



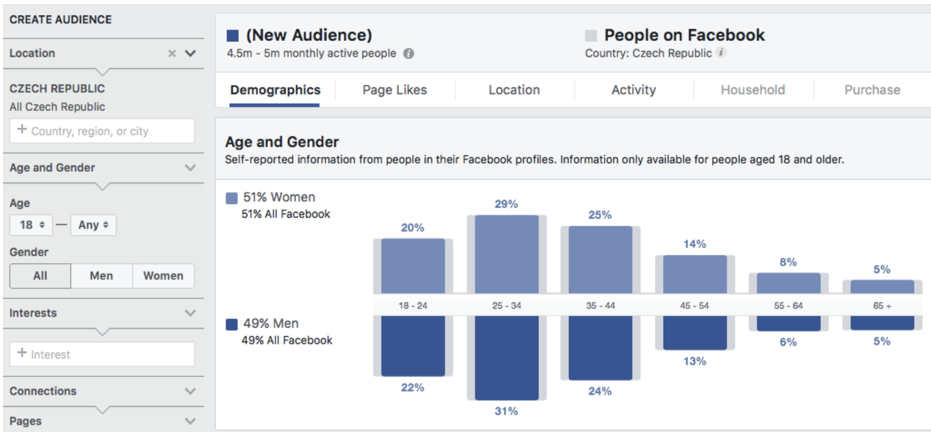
Source: Consenza (2017)

As the picture 1 shows, Facebook is leading in 119 out of 149 countries, which were analysed by Cosenza (2017). Author also adds that in some countries won other social networks, like for example in Russia, where is leading social network "VKontakte[1]".

As Facebook audience insights (2017) show specifically, in the Czech Republic there are more than 4.5 million active people per month. Thereof as Hušková (2017) mentioned over 3.7 million people are active every day.

Picture 2 shows us number of active people and also demographic composition of users on Facebook.

Picture 2 Facebook audience in the Czech Republic



Source: Facebook audience insights, 2017

[1] VKontakte is the most popular social network in Russia. I tis Russian form of Facebook, founded in 2006. (Čigrinová, 2017)

As we can see on the picture 2 on Facebook it is almost half of residents[2] of the Czech Republic, mostly aged 25 to 44 years, which means there are people suitable for e-commerce advertising.

Weintraub (2011, p. 20) mentioned that except a large audience Facebook has one big advantage – advertising can cost 10-50 % less that Google's Display Network.

7.2.3 Options of Facebook marketing

According to Treadway, Smith (2012, p. 63) Facebook has a several options of marketing. Between two main forms belong pages and advertising (ads) – this thesis works only with these two forms.

1) Pages

Treadaway, Smith (2012, p. 63) define pages as effective "basic presence". According to Bednář (2011, p. 37) there is the reason why to create page: possibility to present itself, to share news from company or to offer product or service. Facebook Help Centre (2017) presents pages as a tool through which companies can be more visible.

As Treadway, Smith (2011, p. 60) says everything, what is shared on page ("posts") is automatically shown in "News Feed" (It is first thing, what user see after sign in.). There are all updates from friends, but mainly new posts from fan pages (therefor company pages), which users follows. Penetration into the News Feed is the most important part of introducing company on Facebook.

Facebook Help Centre (2017) mentions that it does not mean, that everything, what company shares on its page, will be seen by everyone, who likes [3] the page. Montells (2017) states visibility of the posts in user's News Feed depends on Edgerank of the post. Users who see the post are called reached people.

Forasmuch as Edgerank is very important for each company, but it is quite difficult to understand it. Whole explanation is in the Attachment 1.

Al-Greene (2013) states 6 basic points how to improve page Edgerank:

1. **Text** – Short text between 100 and 250 characters has more interactions. Post longer than 250 characters get 40 % less likes comments, and shares than the shorter.
2. **Be Visual** – Posting photos or videos can get up to 180 % more engagement.
3. **Questions** – If company ask questions, or "fill in the blanks" get 90 % more interactions than average post.
4. **Daily posting** – Only 4 % of page's fans are coming back. By frequently publishing company reach them.
5. **Relevant, but not irritating** – The best results company get if the post is not directly about the brand, but related to brand. For example, for cosmetics company it should be make-up tricks.
6. **Time** – Finding the right time for posting is key for achieve improvement of engagement.

[2] On 1st January, 2017 the Czech Republic had approximately 10.5 million residents.

