

MARKETING COMMUNICATION OF SELECTED COMPANY

Veronika Sabolová - Ján Poprenda

The aim of this thesis is to analyze and evaluate marketing communication in the selected company and then propose measures for its improvement. Object of evaluation marketing communication is a tobacco company Imperial Tobacco Slovakia. A specific feature of this theme is that tobacco company marketing communication is limited by international standards and legislation. The work has been used analysis of relevant literature and analysis of internal company documents.

Keywords: marketing communication, eye camera, marketing of tobacco products, tobacco company

1 INTRODUCTION

Marketing has long not just about meeting the needs of customers, but also about the need for the customer to induce and compel him to buy and what you basically need. Marketers are now using the whole portfolio of ways that marketing communication has to offer. From advertising, direct selling, maintaining public relations, sales promotion to direct marketing. Currently, the most used modern forms of marketing communication such as mobile and internet marketing, which allows businesses to reach a precise target audience.

The practical part contains in addition to the characteristics of the studied society and international standards and legislative restrictions and research using eye camera, which focused on the perception of customer communication materials. The research is supplemented with illustrative images.

2 THEORETICAL BACKGROUND

2.1 Essence of marketing communication

Marketing communications is only one of the four elements of marketing mix (product, price, place, promotion), which can be interpreted as a means by which firms attempt to inform the consumer, to convince him and remind them of the products and brands they sell.

The purpose of communication is to influence the market. This is done by using the means of communication. In a marketing sense, to communicate is to inform, communicate with products and services, explaining their characteristics. Important to highlight the quality,

value, benefit, benefit, use, however, know how to listen, receive and respond to stimuli and consumer demands. The base system consists of marketing communications: advertising, sales promotion, public relations, personal selling and direct marketing.

2.1.1 Interpretation, medium and context

Interpretation is perceived in the wider form, as a set of any elements which are of importance given target group. They may be words, symbols, images, music, sounds, colors, gestures, and combinations thereof. Appropriate choice of these elements can influence the thoughts and feelings of the target group.

Interpretation of the target group receives through the media. The media might not be seen only as a classic advertising medium (radio, television, Internet), but any agent which target group given information. For the medium is also regarded as a sales representative, fair, music festival, and other trash.

Marketing communication always takes place in a specific situational context that may weaken or strengthen interpretation.

2.2 Advertising

Advertising is defined as paid form of impersonal mass communication, presentation ideas, products and services. Can the target audience to inform, persuade and remind marketing submissions effectively. Advertising is a so-called. flagship marketing communications. Its main functions are increasing brand awareness and influencing attitudes to it, thus building a brand (brand building).

On the other hand, advertising has its limitations. Advertising submissions are exposed to today's markets much competition. Too many ads overwhelms audiences, and they then react reduced attention, and irritability.

2.2.1 Advertising media

In general, the most visible advertising medium is television. Cost of television advertising are high, because many products and brands advertising on television can not even afford. An interesting possibility in this case, the sponsorship of television programs. It is the location of the sponsorship messages before transmission and sometimes during the broadcast of the selected program.

Other forms of advertising are effective radio and print advertising and also outdoor advertising (billboards, big boards, illuminated showcases and advertising hoardings). Products and brands can be placed into the story of audiovisual works - product placement. Most often it comes to movies, series, books, television programs but also about PC games. Online advertising, or use banners, be compared to other advertising media, one big advantage. Unrivaled allows accurate targeting, whereas the banners can be placed on specialized websites, thus addressing narrow segments of the Web population.

Selection of the appropriate advertising media mix is quite complex, this role because companies often outsource media agencies that the purchase of media space specialize.

2.3 Sales support

Sales promotion can be defined as a set of menus that stimulate immediate purchase. Most often these are based on bid price reduction, or direct discounts, coupons, rebates and convenient package. Also this technique when the target audience is stimulated to try the product, techniques that are aimed at the target group gifting as well as prizes from loyalty programs.

The primary objective of financial and other rewards provided under sales promotion is to trigger a specific behavior of the target group. Sales promotion is also used towards the agent and intermediary distribution.

