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Bakalářská práce

Branding in the Czech Republic. Etymology of some business terms with focus on cultural aspects of branding strategy in the Czech Republic.

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Prohlašuji, že jsem práci zpracovala samostatně pod odborným dohledem vedoucí bakalářské práce a použila jen uvedených pramenů a literatury.

Plzeň, duben 2019 ………………………

podpis autora

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1 INTRODUCTION

This bachelor's thesis deals with branding and marketing strategies of foreign companies operating in the Czech Republic. Its objective is to explore these strategies and to discover any existing differences between them and the strategies implemented in the companies' countries of origin. When expanding abroad, every company has to decide which aspects of their strategy will be preserved and which will be adapted to local cultures. This thesis intends to discover to what extent is the branding strategy in the Czech Republic different from the strategy in the country of origin. It will also attempt to find any unique aspects of consumer behaviour in the CR.

The topic was selected due to its increasing importance in the world of marketing. The thesis contributes to the field of Business Studies, which combines elements of economics, finance, accountancy and marketing. Branding is a part of marketing and therefore deals with only a small part of the Business Studies.

At the beginning of the theoretical part, several definitions of the term "brand" are given. The word is considered from different perspectives. It is explored in terms of visual identity, by customer perceptions, then with focus on company's vision and values. It is also regarded as a sort of promise and divided into its tangible and intangible elements. Furthermore, this part looks into the history of brands and the way the meaning of the word has changed over time.

The following section analyses branding strategy in general and all the stages most brands undergo. This happens when a new company either enters the market for the first time or realises that their current strategy is not satisfying anymore. Companies need to understand the market, determine their target customers and the brand's key values and ambitions, describe the brand verbally and answer various questions to get a clearer picture of the brand. This process also involves designing a complex toolkit, implementing the new brand strategy and later, rebranding. The next part provides advice on increasing product and brand awareness.

The etymology chapter explores the history of certain business terms relating to branding and business in general. It briefly deals with the background of etymology and then examines certain words' origins and discovers when they started to be used in the way they are today. To be specific, the words brand, brand image, marketing, business, competition, merchandise and word-of-mouth are explored in more detail.

The last chapter of the theoretical part deals with some of the challenges foreign companies face when adapting their brands to different cultures. Some specific geographical examples are mentioned in here.

The practical part of this thesis focuses on foreign companies doing business in the Czech Republic. At the beginning, a brief background of foreign companies operating on the Czech market is introduced. This is followed by examples of two companies (McDonald's and Nestlé) and the description of their past and current position on the Czech market. This part also describes some of the differences between the branding strategy in the country of origin and in the CR.

In the next chapter of the practical part, the results of a questionnaire conducted among Czech marketing specialists of foreign companies are examined. This part features charts for better visual interpretation and is accompanied by verbal analysis of all the answers given by the companies.

For the purpose of this thesis, various printed monographs specialised on branding and marketing were consulted. These were written by respected authorities in the field, often professors at universities and brand consultants. Dictionaries and etymology dictionaries were also perused. For the more practical matters, websites of individual companies were visited in order to learn more about their history and values. Additional valuable information was obtained from the questionnaire conducted among various companies.

2 THEORETICAL PART

2.1 Brand, Definitions & History

The number of definitions of the word "brand" is abundant. A brand can be defined from various perspectives and each definition then slightly differs from another one, although they all describe the same concept. Asking professional brand managers might result in obtaining diverse responses and consequently, there is no universal definition upon which everyone would agree on.

If we were to define brand according to its earliest meaning, by visual identity and as a trademark, we encounter the definition that *"a brand is a name, term, sign, symbol, or design, or a combination of these, that identifies the maker or seller of a product or service"* (Kotler & Armstrong, 2012, p. 231). This interpretation is directly related to the primary meaning of the word in the past, which has changed over the years. At the beginning, as described by Clifton & Simmons (2003, p. 14), the word "brand" was used to indicate the hot object used by farmers to sear their livestock with in order to differentiate it from cattle of their competitors. If reputation of one of the farmers was superior, potential customers were more likely to buy cattle with his brand, as it indicated the finest animals. Likewise, first manufactured goods profited from branding too, since potters would often label their products by making a specific mark on the bottom of their clay pots before the substance solidified; demonstrating that way who exactly stood behind the production and ensuring no one else would claim the rights. Clifton & Simmons (2003, p. 15) explain that as expensive, luxury goods started to be produced and exported around the world on a mass scale, origin and quality was easily indicated by symbols of individual brands. Simultaneously, law principles were introduced in order to restrict illegal imitation. However, it was not until the 20th century that branding started to exist as we know it today. With the system of large-scale production improved and transportation made easier, with the invention of mass media, access to fast internet and ever-growing customer needs, many of today's established brands slowly started to emerge.

Another way to define brands is by customer perceptions. Customers ultimately determine the success of a brand, because *"(y)our brand, fundamentally, is the bundle of thoughts, feelings, actions and impulses about you that people have out there in the world – and that's why it's so powerful"* (Johnson, 2016, p. 17). One of the characteristics of a successful brand is brand awareness and image, i.e. how much people know about it and the ideas and impressions they have. Without customers, there is no brand. Every action influences the way company presents itself to the world and thoughtless and ill-considered decisions can have permanent detrimental consequences for the brand.

A third definition can be observed focusing on company's vision, values and actions, as Howard Schultz, former CEO of Starbucks, wrote in his book when describing the successful story of his business: *"Authentic brands don't emerge from marketing cubicles or advertising agencies. They emanate from everything the company does. If enough people believe they share values with a company, they will stay loyal to the brand."* Schultz believes in the importance of brand's long-term vision and values, which should be consistent over time as well as through all the communication channels. Customers are loyal to a brand they agree with on many levels, a brand they can identify with based on shared beliefs.

Additionally, a brand can be defined as a certain kind of promise. As the next interpretation suggests, *"(a) brand is the contract between a company and consumers"* (Johnson, 2016, p. 17), because when buying a product or a service of a particular brand, customers do so with a formed set of expectations. On one hand, the company makes, by means of advertising, specific promises, and on the other hand, customers believe that these promises will be kept. This creates a symbiotic relationship which can last for a long time, provided that the promise is not broken and excluding competition and changes in customers' needs. Nevertheless, brands should be cautious with their promises. Whatever the company prides itself on, be it exceptional customer service, fastest delivery time or goods of unmatched quality, there is a constant danger of breaking that promise and risking the stable relationship with the customer.

A brand can also be described with focus on its tangible and intangible elements, as shown in the following definition: *"(a) successful brand is an identifiable product, service, person or place, augmented in such a way that the buyer or user perceives relevant, unique, sustainable added values which match their needs most closely"* (de Chernatony, 2009, p. 17). Parts of this definition will now be examined in more detail. For a brand to be identifiable, attention should be paid to the most tangible but also easily memorable components, e.g. company's logo, captivating name and its graphic rendition, or an outstanding slogan, as is the case with McDonald's yellow arches, Coca-Cola's unique red font or Nike's "Just Do It". However, it does not necessarily have to be a product or a service customers notice and start associating with a brand. Product endorsement, or celebrity branding, became even more popular along with the expansion of the Internet, allowing famous people to influence a great number of their followers.

Geography is of great importance regarding prosperous brands, and de Chernatony (2009, p. 19) illustrates that when referring to the famous Scottish whisky, French perfumes and German cars, but things like Swiss cheese and chocolate or Japanese electronics are no less notable examples of how a country can contribute to the image of certain product categories. It is, however, questionable, whether the idea of sustainable added value is still relevant in every category today, as the companies try to surpass each other in the area of technology and electronics.

Ultimately, it is not important how exactly a brand is defined. What matters is whether people imagine the same idea behind the word. In short, it is the overall experience a customer has which differentiates an organisation or a product from its competitors. In the next chapter, it will be explained which methods brands use to help distinguish themselves from other companies and how they attempt to create a lasting impression in the minds of their customers.

2.2 Branding strategy

Branding strategies are "*the action plans that organizations use to differentiate their products, services, and identities from their competitors"* (Solar, 2018). They should be long-term and based on what kind of image does the company want to build for their customers. As a large number of people is loyal to brands that share their values, it is worth the time, when conceiving a branding strategy, to pay the attention to prospective customers and spend enough time investigating all the possibilities. Branding has several objectives it should aspire to accomplish. A brand should develop customer's trust, satisfy consumer needs and create environment of reliability and friendliness (Branding, 2015). Branding strategy can be uniform either for the whole company or for a certain group of products only.

Branding is not limited to new companies. Everyone can benefit from branding and it does not matter whether it is someone who has a promising business idea, needs to give it some form and therefore is planning to set up a new company, or whether an old, already well-established company feels that the way they do things is simply not good enough anymore. According to Johnson (2016, p. 18), some brands are the result of a gap in the market that the new product managed to fill; in other cases, re-branding might be enforced by competition in highly competitive markets. Sometimes brands simply feel outdated and branding can be used to present themselves in fresh light. Mergers are also reflected in branding, seeing that each company has to make concessions and there are many problems to solve, such as what the company is going to be called at the end, which products or services will be preserved and what will its main common objective be in the future. Finally, sometimes a product reaches the end of its useful lifecycle and appropriate measures should be taken regarding the next steps.