[3] [3] It is a way, how user show that want to see post from company and is interested in this brand. (Facebook Help Centre, 2017)

As Cooper (2016) says, Edgerank is nonpublic information. Nowhere is detectable for company. But what company could measure is Engagement rate. Higher engagement increases affinity score for Edgerank. For purpose of this thesis is definition of this metric states in Attachment 2.

Williams (2017) and Leander (2017) agree that engagement rate above 1 % is good. Leander (2017) adds the engagement rate form 0,5 % to 0,99 % is average and below 0,5 % means company need to adapt their communication to expectations of fans.

One big question about Facebook fan pages is how often company should publish new posts. In general, there is no right answer, because each company is different and each author has a different opinion. As was mentioned Al-Greene (2013) advises daily posting, relatively the same point of view has Zemanová (2017), who states that optimal amount of posts per week is 2 – 5. On the other hand, there is Markovská, who advise one post per 2 – 4 days, which means maximum of 3 posts per week.

Time of posting is also very questionable theme for companies. Each company is different and there is no exact time, anyway. Company just uses public research as a default point where to start testing. Richterová (2017) says that the best time for publishing is on Saturday and Sunday from 12:00 to 13:00, after that on Thursday and Friday from 13:00 to 16:00 and on Wednesday in 15:00. Further author states the posts published on the weekend has above 32 % higher interaction.

Big part of social networks and pages on Facebook is communication with users (customers). Especially on social media is very important to do it in right way. Not only because company can lose one specific user, but information on social media (positive or negative) are shared very quickly. Sproutsocial (2017) states, the social medias are the second way how users (47 % of more than questioned users) make complains about company. It is clear, if company makes some mistakes it leads with a high probability to be shown on its page. That does not mean the end of world, but company has to react to this correctly. The company has three options what to do – ignore reaction, make a poor answer, or answer well. Nobody knows well answer before, but company should do its maximum for it.

In Sproutsocial (2017) search is visible what happens in each type of response. When company ignores consumer's complaints, the most probably consumer contacts company by other channel (phone, e-mail) or boycotts brand at all. And also user shares this negative experience with its friends. In case that company answers with very poor answer. The most of users unfortunately boycott brand and share it with their friends. It is very bad that only 26 % of them give the second change to company. When company does its best and answers well. About half of consumers share their positive experience in solving complains with company. And what is really good, almost 40 % of them stay our customers.

It is showing the way of response is very important. But is not the only important pointer of communication with costumers on social networks. The other one is time of response. Zemanová (2017) states that 84 % of costumers expect answer within 24 hours.

2) Advertising

According to Treadaway, Smith (2012, p. 63-65) advertising is primary way how to create demand for product, when company decides to be presented on social media.

Authors also mention that FB ads are a challenge in that Facebook requires more communication than advertising. And also because audience is not primarily interested in clicking on ads. Nevertheless, users (companies) could create their unique designed ads for low prices.

Weintraub (2011, p. 10) mentions that users can not block FB ads. And that the main advantage of FB ads is amount of information, which Facebook has about their users. This information company could use for targeting ads.

Advertising on FB is according to Treadaway, Smith (2011, p. 140) useful especially in these following cases:

- increasing visibility of the company of Facebook and fan base;
- testing effectivity of changes of content on FB page. Company can track efficiency of new content at conversions;
- using the FB audiences to promote an external site or campaign.

Targeting:

Shih (2010, p. 96) indicates targeting on FB as "Hypertargeting". According to author it is ability to target ads regarding to very specific criteria, which is important in performance marketing on FB. Hypertargeting can create unique advertising campaigns – each version of ads can be make bespoke to a potential customer. This type of ad generates more clicks and also higher return on advertising costs.

Advertiser Help Centre (2017) divides audiences into core targeting, custom audiences (from costumer list, website, mobile app, engagement users) and lookalike audiences.

Core targeting regarding to Advertiser Help Centre (2017) includes targeting on location, age, gender, language, detailed targeting (advertiser can include or exclude user based on demographic information, interests or behaviour), connections (advertiser can include or exclude user based on connection to fan page).

Custom audiences conforming to Srostlíková (2017) are created audiences by advertiser based on customer e-mail addresses, phone numbers or even ID of FB profile. Also includes visitors of websites, users, who interact with application or some action with content of FB page.

Lookalike audiences Advertiser Help Centre (2017) defines as a way, how to reach new potential costumers. It is based on similarity to the best current costumers, there is an assumption they interact with ads. Srostlíková (2017) states, that there is scale of similarity of audience to costumers – 1 – 10 %, 1 % means the most similar to our target group (it is the most used strategy).