2.4 Public relations

Public relations is a discipline that is in marketing meets with the least understanding. PR when it can be very effective action, often with a minimum budget, because of its importance in recent years rising. Public relations can be defined as a dialogue between organizations and groups that determine the success or failure of the organization. The dialogue between the organization and these groups should work towards mutual understanding, and consequently to allow long-term and successful existence of the organization in its environment.

2.5 Personal selling

The oldest communication tools is personal selling, which also in the development of new communication media and technologies, maintains an important position in marketing communications of many companies. The greatest advantage of personal selling in comparison to other communication tools is direct contact between the company and the customer.

2.6 Direct marketing

Direct marketing was originally developed as a much cheaper alternative to personal selling. Direct marketing can be described as a communication discipline which allows precise targeting, strong administration adaptation to the individual needs of individuals and elicit immediate response.

Direct marketing tools can be divided into three groups. They are marketing message sent by mail or courier (direct mail, catalogs, unaddressed delivery), notices served by telephone (telemarketing and mobile marketing) and communications using the Internet (e-mail, and e-mail newsletters).

3 ANALYSIS

3.1 History and present of Imperial Tobacco Group

Company Imperial Tobacco is the leading international tobacco company, which

manufactures and sells a wide range of cigarettes, tobaccos, papers to scroll, tubes for filling and cigars.

History of Imperial Tobacco was started in 1901 by merging the thirteen British tobacco and cigarette companies composed of WD & H. O. Wills of Bristol (a leading company at the time), John Player & Sons of Nottingham and 11 other independent family businesses that were threatened by competition from the United States. Over the years the company has undergone many changes, including a variety of owners and name change.

In 2003 the company was bought by Reemtsma Cigarettenfabriken GmbH and became the second largest tobacco company in Germany. In 2007, Imperial Tobacco came to the U.S. market and has become the fourth largest company in the states. The company is now owned by the British. Imperial Tobacco products are available in more than 160 countries worldwide. Geographical prevalence and versatile product portfolio enables flexible business and a strong platform for future growth.

3.2 Imperial Tobacco Slovakia

Imperial Tobacco Slovakia a.s. is currently the second largest tobacco company in Slovakia. It is a 100% subsidiary of the British company Imperial Tobacco, based in Bristol. It is the successor of the tobacco industry in Slovakia, whose beginnings date back to the birth of the tobacco industry in today's Slovakia.

Until 1992, they were in the former Czechoslovakia two separate state-owned enterprises of tobacco industry. One located in Bratislava, second in Kutna Hora, but operated in both parts of the country. Each had their separate brands.

CSTP Bratislava launched in 1992 an international tender for the sale of its 31 per cent stake. Winner of the tender became the Hamburg group Reemtsma, who later bought the remaining stake. In May 2002, the British company Imperial Tobacco, based in Bristol bought Reemtsma corporation, including a Slovak International Tabak, Inc. Society Slovak International Tabak as

in September 2004 changed its name to Imperial Tobacco Slovakia a.s..

3.3 International standards and legislative restrictions on the marketing of tobacco products

Group Imperial Tobacco Group believes that tobacco products are for adults only. Group makes every effort to responsible sales and promotion of their products in accordance with the laws and voluntary agreements the countries in which it operates. This International Standard for marketing tobacco products strengthens and defines clear rules and principles and ensure that the promotional activities of the Group companies will always be directed only to adult tobacco consumers. These standards also apply to all advertising and research agencies working directly for the Group companies, as well as to third parties involved in the marketing, sale and distribution of tobacco products.

These international standards for the marketing of tobacco products relating to the style and content of tobacco brand advertising, health warnings on tobacco packaging, printed and outdoor advertising, sales offices, advertising on radio, television and cinema, product placement, online advertising, promotional events and activities, sponsorships, direct marketing sent by post, the use of brand names and logos third parties and market research.

In the Slovak Republic, the advertising of tobacco products restricted by law no. 147/2001 Coll of advertising and on amendments to certain laws , § 6 Advertising of tobacco products.