Developing a comprehensible brand strategy and getting all the important people's approval is one thing, but creating a visual identity to match the strategy afterwards is another. Johnson (2016, p. 10) argues that the majority of branding projects will go through five and a half stages, divided into two groups. The strategists and planners' area of expertise are the early steps of branding process, which are research, strategy and narrative. The second part, the design and implementation stages, should stem from the first part, but it is often problematic to connect these two together. Of course, ideas can flow in both directions, as certain elements can simultaneously belong to both groups and even after the first part is finalised, the design process can still reveal the need for some adjustments. The following subchapters will focus on the individual stages of branding as explained by Johnson.

2.2.1 Investigation

The aim of this first step is to learn as much as possible about the market and to determine the position the brand in question occupies in it, where it would like to be in the future and whether it is able to get there. The idea of hiring a brand consultant and having an answer to all the problems after one meeting is very appealing, but mostly, that does not happen. According to Johnson (2016, p. 36), to create a brand that stands out, market research needs to be conducted on how the main product or service is perceived by the customers. Asking the staff about their opinion is a good idea, too.

Many sectors exhibit certain similarity. Colleges and universities' logos tend to have their names written in large letters and often feature a crest. Underground can be easily found in every part of the world – one usually only has to look for a single letter placed into some geometric shape on a tall pole. Logos for tourism in a certain country tends to be multi-coloured and present itself with hand drawn lettering (Johnson, 2016, p. 38). Standardisation is omnipresent and should be recognised to help decision-making in the future.

One of the techniques that might be employed during this stage is a classic SWOT analysis, written on a board and with many people contributing their opinion. The brand's strengths, weaknesses, opportunities and threats are explored in this stage. Another valuable method is asking groups of people to identify the so-called functional and emotional parts of the brand, which then separates what the company does from why it is being done. Additional useful exercise is asking about the past, present and future of the brand. This can be done during a group workshop and it demonstrates how the brand was perceived in the past, how it is perceived now and how it would like to be seen from this point forward. Gathering key data at this point is vital to provide sufficient amount of information for the strategy and narrative stage, so whichever method is used, asking the right questions should reveal any problems that need fixing. There should be clear answers to the question *"what differentiates the brand's approach from its competition"*, and to the trickiest question of all: *"why we're here"* (Johnson, 2016, p. 51). Answering those will highlight the brand's values, beliefs and long-term ambitions and why they will matter in the future.

One of the issues that should be dealt with at this stage is the relationship between "internal desire" and "external reality". Johnson (2016, p. 56) observes that there is often an imbalance between how a brand feels about itself and how it is perceived by others, externally. This discrepancy might surface form questionnaires sent to the customers. Ideally, though, an organisation is already well thought of internally and the public opinion of it is positive and more or less matches the internal one. If that is not the case, appropriate measures need to be taken in the next stage.

2.2.2 Strategy and Narrative

The second step of the process relates to how a brand should be well described long before it becomes visual. This is the part involving *"careful thought, copywriting and the process of arriving at consensus"* (Johnson, 2016, p. 82). A brand can be defined by the functional components, i.e. what it does (delivering on time) and product attributes (tasting good), but also by emotional components – how it makes the customers feel. Through narrative, this stage of branding strives to strike an emotional connection with people. Defining a brand's strategy should be a unifying process; it might take a long time as it brings many people together for the decision-making, but once an agreement is reached, those who helped with the strategy are more likely to actually adopt it.

Johnson (2016, p. 93) states that there are six questions any brand has to answer. The answer to the question *"why are we here"* from the first stage provides the central idea and the core purpose of a brand. It should be summed up in a single sentence and might be relatively emotional in tone. Suggesting more options during a workshop creates room for discussion and helps navigate the way towards the final answer. The question *"what do we do and how"* focuses on defining the functional parts and is usually fairly factual and descriptive. Adjectives like "word-class, safe, dependable, finest, genuine" often appear, although the brands should be honest about what they do. The next part deals with positioning and asks the question *"what makes us different"*. This distinguishes the brand in customers' minds from what others offer and it emphasises any unique properties the brand has. Focusing on the true point of difference is crucial especially in generic markets as it can be the key to unlocking a brand's potential and perhaps the only way to succeed. The question *"who are we here for"* should identify the key target market, i.e. the customers who would most likely buy the product/service. The messages the brand sends out should be appropriate for these audiences. A company should then examine its values and ask itself *"what do we value the most"*. These universal truths should be shared throughout the company since they affect how its founders, executives and employees behave. Brand's most important value tends to be a cautious mix of what is true now and what it aims to be. The problem appears when many brands share the same values, as that makes it harder to differentiate one from another. The last question, *"what's our personality"*, deals with how the brand expresses itself to the outside world and the tone of voice it uses to communicate. This part is concerned with defining the brand's personality and trying to relate to the prospective customers. It is an attempt to become more human, friendly and relatable.

Dividing this complex step into six simple questions can make it seem more achievable. This stage is *"critical to the future health of any branding project"* (Johnson, 2016, p. 132) and with the answers obtained during this period, the project is now well prepared for the creative work.

2.2.3 Bridging the Gap

The strategy decisions from the second stage should have a direct impact on the stage concerning design, but sometimes designing might elicit new ideas and the lines between stages can blur. That implies, as frustrating as it may sound, that the decisions made in the narrative stage are not final, but rather mere stepping-stones towards the outcome. A visual idea might surface during the design stage that is exciting enough to force everyone to return to the stage 2 and adjust or completely rewrite the verbal ideas. This stage is an attempt to connect the narrative and design together, considering some decisions that have to be made involve both sides at the same time. This half step, as Johnson (2016, p. 136) argues, is essentially about translating what was defined in the previous two stages into something creative.

Naming a brand also belongs to this stage. The large number of names already registered by companies around the world compels the administrative and creative areas to cooperate. The name should preferably be unique, memorable, but simultaneously easy to spell and pronounce. There has been a desire for shorter names lately (and thus shorter URLs), which gave rise to many portmanteau words, intentionally misspelled names and other modified versions of already existing words. Naming a company should be done with regard to any future global expansions – does not the name, by any chance, mean something unintended in another language? It is important to generate many unusual ideas, to get as many people involved as possible for various perspectives and to keep a clear mind when going through the arduous process of choosing a name. Johnson (2016, p. 160) proposes that it might prove helpful to establish some criteria as to what is the name supposed to convey; primarily, it should correspond to the strategy and narrative results. The top results are then subjected to legal checks, examined more closely and finally submitted to design.

2.2.4 Design

Done well, this stage can make brands and products famous all over the world. After the research is completed and the brand is verbally agreed on, a meeting should be arranged and people dealing with the creative part should be informed of every important decision that has been made. The perfect beginning of this stage would be *"(m)any ideas, from many creatives, much discussion and a careful editing process"* (Johnson, 2016, p. 174), with the greatest ideas rising to the top, getting developed and presented further. The key ideas may be the ones that seem unique, radical, that question convention and change everyone's opinion on what branding is capable of achieving.

Consultancies usually develop their own well-tested approaches to this stage, but it is vital to consider which approach best suits the client; therefore, some compromise might be made. At the same time, as brands become more and more complex, all its aspects cannot be incorporated into a logo alone and that is why toolkits became important. Toolkits include everything from a logo to imagery, symbols, choice of photography, type font and other visual aspects of the brand.

As demonstrated by Johnson (2016, p. 183), the design basis can be founded on various approaches, only some of which will be mentioned here. The first one, historically speaking, is based on typography; a word presents an opportunity for inserting an idea, something powerful and unforgettable, and thus a logotype is born. Another way is through monograms and acronyms, but with every shortening a word loses its meaning, so the design has to be especially persuasive to be worthwhile. Symbols have been powerful for centuries and still are of great importance, which is why they are the centrepiece of another approach. Creating a symbol relevant to the organization is one of the most challenging tasks a designer can be confronted with, yet the benefits of having one are undeniable. They give a brand a character that a piece of type will struggle to deliver. In case of already established brands, careful design re-branding can, with subtle changes, revolutionise the brand image. If simplified, it might mean finding a new hidden opportunity where it was not seen before or disposing of everything unnecessary and keeping only the most important elements of the brand.

It is very difficult to decide which of the final options should be chosen, and it can be facilitated by testing a few designs directly with the customers or considering which of the options best suits the brand's new narrative and long-term aims. Nevertheless, this stage can be time-consuming and unpredictable. It is *"where a brand stands, or it falls"* (Johnson, 2016, p. 218), but once successfully completed, the brand is ready to be taken public.

2.2.5 Implementation

Without solid and consistent implementation, all the research, verbal and visual creativity of the previous steps are useless. In this step, the idea needs to be turned into a working scheme. For that to work, the core visual assets such as logotype and symbols have to be finalised and a to-do list should be made with priorities assigned to each task. Almost imperceptible changes can take place during this stage, e.g. certain elements might need to be adjusted before being presented online.