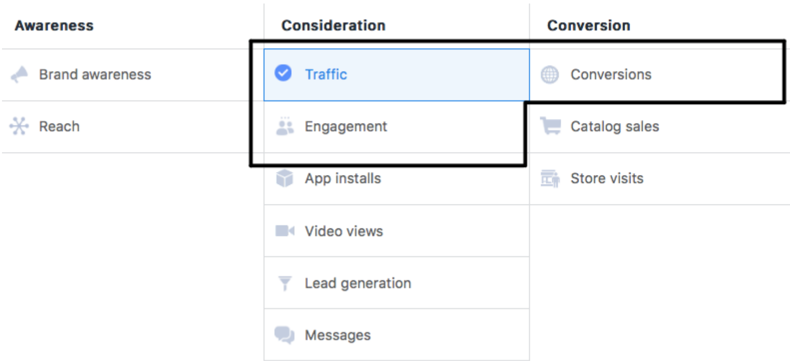
Remarketing

Parks (2016) defines remarketing as a one of the most effective way how to reach a potential customer and be conversional. The add is addressing to users who expressed interest in company's product. Between 2 basic forms of remarketing belong – discount or free shipping. Regarding to Karlson (2017) these ads are cheaper (in case of cost per acquisition) than regular campaign. It can be spoken about special type of custom audiences – audience is captured by FB pixel – According to Advertiser Help Centre (2017) it is part of code for website, which measures and builds audiences for advertising.

Type of ads

According to Business Facebook (2017) FB ads can be divided into many types (regarding to goals, placement, format, …), as it is shown on picture 3. For the propose of this thesis is chosen dividing by goals.

Picture 3 FB ads goals



Source: Business Facebook: Business manager (2017)

The picture 3 shows three basic goals of ads – awareness, consideration, conversion. Each of this type has other subdivided for exact target selection. Author of this thesis focuses on three highlighted goals. Details of these goals are stated in the Attachment 4.

According to MarketingPPC campaign with traffic goal is excellent for increasing website traffic, when company needs to get known between users. These ads could be really cheap, about 1 CZK per click.

Engagement goal helps increasing activity on the post and get more organic fans, as Cartwright (2017) states.

These previous goals lead users to website, but the conversion goal encourages users to make a conversion, which is for companies the principal of business, as McLead (2017) said.

7.2.4 Methodology

This seminar work is based on literature research of worldwide literature and online sources. The sources were drawn from the National Library in Prague, online mediums as Proquest.com and Books.google.com and keywords searching on Google.com.

In theoretical part author examines basic facts and knowledge about marketing on Facebook based on mentioned sources research and individual authors comparison.

Practical part is based on description, analysis and comparation of detected theoretical knowledge with current situation of marketing communication in chosen company. Based on these information and recommendations found out in theoretical part, is fulfilled main goal of this thesis, which is proposal formulation of communication means on social network Facebook for Primát.cz, s. r. o. for first half of 2018.

Company was chosen regarding to non existing communication strategy for Facebook, even if company is on the market several years.

First of all is described company based on information on their websites and from websites Proudly.cz, where Primát.cz, s. r. o. has its own profile.

After that analysis of current situation was done. There were chosen only relevant information, which helps with formulation of communication proposal. The analysis is made of information, which are provided by Facebook analytics tool – Audience Insights. In this tool are stated demographic and other information (as for example user interests) about fans of page.

Based on qualitative research in this tool were defined target group and aims, which should be achieved by resulting proposal.

Further was used Business Manager, which is also Facebook tool for managing page and ads. In this tool the posts were analysed, based on their amount, type and fan's interactions.

In Business Manager were also detected details about advertisements. Author was mainly focus on their targeting and set goals. Also the price was detectable in this tool.

The proposal itself begins with set the aims, which company want to achieve. After that author based on information from theoretical part and analysis of current situation evaluates fields of communication, which has to be improved regarding to company aims and at the end is formulated proposal of communication means and recommendations for achieve the aims.

7.3 Practical part

The practical part of this thesis is focused on company Primat.cz, s.r.o. and its marketing activities on social network Facebook. First of all, there are some information about the company and its project - portal Primát.cz. After that the thesis is focused on analysis of current situation of Facebook marketing. At the end the author of this thesis determinates proposal and recommendations for improvement and achievement of set goals.

7.3.1 About the company

According to Proudly (2017) Primat.cz s.r.o. operates the portal Primát.cz, which is community server especially for university students (marginally for high school students). At the portal student can find information about schools, evaluation of each lecture, lecturers and help from schoolmates or students from other college in the Czech Republic.