3.4 Marketing communication during introducing a new brand R & V

Marketing communications in this legislative environment has major limitations, it is important to use the authorized marketing communications utmost. When introducing a new brand is used by all the valid elements of communication and it is necessary to assess the

general market situation. Mark will be introduced throughout the Slovak Republic.

3.4.1 General market situation and objectives

On the Slovak market dominated low price segment, which represents 71.8 %. Low price segment in Slovakia is defined by two price levels, the lowest is 2.40 € and the highest is 2.60 €. In this very narrow price space is offered 11 brands from all major manufacturers. In 2011, a competing brand L & M (PM) overtook the Golden Gate (ITS) and became the leader in the low price segment and even a leader on the Slovak market.

In order to achieve volume and company plans to strengthen its position in the segment, the company launches a credible international brand in an attractive package, which will also be supported by central marketing company. Put on the market the brand R & V in two versions, Basic run in price € 2.50 and G-tec term in the price € 2.60. Goal of marketing communications is to increase market share and increase sales. Targets on a qualitative level the process of creation of special activities to build brand image R & V and expand brand awareness nationwide.

3.4.2 Campaign

Selling round will consist of nationwide POSM (point of sale promotion) communication, promotion in retail stores, advertising in hotels, restaurants and cafes (HORECA), the loyalty program for customers and trade marketing. The main visuals for R & V Basic and G-tec were prepared central marketing, communication is the main English language to support premium brand perception.

Support the new brand will also be performed so. "Advocacy" program in selected newsagents and petrol stations. It is a program which acts as a retailer of tobacco companies and actively marketed its brand.

Brand R & V G-tec will be visualized at selected stores and retail promotions, carried out using the hostess. The event will carry ten promo teams and hostesses will be dressed in the style of boxes R & V G-tec, or in gold and black. Hostess is conducted through sales promotion and the

HORECA establishments. The aim of this event is to attract smokers of competing brands to explain an introductory mechanism and build the image of R & V G-tec.

3.5 Research by eye tracking camera

In January 2012 the company carried out research to determine how long and to which place the customer looks. The research was conducted by ocular (eye tracking) cameras. It is a technology aimed at tracking the movement of a human eye, allowing to know exactly what the customer interested in what order to view the contents, what to pay more attention and on the other side, what don't attract. Mobile eye camera has two cameras, one camera follows the movements of the human eye pupil, second the camera follows the real world around. Eye tracking technology processes two video cameras together, so lets see how shoppers perceive point of sale racks perceived first and that as a "dumb" places.

Tested were together 9 sales offices, 2 newsstands, 4 tobacconists, 3 petrol stations, where 125 respondents tested together. The research showed that each shop is much attention paid to operating personnel. Movement of workers is one of the most studied elements in tobacco shops, because the eye is heading slightly below eye level. The best time to influence the customer for the transaction or when customers are standing in line. Most successful POS materials are considered coin, any other type of POS materials did not show significant effect. Effect of LCD screens strongly depends on their location. What was also observed in other studies, such as the type of floor graphics POS does not work. Work best items located near the cash registers, employees or nearby in generating the Board, regardless of the type of POS.

3.6 Competitors

The main competitor of Imperial Tobacco Slovakia, Slovakia and the world, is Philip Morris Slovakia s.r.o. The company was founded in 1847 by Mr. Philip Morris as a family business in cigarettes and other tobacco products at London's

Bond Street. The key for the company was the year 1919, when it bought U.S. shareholders.

The former Czechoslovakia was Philip Morris subsidiary of Philip Morris International (PMI). When in 1993, Slovakia became an independent country, was created by Philip Morris Slovakia s.r.o to continue this work. In 1996 the company became the market leader, a position it maintains today.

The company uses all the modes of communication allowed the sale promotion, through promotions to consumer competition.