Design manual is created, containing rules on how to handle the graphic elements of the brand and advice on future usage. The aim of this booklet is to explain in detail the important points about every part of the toolkit and *"allow multiple streams of work to take place yet still ensure they are coherently branded"* (Johnson, 2016, p. 233). The need to implement brands globally poses another challenge. With some languages, no adjustment is needed, but with, for example, Arabic or Mandarin, some brands choose side-by-side bilingual approach, including both variants. One of the biggest changes of the 21st century so far has been the need to strengthen the position of a brand in digital environment. Every new project today must prove it will work well on a web page as well as in form of a tiny 16 pixels large logo on a smartphone screen. Typeface also plays an important role, since uniquely hand-drawn typefaces have the potential to surpass the standard ones as a brand tool and they aid recognition. Imagery should be used consistently, so that consumers easily recognise the brand.

At this point, however, when everything is done, boredom can complicate matters. After spending months or even years nurturing an idea and then cautiously implementing it, people have already begun to move on and might want to tinker with the finished project. Successful brands have always been clear and consistent, though, so the new brand should be given some time to become noticeable to key audiences before any additional changes are introduced.

2.2.6 Engaging or Reviving

As Johnson (2016, p. 269) shows, the significance of this last step is only starting to be understood; once launched, it is necessary to ensure a new idea is fully embedded into the organization, and later, that out-of-date concepts are revitalised.

For new brands, which have just gone through the aforementioned process, it might happen that the new direction is not entirely understood internally. Staff should have been consulted back in the first stage and should therefore receive regular feedback after every individual step. Ideally, the new idea will be well accepted and *"staff will become 'ambassadors' for the new way of working"* (Johnson, 2016, p. 276).

Brands that have been established for some time can become somewhat jaded and be in need of adjustments. They can either go through the entire process again or just slightly tweak the old-fashioned components. Sometimes finding a new opportunity through brand extension is an answer, but occasionally there is nothing to be done; there is nothing to be revived, a key product has reached the end of its lifecycle or the competition is simply too strong.

However, regardless of how old, successful and experienced a company is, it can always try to increase its brand or product awareness. The next chapter will describe a few ways to increase the extent to which consumers are able to recognise a brand.

2.3 Product & Brand Awareness

A general belief is that the majority of information exchange occurs online, but it has been shown that communication on social media, sharing information on blogs, via email or discussion forums only amount to seven percent of all the information exchange (Berger, 2013, p. 19). The most efficient and widespread method of passing information even today continues to be word-of-mouth. All the business lunch breaks, parties, chats with neighbours over the fence, a small talk with a co-worker in a lift, an afternoon conversation with an old friend over a cup of tea, all those and many others represent the cases when interesting or practical information is shared amongst people.

As described by Berger (2013, p. 34), there are six key principles (or STEPPS) to contagious ideas: *"Social Currency, Triggers, Emotion, Public, Practical Value, Stories"*. Berger argues that if a brand wants something (a product or a service) to be talked about by a large number of people, at least some of those principles should be utilised.

The first principle, social currency, is based on people generally wishing to appear intelligent, interesting and wealthy, which can be partly achieved by talking to their friends about something appealing and attractive. The word-of-mouth about a brand spreads if people talk about the product for their own benefit. However, to ensure they recall the brand at all, the company needs to be mindful of placing suitable triggers in people's surroundings, which includes, but is not limited to, TV and radio commercials, posters, billboards etc. The third key principle are emotions. When people get emotional about something, they naturally want to share it with someone, thus unintentionally spreading facts about the brand and promoting it. Another thing to consider is making the product a brand focuses on selling more public and visible. In case the area in which the company specialises is not usually subject to discussions, it needs to change, for instance through unusual and intriguing advertising campaigns. Additional reason people might have for sharing information is finding it useful and thinking their family or friends might benefit from it, too. Underlining the practical value of what the products offers usually lies in mentioning all the benefits, such as low price, outstanding quality or environment friendliness. The last but not least important factor is the way that the company's main ideas and values are contained in stories, because a story is comprised of not only some obvious content, but also of a lesson to be learned, and people naturally enjoy sharing stories, as will be mentioned later.

2.4 Etymology of certain business terms

Now that we have discussed what a brand is, how companies create their branding strategies and how to make a brand more recognisable, we will examine the world of economics, marketing and branding more closely in terms of history. Knowledge of the etymology of words gives a considerable advantage in evaluating their most effective use.

Etymology is the part of linguistics that deals with history of words, focusing on the words' origin and how their meanings and word forms changed in the past. Etymology attempts to explain how languages have developed and to describe what influenced these changes. Etymologists deal with gathering data from various sources and languages, and then analyse them using a technique called the comparative method. When analysing words that are nowadays commonly used in English, the source languages usually are Latin, Greek or Old French.

Etymology is a very broad discipline, borrowing from many other linguistic branches, and it has been defined as *"the application, at the level of an individual word, of methods and insights drawn from many different areas of historical linguistics, in order to produce* *a coherent account of that word's history"* (Durkin, 2009, p. 2). Etymology does not concern itself solely with one particular linguistic level (e.g. morphology, phonology, syntax, semantics), since word history simply cannot be sufficiently explained based on only one linguistic level, but should be instead described combining knowledge of several areas at once.

2.4.1 Brand

"Brands originated as a means of claiming ownership of possessions" (Ind, 2005, p. 72), and at the very beginning, that meant cattle, as was already mentioned. At first the Old English word *brand* or *brond* simply meant "fire, destruction by fire". The origin of the word as a noun can be traced back to 1550s, when it described a mark made by a hot iron (Online Etymology Dictionary, 2019). Almost 300 years later, this extended to marks made in other ways. However, it was not until 1854 that the word started to be used as a particular make of goods, which at last begins to resemble closely to the present meaning.

There are first mentions of the word used as a verb around the year 1400, when it indicated the activity of cauterizing or stigmatizing someone using a hot iron with the aim of impressing a permanent mark. This constituted a form of punishment in criminal law and its usage on people was a combination of physical punishment, i.e. pain, and public humiliation, since the mark was made on a visible part of the body. In the 17^{th} century, criminals might have been branded with the initials indicating their offence, with the letter "A" standing for adultery, "B" for blasphemy, etc. Some criminals were branded in case they received a reduced punishment to prevent any future possible punishments being shortened, too. (The Vocabularist – The red-hot history of the word 'brand', 2015).

Nowadays the word "brand" has preserved its two distinct meanings – one standing for someone's reputation and identity in a complimentary way, the other describing something rather shamed.

2.4.2 (Brand) Image

Companies strive to establish a good reputation. A brand image is the ideas and beliefs potential customers have about a brand, the image and impression usually cautiously created by advertising.

The original meaning of the word – drawing or portrait – comes from the French word of the same spelling and was noted for the first time around the year 1200 (Online Etymology Dictionary, 2019). Image as a reflection in a mirror started to be used in the early 14^{th} century (although mirrors as we know them did not exist at that time, so it most likely meant reflection in clear water or polished metal). The word started to be used figuratively in sense of "idea, appearance" around the same time, both as a noun and as a verb describing the act of forming a mental picture of something or imagining something.

There are some rare cases of the word being used with the meaning of "public impression" at the beginning of the 20th century, but it truly started to be widely used in the 1950s owing to the spread of jargon of advertising.

2.4.3 Marketing

Marketing describes the activities associated with the transfer of products or services from the seller to the customer, which covers everything from advertising and storing to transportation and then selling. The word "market" as a noun originated in the early 12th century and is from Old North French word of the same spelling, or possibly Latin *mercatus*, which meant commerce, buying and selling. The word at the time indicated trading and, more specifically, a meeting of sellers and potential buyers at an arranged time for the purpose of trade. Livestock, provisions and other valuable goods would be publicly displayed for viewing and after that, hopefully, sale (Online Etymology Dictionary, 2019).

Mercury (in Latin Marcurius), who is the Roman god of shopkeepers and merchants, among others, shares the same stem "merk-" (Encyclopædia Britannica, 2019). He is sometimes pictured as holding a purse and his name was borrowed from Etruscan, suggesting that the basic form of the word "marketing" has even older origin.

Nevertheless, during the late 13th century the word "market" got a more tangible meaning of *"public building or space where markets are held"* (Online Etymology Dictionary, 2019). In the 1680s, there are mentions of the word in the sense of "sale controlled by demand and supply" and the collocation "market value" is attested only few years later. Finally, "market research" or "market economy" only started to be used in the first half of the 20th century.

The word "marketing" itself first appeared in the 1560s as a verbal noun from the word "market" and described the act of transacting business in a market place, the act of selling and buying. It was not until the end of the 19th century, that the word started to define the "*process of moving goods from producer to consumer with emphasis on advertising and sales"* (Online Etymology Dictionary, 2019).

2.4.4 Business

This word represents the endeavour to make profit by selling and buying goods. The current form of the word comes from the Old English word *bisignes*, which around the year

950 meant “occupation” (Dictionary.com, 2019). The noun was formed from the adjective *bisig* meaning “busy, occupied”, but also “anxious, careful”. The second original meaning is now obsolete. There are also records of the word *busiless*, in the sense of having nothing to do, being at leisure, which did not enter the English dictionaries.

If we wished to speak about the word in the sense of *“a person’s work, occupation, that which one does for a livelihood”* (Online Etymology Dictionary, 2019), we would have to wait until the late 14th century when it was used that way for the first time. The sense of trade did not appear until the year 1727 and then the word was used as a noun describing all sorts of mercantile pursuits and commercial engagements dealing with selling and buying goods.