Primat.cz (2017) claims in itself that it is a tool for improving education.

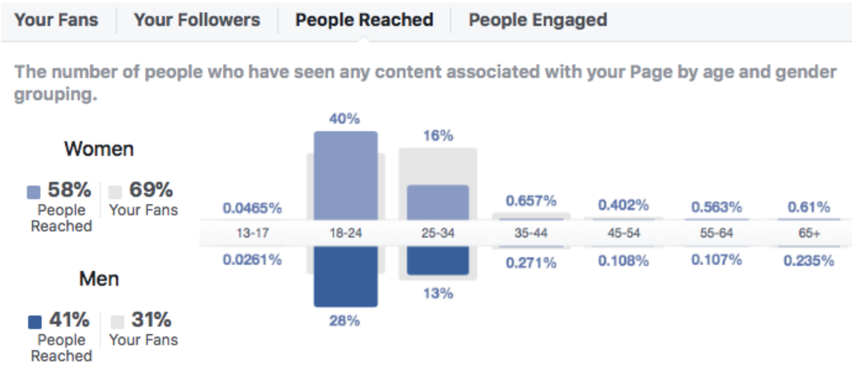
This portal has its own currency – "Bananas". Regarding to Primat.cz (2017) it is intended for active users, as a reward for their merit on the way how the website operates. Or in needed users can buy bananas. They can change the bananas for information on portal or for gifts from website's partners.

7.3.2 Analysis of current situation

In these days, according to Business Facebook: Insights (2017), Primát.cz has their own fan page, called Primát.cz, where is nowadays (to December 31st, 2017) 34 666 fans. Regarding to MŠMT (2017) there were 311 367 university students in the Czech Republic in the academic year 2016/2017. That means, there is huge potential for increasing the number of fans. The page is primarily intended for sharing updates from the website, news and interesting information from colleges and student life. In 2017 Primat.cz published 83 posts, which is approximately 1,5 post per week. These posts are published without any regularity at the time of the day or date of publication. There is mostly shared information published on the other websites (mostly news ones) related to education. Further portal uses Facebook advertising, primarily for acquiring newcomers.

This service is primarily for university students, so it should match the fans of the page. Picture 4 below shows basic demographics details about fans of this page.

Picture 4 Fans of page Primát.cz

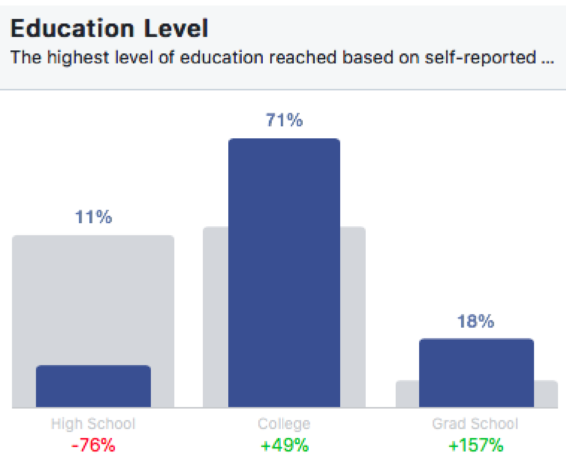


Source: Business Facebook: Insights, 2017

As the picture 4 shows, between fans of Primát.cz is dominance of women between 18-24 years, followed by men in the same aged category and third place belongs to women and men 25-34 years old. Between two main target groups belong women 18-24 years old and second one is men between 18-24 years.

Furthermore, these statistics provided directly by Facebook, show level of education of fans (shown by picture 5). Based on this data is suitable to think about strategy and company presentation on Facebook.

Picture 5 Education of fans of page Primát.cz



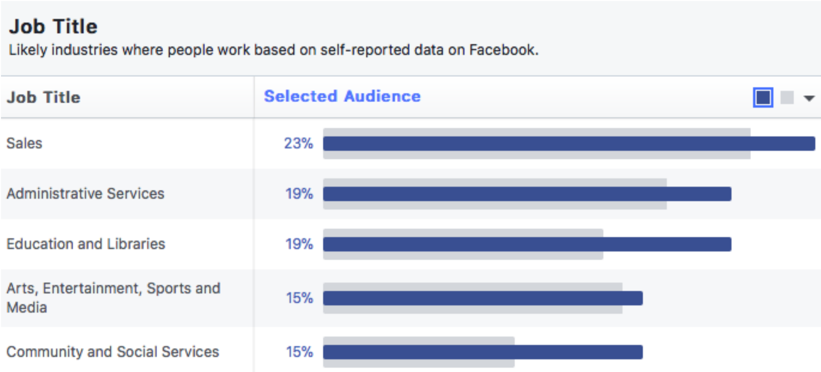
Source: Business Facebook: Insights, 2017

From picture 5 is clear, that the most frequented level of education is university education – university students or absolvents.