4 RESULTS AND DEVICE

Given the current elaborate system of marketing communications company and subject to legislative restrictions, the company Imperial Tobacco Slovakia uses all authorized methods of marketing communications across all distribution channels. Whereas qualitative goal of marketing communications is to progressively build image and brand awareness especially among the group YAS (Young Adult Smokers), I would recommend selection of attractive promotional gifts that would attract the right group YAS to build image and brand awareness of R & V.

I also recommend consumer contests for great prizes like iPhone, iPad or perhaps its image watches, leather goods (belt, wallet, mobile phone pouch, bag) with design mark promoted and tickets for summer music festivals that are very popular. During a specific festival could be created in areas selling point with promo team.

From studies of Imperial Tobacco Slovakia is known that most of the time to communicate with customers in HORECA, it is important to focus on this type of marketing communication. In the HORECA special promotions teams dressed in the colors of the brand R & V to address a select group of consumers hence YAS and inform them about the new brand and the possibility of playing cards on a summer music festival.

5 CONCLUSION

Well-designed marketing communication is essential to the success of any company, which currently has to face high competition. The aim of this work was to evaluate marketing communications from companies using the theoretical background and the internal resources of the company, and thus suggest improving it.

Since a company can not use all the methods of marketing communications, so I said to illustrate how the company promotes a new brand, so when it uses all the modes of communication allowed.

LITERATURE

- [1] KOTLER, P. 2007. *Moderní marketing*. 1. vyd. Praha : Grada, 2007. 1048 s. ISBN 978-80-247-1545-2, s. 40.
- [2] KOTLER, P., KELLER, K. L. *Marketing management*, 12. vyd. Praha: Grada Publishing, 2007, 816 str., ISBN 978-80-247-4150-5, str. 578.
- [3] LABSKÁ, H. *Marketingová komunikácia*, 1. vyd. Bratislava: Ekonomická univerzita v Bratislave, 1994, 116 str., ISBN 80-225-0634-X, str. 10.
- [4] JAKUBÍKOVÁ, D. *Marketing v cestovním ruchu*, 1. vyd. Praha: Grada Publishing, 2009, 288 str., ISBN 80-247-3247-3
- [5] KARLÍČEK, M., KRÁL, P. *Marketingová komunikace, jak komunikovat na našem trhu*, 1. vyd. Praha: Grada Publishing, 2011, 224 str., ISBN 978-80-247-3541-2
- [6] ZAMAZALOVÁ, M. *Marketing*, 2.vyd., Praha: C.H. Beck, 2010, 499 str., ISBN 978-80-7400-115-4, str. 453
- [7] IMPERIAL TOBACCO GROUP, *About Us / History*, [online], [Citované 31. marca 2014], dostupné z: <<http://www.imperial-tobacco.com/index.asp?page=43>>
- [8] IMPERIAL TOBACCO SLOVAKIA, *Spoločnosť v skratke*, [online], [Citované 31. marca 2014], dostupné z: <<http://www.imperial-tobacco.sk/imperial-tobacco-group/spolocnost-v-skratke/>>
- [9] IMPERIAL TOBACCO SLOVAKIA, *Medzinárodné štandardy pre marketing tabakových výrobkov*, [online], [Citované 31. marca 2014], dostupné z: <<http://www.imperial-tobacco.com/index.asp?page=43>>

tobacco.sk/slovensko/marketing-nasich-vyrobkov/>

- [10] Zákon č. 147/2001 Z. z o reklame a o zmene a doplnení niektorých zákonov
- [11] PHILIP MORRIS INTERNATIONAL, *Our history*, [online], [Citované 31. Marca 2014], dostupné z:
<http://www.pmi.com/eng/about_us/pages/our_history.aspx>
- [12] PHILIP MORRIS INTERNATIONAL, *Slovakia*, [online], [Citované 3. apríla 2014], dostupné z:
<http://www.pmi.com/marketpages/pages/market_sk_sk.aspx>

ADRESS OF AUTHORS

Sabolová Veronika, Bc.
Email: veronika.sabolova89@gmail.com
Poprenda Ján, doc., RSDr., CSc.
Email: jan.poprenda@tuke.sk
Faculty of Aeronautics, Technical University Kosice,
Slovak republic