Afterwards, number of collocations came into existence, such as “business letter” in 1766, “business card” in 1840, and in American English in 1874, “business end”, describing the practical part of something. The noun “businessman” first appeared in 1826 (to be followed by “businesswoman” less than two decades later), but the inverted form, *man of business* originated in the middle of the 17th century. The adjective “businesslike” (or business-like), describing something that is *“methodical and thorough, such as ought to prevail in doing business”* (Online Etymology Dictionary, 2019), started to describe a certain kind of human behaviour at the end of the 18th century.

2.4.5 Competition

In the business sense, this noun refers to rivalry and contest for some advantage, and at the turn of 17th century was used for the characterization of the act of seeking to acquire what someone else is attempting to gain at the same time (Testden, 2019). The word comes from Latin *competitio*, meaning “to seek together”. This might be confusing, as it seems that there is nothing to prevent the word from being replaced with “cooperation”, but all the same, competition has later been differentiated as the opposite of cooperation.

Meaning “trial of skill” in determining superiority or exceptional fitness of one of the parties involved also originates in the early 17th century (Online Etymology Dictionary, 2019). The word started to be used in the sense of rivalry in marketplace after the year 1793, and was possibly used to describe the atmosphere among farmers, handicraftsmen, hunters, fishermen and any other people assembling in the marketplace to sell their merchandise. The term “competition” can be also used to describe competitors, i.e. entities with which one competes, since the beginning of the 1960s.

2.4.6 Merchandise

The word "merchandise", or goods for sale, describes the commodity businesses buy and subsequently sell to make profit, and also the stock of goods found in a store. It has its origin in the 13th century Middle English word *merchaundise* and it used to describe the occupation of a merchant; this meaning is now archaic (Merriam-Webster, 2019). In the 14th century, it started to function as a verb, meaning "to carry on commerce" – also archaic at present.

Apart from these two obsolete meanings, the one with which it is used today has existed since the middle of the 14th century, and traders might have used it when praising their produce to their potential customers (Online Etymology Dictionary, 2019). Until the 1890s, it was even possible to use the term in plural when talking about multiple objects.

2.4.7 Word-of-mouth

Word-of-mouth is a form of marketing that relies on people sharing information with each other. When companies sell their products or provide their services, they want their customers to share their enjoyable shopping experience or anything else they particularly liked with their friends or family members, as every one of those could be a prospective customer. Word-of-mouth is encouraged by shocking or controversial advertising, because it awakens the desire to share stories. Storytelling is a timeless social activity occurring in every culture, and as it serves to entertain, educate and in general inform the listener about something, it is a valuable marketing tool.

As a noun phrase, the word first appeared in the 15th century and indicated a certain kind of informal oral communication, specifically unintended publicity and rumours (Dictionary.com, 2019). In the 1820s, the word emerged as an adjective, simply describing something that was orally communicated. Furthermore, the definition *"generated from or reliant on oral publicity"* (Merriam-Webster, 2019) appeared, in phrases such as "word-of-mouth customers", i.e. customers who came only because they learnt of the existence of the company because someone told them about it.

2.5 Brand adaptation for different cultures

Having considered etymology, that is the historical and linguistic aspects of the issue, we will explore the matter of moving the brand abroad and adapting it to new cultures.

Companies choose to expand to other countries because of the growth potential, which can simply be too large to be ignored. Expanding abroad is a significant investment that carries a high risk, but the rewards can far outweigh the risks if the venture is successful. According to Arno (2014), even the most loyal home market is vulnerable to changing shopping habits and the current local economic situation, so exposing a brand to a much greater number of consumers usually seems like a useful decision. It can protect the brand against currency crisis or region-specific recessions, and therefore reduce economic risk.

When adapting their brand for different cultures, companies should stay true to the overall brand, but also tweak the product offerings to account for local tastes. Companies need to find the right balance between standardisation and localisation (Valdez, 2017), which can prove to be difficult. "*Many a times, brands will need to adopt their offerings to different cultures and this violates the standardization principle. Therefore deftly handling the standardization and adoption issue becomes extremely crucial*" (Roll, 2009).

Companies following the standardisation strategy tend to enter foreign markets and use the same approach, advertisements and types of products that proved to be successful in the domestic market, trusting it will succeed in the foreign market as well. Companies, which decide to adapt their strategy to the new foreign market, need to adjust their approach and based on a preliminary research, develop a modified version of it.

Upon deciding that the company would like to grow abroad, there are several factors to consider. They need to understand the target market – that includes conducting foreign market research, identifying and analysing the competition, researching local language, traditions and cultural differences. Then the company needs to develop an entry strategy, spend some time on human resources, hire local people, and decide whether the product will be made at home and transported afterwards or the production will be moved abroad altogether. Companies are confronted with local rules and legal matters, which complicate the whole process as it takes time to comprehend these fully.

Many questions need to be asked and answered before the process begins. The crucial question is whether the product will sell in the target culture. It is imperative to establish whether there is sufficient demand for it. In addition to that, it is easier to sell a product if the target market is already familiar with it or a similar version of it. According to Driver (2017), the fewer differences there are between the country of origin and the target market, the better; this includes trade barriers, geographical proximity, currency, culture and language.

Palmquist (2016) observes that there is a difference to be found in consumer spending habits in individualistic societies like the USA, Canada, Great Britain and Australia and collectivist countries such as Mexico, India, Portugal and Turkey. In individualistic societies, people strive to stand out, chase the latest trend; they think of themselves when shopping and do so in various channels (buy goods in retail shops, online, via catalogue shopping). As a result, loyalty cards are less effective in attracting regular customers than elsewhere. This suggests that companies operating in individualistic societies need to find a different approach. In contrast to that, customers in collectivist countries tend to *"follow the wisdom of crowds and value a product or brand's long-term reputation, rather than its novelty"* (Palmquist, 2016), and they buy goods not only for themselves, but for their families, too. Therefore, they are more likely to buy multiple items from departments of trusted retailers and companies can profit from their loyalty. Consumers in these cultures prefer to see and feel the product in person rather than shop online, in which they are similar to "indulgent" societies found in Western Europe and the Americas. In these societies, customers seek instant gratification derived from testing items in a shop, and like to enjoy the freedom of trying out a wide range of products.

When arriving in a new country, there is often the need to adapt to a new language. Although English is a lingua franca, far from everyone can understand it and companies should not rely on English only, but instead adapt their strategy linguistically. The language in the target culture is often different and high quality translation is needed. Arno (2018) argues that experienced native translators can help to get the message across and avoid potential cultural faux pas. Each language has its own idioms, which, when used in taglines and advertising, can attract thousands of customers but at the same time confuse speakers of other languages.

Brands have to figure out how to prepare pricing and determine their costs, which is most likely to happen through testing on customers, observing their reactions and adjusting prices accordingly. Different cultures have different ways people communicate. People from northern Europe are said to be less interested in small talk, whereas people in southern Europe might want to involve personal conversation before commencing business meetings. Driver (2017) states that another thing to consider are packaging standards. While in the USA only English and perhaps Spanish instructions are used on packaging, in Europe, even for the simplest of products, instructions will have to be in multiple languages, sometimes up to 15 languages, which might result in increasing packaging costs associated with labelling.

Global or international companies have strong and consistent brands that are not tied to a single language, culture, area or a type of customer. Once they successfully navigate the legal systems, accounting issues and all the challenges associated with doing business in a different country, they have a considerable advantage – be it established contacts, better name recognition, higher profits, or wider customer base.

3 PRACTICAL PART

3.1 Foreign companies in the Czech Republic

Since officially forming as an independent nation at the beginning of 1993, the Czech Republic has been the destination of many foreign companies seeking to bring their business into newly emerging post-communist countries. Even long before that, being a part of Austria-Hungary from 1867 to 1918 accelerated the country's industrialisation. The CR has a strategic location in the centre of Europe and a very good access to both established western and emerging eastern European markets (Czech Republic – Place for foreign investments, 2011). The country has extensive transport infrastructure and average labour costs are still much lower in the CR than in many western countries.

All these factors contribute to the attractiveness of the country in the eyes of foreign companies and in the following subchapters, two examples of successful foreign brands operating in the Czech Republic will be examined.

3.1.1 McDonald's

One of the foreign companies that is very successful in the Czech Republic and, in fact, around the world, is McDonald's. The first ever restaurant was opened in 1940 by two brothers in San Bernardino, California. It was a long time before the first restaurant of this American franchise was opened in the Czech Republic's capital Prague – in spring of 1992. The local branch prospered and soon started opening other restaurants throughout the country. According to their website (Historie McDonald's, 2019), it is the biggest restaurant chain in the CR as well as one of the largest employers in the country. McDonald's is built on four basic pillars – quality, cleanliness, service and fair price (Naše hodnoty, 2019). To ensure the best quality possible, the brand carefully selects their suppliers. Every ingredient is closely inspected during its storage until it is processed in accordance to approved predefined procedures. Cleanliness is provided by frequent inspections and continuous clean-up of the premises. Upon their arrival, customers are greeted by competent staff and then, McDonald's being a quick service restaurant, served as quickly as possible. Lastly, prices are reasonably high for the quality of food provided.