Based on these data is visible that target group really use this portal.

Interesting indicator is the job title, which fans is provided the most by users. Picture 6 below shows the most common job titles.

Picture 6 Job Title of fans of Primát.cz

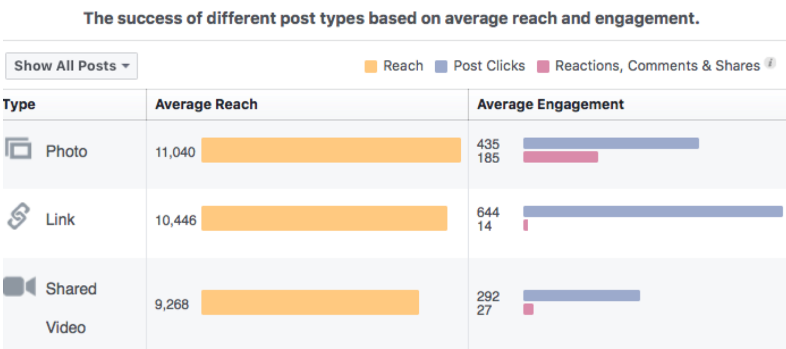


Source: Business Facebook: Insights, 2017

As it seen on picture 6, the most favorite Primát.cz fans job title are in sales, administrative services, education and libraries, art, entertainment, sports and media and community and social services. The company could adapt their communication to these topics.

As picture 7 shows there are shared largely links, after that photos and videos on the page. The most shared links – specifically 60 links in 2017, which is 72,3 % of all posts. Further, there were 15 photos – 18 % and 8 videos – 9,7 %. Each type of the posts has a different reach and engagement rank across the fans. Average engagement rank of all posts was 0,75 % in 2017, which as was mentioned in theoretical part is average number and there is possibility for improvement.

Picture 7 Success of different type of posts



Source: Business Facebook: Insights, 2017

On picture 7 is clearly visible, that the most successful type of posts are links. The link has the highest engagement rank (based on clicks on post), but for improving Edgerank is much more important reactions as likes, comments and shares. In this case "photo posts" are better. Also visual post has higher edge weight, which helps company to improve Edgerank. As was states in theoretical part, visual (photo, video) posts are the most successful and achieving higher engagement and.

Examples of the posts with the highest and lowest engagement rank are shown in the Attachment 3.

These examples shows that content of post by itself can overcome weight of post type. All examples are links, but 2 of them has engagement about 8 – 10 % and the other 2 do not even have 0,4 %. Also there is visible that content of successful posts is similar also as the bad one. The better posts are about actual theme common for all university students and little bit of controversial as well. The bad posts are focused on small specific group of student (for example student interesting in studying law in the USA).

As was mentioned communication with costumers is big part of Facebook marketing. Currently, Primát.cz regarding to Facebook (2017) response to 83 % of questions, average in 6 hours.

Regarding to Facebook advertising, Primát.cz has started to use them in, 2017. Currently investment to FB advertising accounts is 25 % of whole budget for online marketing, which stresses importance of improvement marketing activities on this social media. Mainly it is used for acquisition of new users of the website. Primarily there is worked with core targeting, which is based on demographics details.

According to Facebook pixel helper (it is official tool for identification and validation of FB pixel on websites for catching of audience) on the websites is placed the basic version of FB pixel, which is suitable for creating custom audiences based on this information. It means, each user who visit Primát.cz website is captured by this tool and after that company can do a target advertising to these users. Abundantly this is pixel used for remarketing. Currently, Primát.cz does not use these functionalities.

Nowadays the portal works with two types of advertising on Facebook – generally targeting (all college students in the Czech Republic) and second one is targeting on students of specific schools. Both of these advertisings are set up for bringing in more registered users. These advertisings are based on traffic goals.

The price for one new registration is now from 50 to 170 CZK depends on the type of advertising. The cheapest one is currently the generally targeting campaign.

Currently the portal has 3 000 new registrations per month on average from all marketing sources.

7.3.3 Proposal of communication means as a part of online marketing of the company

Previous steps defined two main target groups. Moreover, it is important to set main goals of whole proposal, which should be reached by it. This proposal is made for first half of the 2018.