In an interview with Jiří Rostecký (2018a), who is the founder of MladyPodnikatel.cz, the Marketing Director of McDonald's for the Czech Republic and the Slovak Republic Ivana Šedivá describes some of the differences between the Czech McDonald's and the ones abroad. She starts the interview by explaining that the Czech branch is quite independent and decentralised. It is one of few companies that does its own local marketing, from market and consumer analysis, searching for opportunities, designing their own new products, then taste testing them with customers and eventually bringing them to the market, to filming their own advertisements. Every country's McDonald's has a high degree of freedom and can participate in creating new products.

According to Ms Šedivá, food is a very local matter and every country has its own specific tastes and preferences, which are based on local traditions. When asked about the Czechs and their taste preferences, she answers that Czech people love cheese, and mainly fried cheese. Any of their limited edition product including cheese in any form is a guaranteed success, such as piece of fried cheese in the middle of a burger, a cheese dip, or small pieces of cheese that can be dipped in a sauce and eaten as a side dish to the main course. The Czech branch of the company has its own carefully chosen local suppliers. There is also a group of people dealing with food development and they take inspiration both from what the company does globally and from the current trends in the CR. That is how the Czech McDonald's once created McWrap (at the beginning called "rolka"), which then spread to other countries as well. On a global scale, this is the biggest success of the Czech branch. In the same way that sommeliers view wine tasting, this group of people dealing with food development tries to determine which flavour is dominant; the simplest criterion being whether something is spicy to taste or rather mild. Owing to that, they have managed to develop certain standards of how a product should taste and look like if it is to be successful in the Czech or Slovak Republic.

However, in the interview Šedivá also mentions some problematic aspects of dealing with marketing in the Czech Republic. It is often challenging to set the right priorities. The CR is a small country and therefore unable to generate the same resources for marketing as, for example, Germany. Therefore, it is necessary to decide where to invest, both money and teams of people. The country is unable to sustain such large markets and it is important for it to know their strengths and focus on them.

At the end of the interview, Šedivá acknowledges that McDonald's is not just about the food, as that can be easily imitated by anyone. The overall experience in a restaurant is a complex matter. Customers create a certain opinion of the brand even before they enter the restaurant – the brand image starts with how the restaurant looks from the outside. The design of the premises, time spent waiting to place an order, the comprehensibility of the menu board, communication with staff, freshness of ingredients – these all form customer experience. Add to that the messages customers receive through social media, billboards and TV commercials and they have created an emotional relation to the brand that is much more difficult to imitate. That is the power of marketing.

The key to success of the fast-food giant was without doubt standardisation. Levins (2018) observes that *"(n)o matter which restaurant you entered, you knew you could expect a quality meal that always tasted the same at a decent price,"* and with its famous golden arches and colour scheme the company can nowadays be found almost in every city in the world. The company balances the strong brand and standardised products by adapting locally. Although the overall franchise requirements remain consistent for every country, regional menu and promotions adjustments reflect cultural and societal expectations, thus ensuring the brand's enormous success.

3.1.2 Nestlé, Nescafé

Another foreign company on the Czech market is Nestlé. Nestlé is a Swiss transnational company that specialises in food and drink. Its history reaches back to 1866, to a company named Anglo-Swiss Condensed Milk Company (The Nestlé company history, 2019). Using abundant supplies of fresh milk in Switzerland, Europe's first production facility for condensed milk was established. Around the same time, pharmacist Henry Nestlé launches his own company and develops a breakthrough infant food. Fierce competition develops between these two. Both businesses expand abroad and eventually, almost 40 years later, the companies merge into one.

The oldest documented mention of Nestlé on the Czech territory is from the year 1890 (Historie Nestlé v ČR a SR, 2019). In June of that year, the trademark Nestle's Kindermehl and its label were registered in the country and two years later the company started to sell its basic range of products. Direct commercial representation in Prague was probably established a short time after Czechoslovakia declared its independence, as in 1918 the first director of the company was appointed on the Czech territory.

Nestlé's products include baby food, bottled water, dairy products, coffee, cereals, ice cream and confectionery, and the company has many brands, such as Nescafé, Nesquik, Maggi, Kit Kat, and also some famous Czech ones, e.g. Orion, Hašlerky or Jojo. Nescafé is a brand of coffee officially established in 1938 (Příběh Nescafé, 2019). However, the story unfolded in 1930 when the Brazilian government called on companies to help to preserve the substantial surplus of coffee beans, which was the result of the Wall Street Crash of 1929. The task was to discover a way of making coffee that would require only adding boiling water to a pre-processed mixture. In the end, Nescafé was founded, its name being a linguistic blend of the first three letters of the word “Nestlé” and the word “café”. According to Nescafé’s website, during the World War II, Nescafé tins of coffee were a part of the American soldiers’ food packages, and after the war, the brand spread across the world.

In another interview, Rostecký (2018b) talks to Marek Nepožitek, who is a Junior Brand Manager in the Czech Nestlé. Mr Nepožitek’s responsibility are products Nescafé Dolce Gusto. They talk about Nescafé Classic, sometimes called Nescafé original, and its recipe. The recipe for this product is different for every country, because they find it important to appeal to tastes of local consumers. Although it seems like a global product, the recipes in Switzerland and in the Czech Republic are different. That does not mean one of them is of better quality, but it is the result of testing consumer taste preferences, as in some countries people tend to prefer their coffee more bitter than in others. Generally, several products are developed and given to consumers to taste, and the most successful one is then chosen and produced on a large scale. There is a similar situation with Nescafé Gold. Another of their products, Nescafé Dolce Gusto, has only one unified recipe, but that is primarily because there are many kinds and flavours and therefore everyone can choose what they like.

Nepožitek states that it is possible to develop local products. The brand strives not to be considered as commodity, as something easily replaced, and product superiority is essential to them. They have introduced the famous red mug, which is often sold in combination with a jar of coffee, and which aids brand recognition. However, the Czech consumers are, according to his words, particularly disloyal. Price is often the decisive factor and can be the reason why they once buy this brand of coffee, but next month a different one merely because it is discounted. Nepožitek refers to a research that has discovered that in the CR, customers regularly buy approximately 55% of all goods discounted, while, for instance, in Norway, it is only 17% of goods.

The main reason people buy FMCG (fast-moving consumer goods) is that the product satisfies all the important requirements – with coffee, it might be price for certain quantity, and quality (taste). It is consequently problematic to obtain loyal customers in a country where price is important to such a degree.

Lately there has been a new kind of pressure regarding quality, sustainability and corporate transparency. Customers have started to look for the green leaf symbol on product packaging indicating bio products, as it is said that this generation feels greater responsibility for both their lives and the environment around them. As a result, Nestlé, and consequently Nescafé, face a challenge to respond to this demand and to offer what consumers want.

Nepožitek emphasises that the global product team is located in Switzerland and the way the brand will develop in the future depends entirely on global product managers and their decisions. However, there is an internal marketing department in the Czech Republic, which cooperates with retail chains and they together create point-of-sales documents. The way to differentiate one's product can be in details – cooperating with the retail chain and creating a special brand shelf. In the interview, which was recorded in October 2018, it is explained that the Czech Nescafé recently helped the retailer ElectroWorld in creating a rack with products containing coffee capsules. They even cooperated with their own competitors, and agreed on how the coffee rack should look like. Nepožitek stresses the importance of wobblers. A wobbler is a piece of cardboard attached to a plastic strip with which it is fixed to the rack at eye level and where it protrudes a little bit. Owing to the airflow in the shop the cardboard wobbles (hence the name) and attracts customer's attention. Wobblers should have something interesting to say – they normally advertise special offers, and are especially effective in *"so-called 'crowded' product categories, including packaged food, beauty products, electronics, sweets and cold beverages"* (Shelf wobblers are more effective than ever, 2017).

To conclude the interview, Mr Rostecký asks whether it is difficult to sell FMCG like food and drinks online. Mr Nepožitek's answer proves the importance of first-hand experience. Persuading consumers to buy their coffee without being able to see it, smell it or taste it (which is occasionally possible through stands offering to taste samples) is extremely challenging. Other aspects of online communication are, on the other hand, very useful. Discussion forums represent a form of word-of-mouth, with people discussing their opinions and experiences with various products. Some of Nescafé's products can only be made using their coffee maker. When someone who does not own this coffee maker goes to visit a friend, is offered a cup of coffee made by it and realises they like it and that they could have it in their own home, Nescafé has just gained a new customer.

3.2 Questionnaire

For the next part of the research, a questionnaire with 20 questions was created and sent to marketing specialists of foreign companies operating in the Czech Republic who would fill in their answers. Overall, 120 companies were contacted. I received 20 positive answers from firms operating in various industries and originating in different countries.

I received 16 answers from companies promising to pass my request to fill in the questionnaire to relevant persons, either to marketing departments or to individuals, saying that if they would find the time, they would try to help me.

Likewise, I received 19 negative answers – for various reasons. The most common reason for refusal was lack of time and competent staff to handle my request. Some companies stated that they received several similar requests everyday and therefore chose not to respond to any of them in order to be fair to every student. A couple of companies wrote that they, unfortunately, could not help me as marketing was controlled elsewhere (in another country), and so they were unable to provide any information. Similarly, other companies wrote back that they did not have any contact information for marketing departments and therefore could not pass my request further. Some apologised and said that they could not fill in my questionnaire, as it would mean publishing sensitive data. Another reason was that they could not help me because of their rules, which only allowed providing this type of information to students who have their work experience in the company.

No reply was received from 66 companies. Three companies, however, did not state their name when filling in the questionnaire, and it is possible that the three unknown respondents belong to this group of 66 companies.

Three companies filled in the questionnaire but their answers were subsequently discarded as they were not originally foreign companies, but companies established in the Czech Republic.

All the numbers mentioned above do not add up the total count of 120, since three companies filled in the questionnaire anonymously and could be therefore included in the 66 companies which have not answered at all. In addition, two companies that did not answer for themselves were eventually incorporated into one of the responses, as I was told that the three brands had the same mother company and the same branding strategy.

3.2.1 Structure of the questionnaire

At the beginning of the questionnaire, I introduced myself and stated the purpose of the questionnaire. The first five questions were designed to discover some basic facts about the companies participating in the survey. The participants of the survey were asked to state for which company they work. This question was not compulsory, as I did not want to discourage potential participants. Then I inquired about the participant's position in the company. The aim of the next question was to establish what the company specialises in, to have some specific information in case they did not state the name of the company before. The participants were also asked about their country of origin – to know from where the company came to the Czech Republic. After that, I asked the participants about the number of employees working for the company in the CR, to have an idea of the size of each firm.

The remaining fifteen questions formed the core of the questionnaire. They were formulated to discover details about the branding strategy of the company in the CR and any differences there might be in it from the strategy in the country of origin. I asked about the degree of dependency the Czech branch had on the foreign parent company and whether it was decentralised or not. I inquired about their communication with the foreign parent company – in particular, through which means it was realised and how often. The participants were also asked whether the marketing and branding strategy in the CR was in any way different from the original one and if so, how specifically. I asked about the existence of any rules and guidelines regarding marketing communication. If those rules existed, the participants were asked about the kind of rules that had to be followed by the Czech branch.

The participants were also questioned about advertising. I was interested in knowing whether it was taken care of by the foreign parent company or whether it was something that the Czech branch could do on its own. One of the questions was related to the kind of advertisements used in the CR; the participants were asked whether the same advertisements were used as in the country of origin, or whether there was a necessity to create different ones. After that, I asked the participants about the company's Czech website and its similarity to the original one, and about the existence of any unique, local products that could not be bought elsewhere in the world. Likewise, I was interested in knowing whether the activity and actions of the Czech company were in some way able to influence the foreign parent company. The last question concerned the cultural differences between the CR and other countries; to be specific, the participants were asked whether the Czech customer was, in their opinion, in any way different from the customers in the country of origin, and if so, how.

At the end of the questionnaire, the participants of the survey were encouraged to leave their contact information if they would like to be informed of the results of the questionnaire, and I in return offered my contact information in case anyone had any questions.

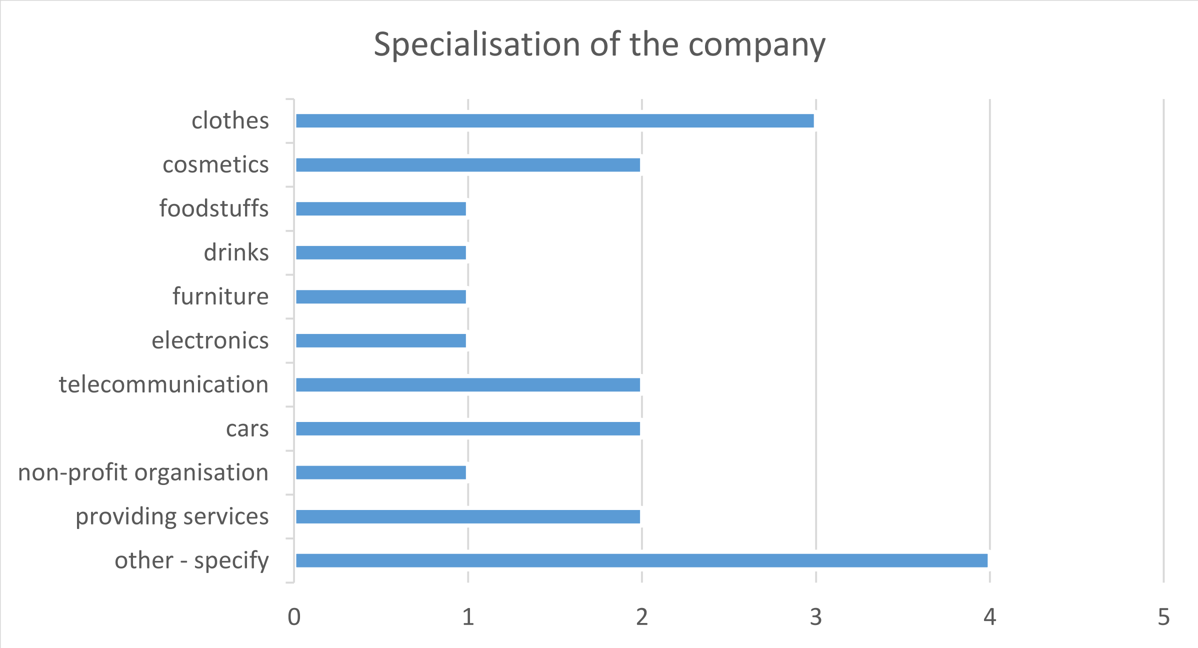
3.2.2 Results of the questionnaire

In this subchapter, pie charts are used to illustrate results of questions with four or less answers. On the contrary, bar charts were chosen for questions with more than four answers and for questions with more than one answer possible, as pie charts would not be as comprehensible for those types of questions.

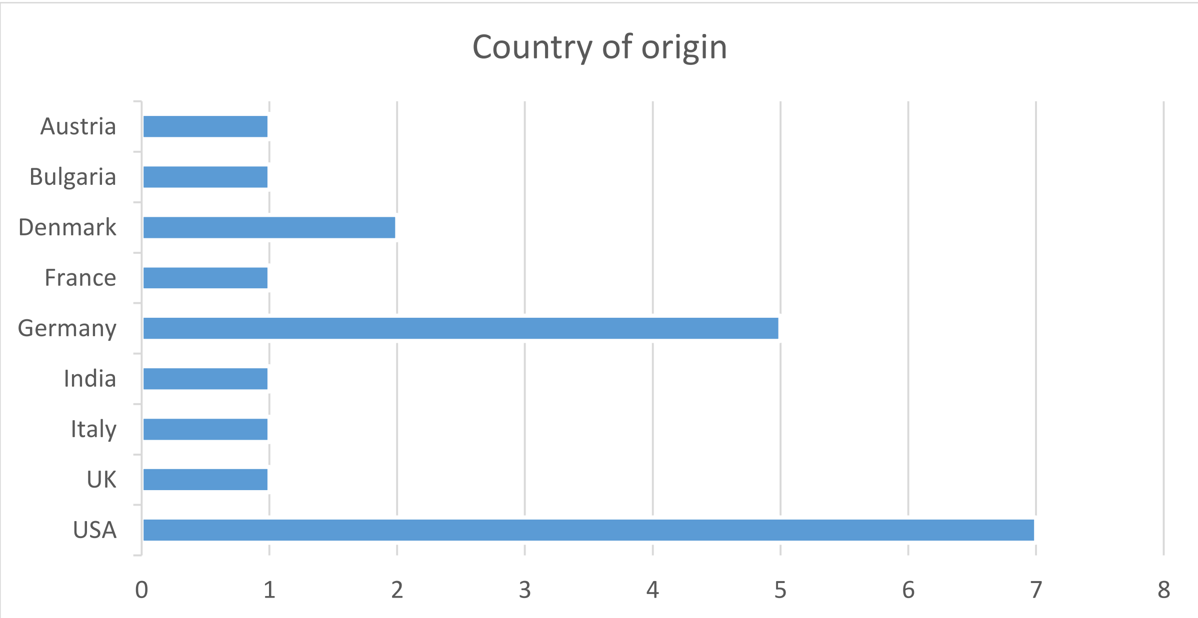
At the beginning of the questionnaire, respondents were asked to state which company they worked for. As this was not a compulsory question, 17 out of 20 respondents gave their name. The companies that filled in the questionnaire and stated their name were, in alphabetical order, ACS International s.r.o., Calzedonia, Deloitte, DHL Express, EvoBus Česká republika, GANT, Great United Trading, s.r.o. (Timeout), iWant Apple Premium Reseller, JCI Czech Republic z.s., JYSK, ManPower, Raiffeisenbank, Subway, Tiger Store Czech Republic s.r.o., T-Mobile Czech Republic a.s., Valeo and Whittard of Chelsea. Three answers came from companies that did not give their name. In a reply from the Sales & Commercial Department Manager of Calzedonia, I was informed that the marketing strategy of that brand was the same for other two brands – Tezenis and Intimissimi, as all three of them belonged to the company CALPRA, s.r.o. and there were no differences in strategies of their brands.