The most important goals for the portal are:

- to increase the number of relevant fans of fan page by 20 %;
- to increase the engagement rank to 1 %;
- to increase new registered users of website to 1.5 times the average of the month;
- to decrease the FB advertising price in case of new registration to maximum 50 CZK each.

Based on this goals and detected information it is suitable to modify and take these following steps.

Fan page

As was mentioned in the previous subchapter, posts are published in irregular intervals, on average once or two times per a week. To achieve the first two goals – increase the number of fans and get more engagement with content from fans is suitable to raise this interval minimum at 2 posts per a week regularly and to remind company to users periodically. As was found in theoretical part there is no exact number of posts per week. Most authors, as was found in theoretical part, talk about one post every other day to keep company visibility. Users see in News Feed many updates from other pages of company and ads. If the company does not publish content regularly users can easy forget about the company. Also by regular intervals of posting, company can create habit for users. It means, the users expect the content on specific time and can look forward to it in advance and it causes increase of engagement. Regular posts are not only for making greater reach of post or increase engagement, but they are also very good for brand building, which is welcoming side effect of fan page on Facebook.

Regarding to increasing Edgerank, in the theoretical part author defines basic steps for improvement of it. Company should focus on more visual content. Not only link sharing, but making (sharing) photos/ videos, which have more edge weight then link. And also asking relevant questions, which causes more interactions and after that higher engagement rank.

There is big question about posting time. As was found in theoretical part, there is no the same default time for all companies. Because currently company does not have any time scheduled for posting. It is good to focus on generally recommendation time as a weekend, or hours 9 a.m., 1 p.m. and 5 p. m on working days, as Richterová (2017) recommends.

Finding the right time of posting increase interactions and after that also engagement rank.

If posts with the right message are delivered to the relevant target group, users can share content of the company fan page to their private profile and thanks that, their friends get to know about the company and the fan page can get more fans. It also can increase customers (registered users).

The more it happens, the more fans favor the brand gets. It creates so called "core of the fans", who recommend the company and product (service) by themselves, irrespective of any regards or expectations of profits.

Sure, it is good to make some reward program to increase this effect to the maximum. In this case the author suggests to create "recommending link". This link is works on provisions of reward to owner of this link. Each user has their own. If some user (who never used the portal) makes a registration on the portal through the link, the owner of the specific link receives reward – bananas. This link can be used by unlimited newcomers, so the owner can get unlimited rewards (after compliance with specified conditions). Currently Primát.cz has not this type of reward for users.

Based on data the information from other websites are the most frequented type of shared posts – on Primát.cz page user sees some snippet of the whole information and the rest he will find on the other websites, not belonging to Primát.cz. Fan page Primát.cz makes promotion for many other projects. Also there is possibility that information seen on other site are enough arresting to overturn our post as not interesting.

It is suitable to focus on original and own content. Thanks that users do not change our page and web for other sites. If content of post leads users to company website, there is more probability users become our costumer. Creating own content can be done by modern and young people favorite way – blogs. It provides to company an opportunity in writing their own themes which are searched by their target groups the most and intern's themes as well. Primát.cz focuses themes on study, student life, but also information directly from the company – story about company formation, interesting and funny accidents from their work environment, to show how and where they work. Intern's themes are based on real story and jokes and shows company philosophies. If user can find himself in that, he can become part of core of the fans and promote the brand.

Based on Lörincz's (2014) case studies is obviously, that the good source of fans and engagement are competitions on page done by company. It is suitable to make them on regularly basis – once per month. For the competition company could use their own sources or use their partners for rewards (in case of using partners it is conveniently for both sides). The Competitions could be about knowledge (quiz), fun (find 5 differences) or content (users have to make a picture or video on a given topic). The big advantage of content competition is that company could use these contributions for other activity on page – again produce its own content.

Also previously were find out type of posts with the higher engagement rank. From the analysis is obviously that fans of this page are interesting in currently solved, little bit controversial themes. Company should focus on these themes, for increasing interest and interaction of fans.

Due to communication is very important to focus on answer on all questions during minimum time to satisfy the users. Otherwise, as it shown in theoretical part it has bad impact on company and its business. Company can make answering easier by using chatbots[4].

Advertising

For achieving last two goals - acquiring new registered users and decreasing the price of registration from FB advertising, author of this thesis recommends to stand by following steps.

From the analysis of the current situation author of this thesis knows that they use 2 types of ad, but both of them are based on the same type of targeting – core targeting and as a goal is choose traffic.

It is good starting point, how to get to know about FB ads, but certainly there is unused whole potential of them. It is regarded to focus on own costume audience, lookalike audiences and remarketing audiences due to zero usability. Also in case of acquiring new registration is good to focus on conversion goal of ads.

Costume audiences – Primát.cz has more than 500 000 registered users. Primát.cz has their e-mail addresses. These addresses can be uploaded to Facebook and pair with users FB private accounts. For purpose of this thesis this audience is called "Core costume audience". Because these addresses can be more than 10 years old, it should not pair all data. Also some users use different email for different proposes. So created audience is not got as a target group, because these users are already registered at Primát.cz. But it is good to exclude this audience from any other ads – by this step, ads would be more effective. The already registered users do not see ads for registration.

[4] Ii is a way how to communicate with costumer with artificial intelligence. (Wong, 2016)

Lookalike audiences for costume audience – this type of audience is good example of other way how to use created costume audience. From addresses mentioned before, it is suitable to choose, maximum 2 years old and make lookalike audience. Based on this arises new audience with similar behavior on the internet as our current users have. If company choose 1% difference, it should be the most conversion target group for FB ads. After testing this option, the company can choose bigger difference and trying how much is it still effective. From this audience is good to exclude Core costume audience.

Remarketing audience - remarketing belongs to the cheapest version of ads at was found in the theoretical part of this thesis. For creating this audience company needs to implement FB pixel. Primát.cz already has implement pixel measures page views. This is good if company also have special pixel on conversion point (in this case – finishing registration). Than can be set ads, where company targets page view audience and exclude users, who finished the conversion. As a content of this ads can be named big advantages of this portal or offered amount of bananas as a welcoming bonus. By this procedure company will reach users already interests in the portal, but for some reasons have not finished conversions. By this technic company reduces the price for registration. Also is good to limit this remarketing by time. If user visits portal half a year ago and still do not do a conversion, probably he is not our target group and ads can become very annoying – which negatively shades our company.

Lookalike audience for remarketing audience – as well as for costume audience, company can create lookalike audience for remarketing audience. Advantage is that company finds new users, but very similar to their conversion users. Data in Facebook pixel are updated every day, it is mean the ads can run for months and company still reaches new audiences.

Except other work with audiences, company should focus on type of goals of ads. As was find out in theoretical part there is many goals for advertising on Facebook. In this case, when company wants to achieve new registration it is suitable to use conversion goal instead of traffic. In case of traffic goal Facebook targets ads to users with potential to click on ads and go to website and leave it, not user who are able to make a conversion. For this purpose, there is conversion goal. Facebook is based on FB pixel (which is placed on "thank you" page after finishing registration) targets users with potential for finishing registration.

7.4 Conclusion and recommendations

As a Facebook is huge worldwide social network offers many opportunities for companies marketing goals. In this seminar paper are mostly shown two simple ways of making marketing on Facebook – Fan pages and advertising.

Fan page is important regular content suitable for targets group. Posts published every other day are right way how to stay in mind of current or potential customers. It is good to considerate time of publishing, because from many studies show that the best time for posting is on weekend or hours 9 a.m., 1 p.m. and 3 p.m. on working days. Also company should think about its own content, as a main shared posts and more visual posts (photos/video), because it has higher engagement rank. Related to page is communication with customers. In this case is important a tone of answer and response time. Ignoring or poor answering is not good way to communicate with fans. Always the goal is to try to make the best answer. It is the only way how user will stay our costumer and will share positive view of our company. Also with communication could help chatbot, which helps us with time of response and also can eliminate number of questions.

Second way how company could use Facebook for its marketing goals is advertising. In ads targeting is important to focus on and to start with company's own data about customer – to create costume audience, lookalike audience or remarketing audiences. After that, company can try to use general demographic targeting. Big part and most conversion type of ads is remarketing. Thank to company can target user who did not finish registration. This type of advertise is much cheaper. If it is set in the right way, it works for long-time without many changes. Also company should focus on right using of goals ads. As was found in theoretical part, for increasing website traffic is suitable consideration goal – traffic, but for new registration – conversion goal.

Based on found information in this thesis is analysis of default data, set up campaigns, analysis results and make over and again and again the way how to successfully achieve marketing goals on Facebook.

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Attachments

Attachment 1 Edgerank

Montells (2017) defines Edgerank as s Facebook algorithm which determines which company's post shows in users' Newsfeed, regarding to their interests. Every user action on the Facebook, each like, comment, etc. the algorithm sees, and based on these data identify user's interests.