The second question was compulsory, as I thought it would be convenient to know what the position of the respondent in the firm was. It was surprising to see that although the questionnaire was written in the Czech language, 14 answers were in English. Since the respondents chose to state their position in the company in English, it is possible that the job title does not have its exact Czech counterpart or if it does, it is not used as often as the English original. The answers in English included job titles such as Marketing Manager, Online Marketing Manager, Head of Marketing Communication, Commercial Manager, Marketing & Communications Manager, Sales and Marketing Manager, Marketing Coordinator, Marketing Manager CZ-SK Region, HR Marketing Specialist and Recruitment Specialist. The Czech answers included words such as Jednatel, HR marketing specialista, President 2019 (statutár) and ředitel komunikace. We can see that most of the answers came from employees specialising in marketing, sales, communications or human resources. In one answer the respondent, seeing the question had to be answered and probably wishing to avoid it, just wrote "x", refusing to answer.

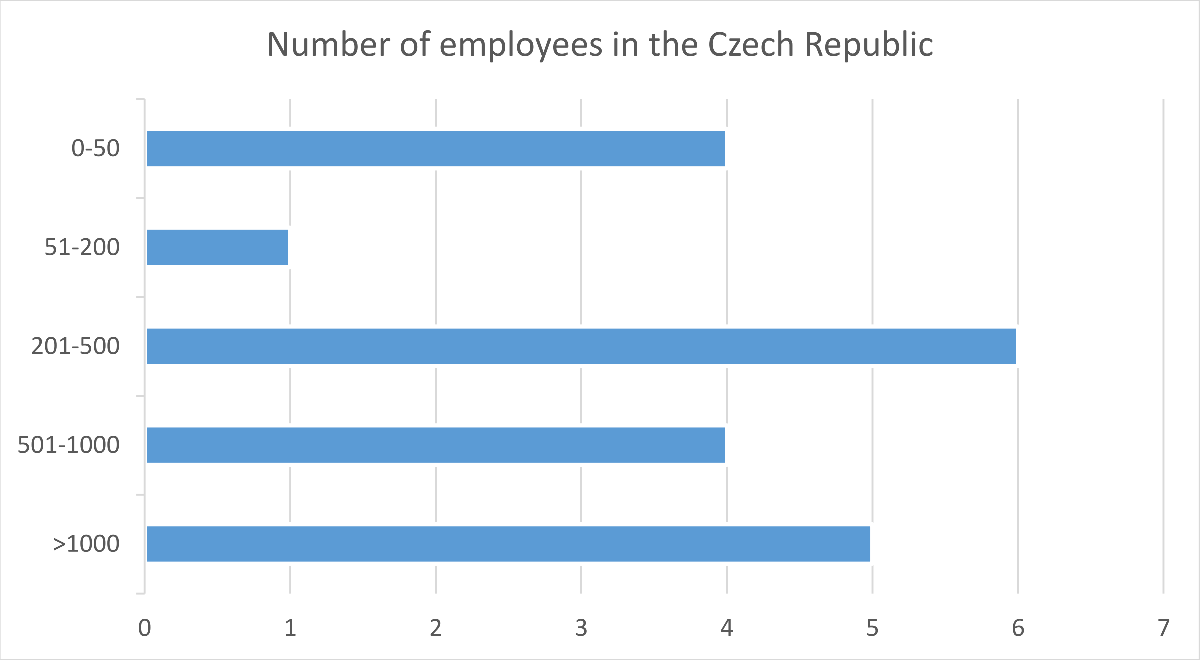
In the third question, companies were asked about their specialisation. This meant including many possible categories and, in addition to that, the choice "other – specify" in case some of the companies did not fit exactly into one of the predefined options. As you can see in the bar chart on the next page, I received answers from companies in diverse fields. Three answers were from companies dealing with sales of clothes, two companies specialising in cosmetics, two specialising in telecommunication, two in cars and two companies who provided services. As for companies specialising in foodstuffs, drinks, furniture and electronics, one answer was received from each category. One organisation was a non-profit non-governmental organisation and four companies needed to specify their field of activity further. The four answers included firms specialising in Human Resources, Finance and Banking, selling products for households, entertainment, creativity, some foodstuffs etc., and automation, designs of solutions for electrical systems.



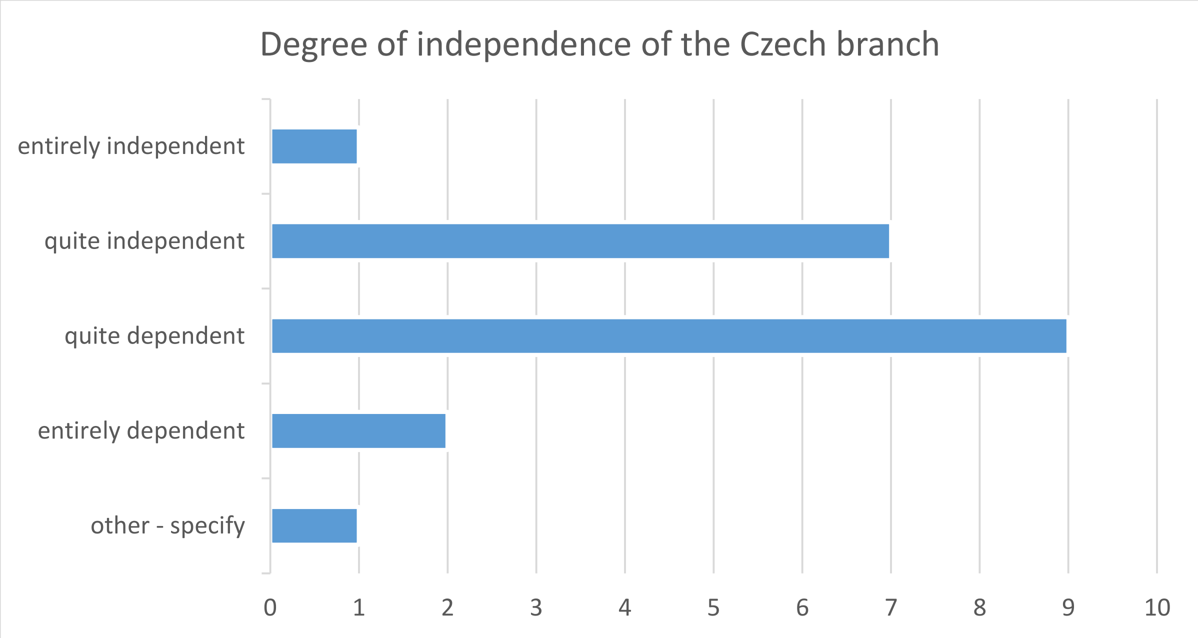
In question number 4, respondents were asked to state the country of origin of the company they worked for. Respondents were given overwhelming 23 possibilities. Since I received answers only from a small number of the companies I contacted, 14 options remained unused and are therefore not present in the chart below. Of the twenty respondents, most were either from the United States of America or from Germany – seven and five respondents respectively. Two companies came to the CR from Denmark and one from each of the following countries – Austria, Bulgaria, France, India, Italy, and the United Kingdom. Upon later verification, I discovered that the company Deloitte was actually from the UK and not the USA. I assume it was a mistake during a quick data entry and the chart below should therefore have one more company from the United Kingdom and one less from the United States of America.



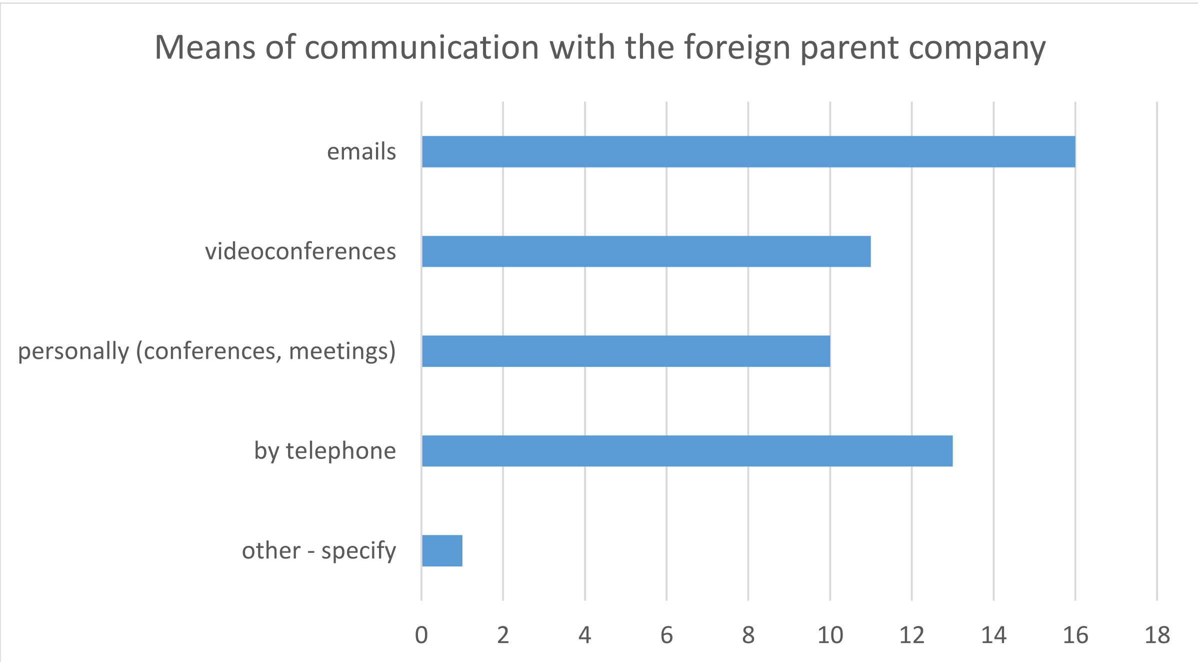
In the last general question about the company, I inquired about the number of employees working for the company in the Czech Republic in order to learn more about its size. As can be seen in the chart below, four companies were very small, with under fifty employees working in the CR. One company was medium-sized with between 51 and 200 employees, most of them (six) had between 201 and 500 staff members, four had between 501 and 1000 employees and finally, five companies were quite large and reported more than a thousand employees working for them in the CR.