According to Bonini (2013) Edgerank consists of three parts:

- Affinity score
- Edge weight
- Time decay

Affinity score

Bonini (2013) defines Affinity score as buildable "relationship" between brand and user. Relationship depends on repeated user interactions (liking, commenting, sharing, clicking, etc.) with brand. Basically, the more user interacts, the more possibility to get into his Newsfeed.

Edge weight

Al-Greene (2013) states that each type of post has a different weight. He sets following succession (from the most weighted to the less):

1. Photo/videos
2. Links
3. Plain text

Bonini (2013) says edge weight also consists of every action that user makes. And that each type of action has a different weight.

Time decay

As is in Bonini (2013) mention, in the user's Newsfeed are shown posts, which are at the moment of login to Facebook at the highest score.

Whole Edgerank is after that expressed by following formula (Al-Greene, 2013):

$$\sum = U_e \times W_e \times D_e$$

where:

U_e is affinity score

W_e is edge weight

D_e is time decay.

Attachment 2 Engagement rank

Engagement rate is closely connected to Edgerank as was mentioned before. They have many indicators in common. Kalamdani (2014) defines Engagement as an essential metric for identifying user's interaction with company's content on page. Through Engagement rate company could understand which content is interesting for their fans. According to Mach (2013) this metric shows ratio of active fans to total amount of reached fans.

Kalambdani (2014) states that Facebook divides several type of user interaction (showing interests) – reactions (likes), comments, shares and clicks. Based on this interaction is calculated Engagement rate by following method (in %):

Engagement rate = (Number of all interactions/ reached people) x 100.

Williams (2017) defines aspects which has an impact on the resulting engagement rank, includes:

- the day of the week of posting;
- the time of the day;
- goal of the post (entertainment, education, inspiration, etc.);
- the type of sharing content (image, video, text, link);
- time of the first interaction – people most likely interact with post, where someone done it before them.

Attachment 3 Examples of post with the highest and the lowest engagement rank

The highest engagement rank

Picture 8 Post 1 with the highest engagement rank

Source: Business Facebook: Insights (2017)

Picture 9 Post 2 with the highest engagement rank

Source: Business Facebook: Insights (2017)

The lowest engagement rank

Picture 10 Post 1 with the lowest engagement rank

Source: Business Facebook: Insights (2017)

Picture 11 Post 2 with the lowest engagement rank

Source: Business Facebook: Insights (2017)

Attachment 4 Goals of FB ads

Consideration goals

As Business Facebook: advertiser help center (2017) states goals in consideration section (traffic, engagement) are done for learning and exploring company's offer.

McLeod (2017) defines these ads as a beginning point, when user starts thinking about company business and looking for more information.

1. **Traffic**

Business Facebook: advertiser help center (2017) mentioned, that this type of ads leads users to company's website. Company could lead user directly to product details, blog articles, special landing page for this campaign or just homepage.

According to MarketingPPC, FB ads with this goal are delivered users with bigger probability of clicks on ads for the lowest price.

2. **Engagement**

Engagement goal helps company built engagement of post on their fan page. According to MarketingPPC, Facebook optimize ads to achieve the most reactions (likes, comments, shares). By this technic company could get even organically non-successful post between big amount of users.

Conversion

As MarketingPPC states, in this type of ads goal Facebook tries to get the most conversion for the lowest price.

McLeod (2017) states some examples of conversions – product check out page, sending user to store, fill-in registration.

According to Business Facebook: advertiser help center (2017), conversion ads work only with Facebook pixel.

Conclusion

The fifth annual international student conference „Entrepreneurial Spirit" was organized by the students of University of Economics and Management. The goal of the event was to improve the presentation skills, to provide the floor for discussion and exchange of experiences, and to master the English language of the participants**.**

The conference was held in spring 2018 in the Auditorium of VSEM. Except for direct participants – contributors, committee members – the conference was also attended by students of the University of Economics and Management and selected company management as guests.

The expert committee was composed of academic staff and experts from practice. Contributions which were presented at the conference and are included in this conference proceedings are among the top 7 out of the total number of 10 submitted contributions, as far as both the content and formal aspects. Students were encouraged to send contributions so they can improve their communication and presentation skills, improve their skills of working with scientific text or to obtain credits for seminar paper.

The conference is in line with the objective to create conditions for the development of such knowledge, skills and experience of the students, allowing them to successfuly enter labor market shortly after their graduation (in relation to the improvement of their communication and presentation skills).

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EKONOMIE
A MANAGEMENTU

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