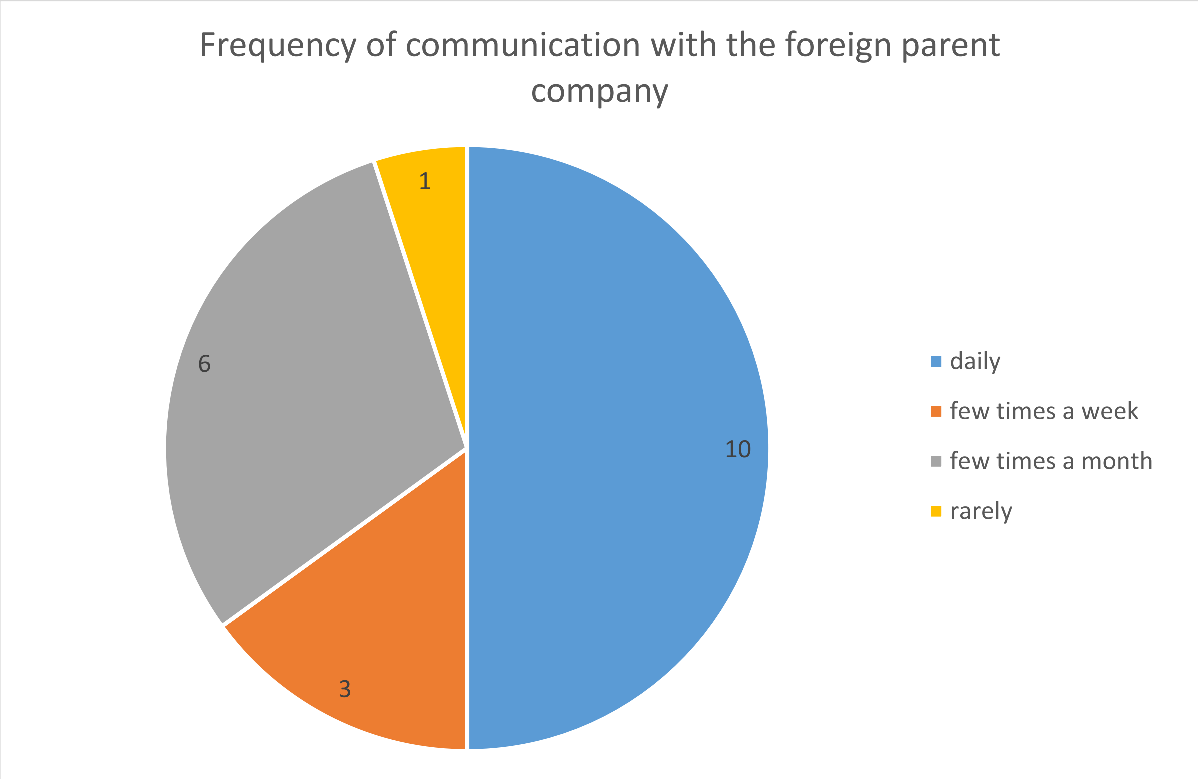
After discovering some basic facts about the companies that have filled in the questionnaire, the questions were centred on the relationship between the Czech branch of the company and its foreign parent company abroad. In question number six, the respondents were asked to what degree was the Czech brand independent and whether it was decentralised. On one end of the scale, as shown in the chart on the following page, was the option of absolute independence and on the other end the option of absolute dependence. Choice "other – specify" was also included to provide means for clarification. Majority of the respondents placed themselves in the middle of the scale, claiming either to be quite dependent on the foreign parent company or quite independent of it. Only one company declared to be entirely independent and two companies entirely dependent. One person commented that the degree of dependence of the Czech branch depends on what part of business is examined and that they could not definitely say what their answer was.



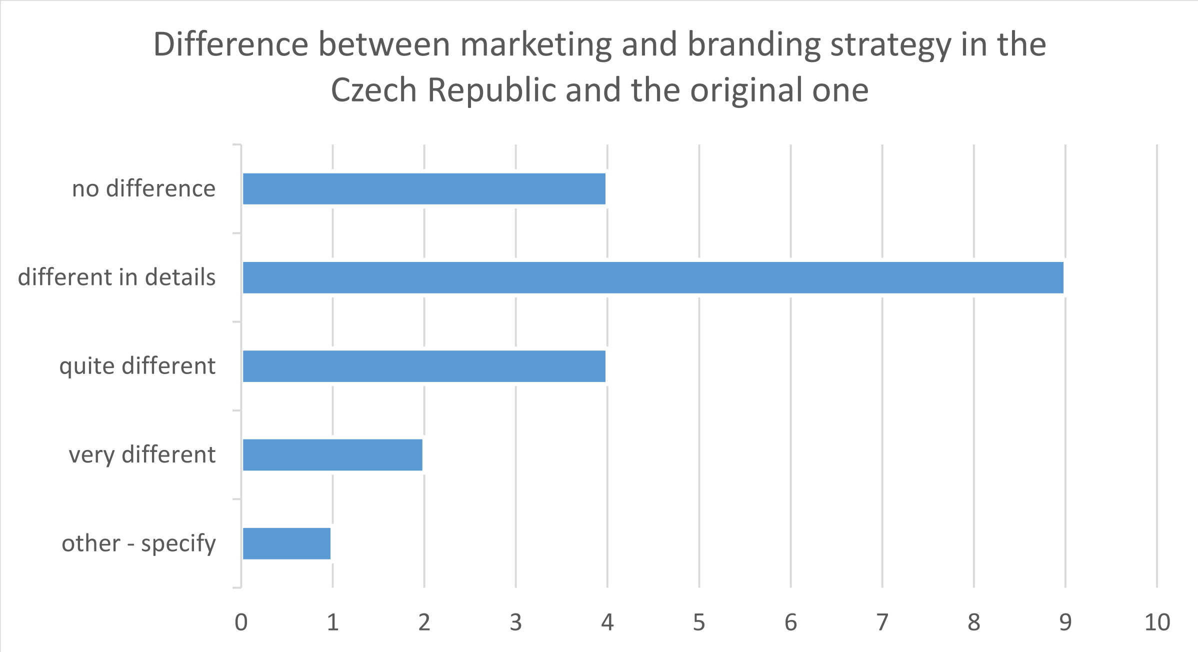
Question number seven was about communication with the foreign parent company – headquarters abroad. I asked about the means of communication that were being used. As this was a question where respondents could choose more than one answer, the chart below reflects that the total number of all the answers is not twenty. Companies most often communicated via emails – 16 out of 20 companies. The second most frequently employed way were phone calls (13), with videoconferences following close behind and face-to-face interaction, without any mediating technology, occupying the last place. One company reported that they communicated using the combination of all the methods, which, in fact, means they could have checked all the options individually and the number of responses for each option would increase by one.



As well as knowing by which means of communication businesses usually interacted with their headquarters in their country of origin, the respondents were also asked to state how often they communicated with the foreign parent company. In question number eight, as pictured in the chart below, half the respondents noted that they communicated with the foreign parent company on a daily basis. Six companies said they communicated with them few times a month, three companies did that few times a week and one company rarely ever did.



In the ninth question, the participants of the survey were asked to describe the existence of any differences in marketing and branding strategies between the branch in the Czech Republic and the company in its own country of origin. It transpired that almost half the respondents believed that the strategy of their company in the CR differed, but only in some details. Four people could not see any differences between the countries and the same number of people found the strategies to be quite different from each other. Two companies noticed considerable differences and one chose the “other - specify” answer and stated that they could not answer this question, as it concerned sensitive data. The results can be seen graphically on the next page.



Question 10 was a follow-up question to the previous one. Seeing that it was an open question, it does not contain any chart. I was interested in knowing, in case they stated that there were indeed some differences in the marketing and branding strategies of the company in the country of origin and in the CR, what these differences were. As fifteen companies answered positively, I hoped to learn about some specific differences.

The respondent for the international clothing brand GANT, founded in the USA, stated that abroad, the brand was not perceived as a premium brand, whereas in the Czech Republic it was. As a result, the main difference was in the target customer group of the company. In the CR, the brand's shops are only located in the capital and two other cities, and may be perceived as rather luxurious.

The Austrian Raiffeisenbank explained that the brand itself was the same in the Czech Republic, but the ATL communication was different. ATL (above the line) communication is a kind of marketing communication utilising media (TV, radio, the internet, print) as opposed to below the line communication, aiming at target groups through direct marketing, point-of-sale marketing and sales promotions.

According to T-Mobile, a German telecommunications company, mentality of the Germans and the Czechs was very different and that was why the communications method, graphic matters, target customer groups and their motivations naturally differed as well.

The American fast-food restaurant franchise Subway came to the Czech Republic in 2003 and just like McDonald's, the company offers local products in every country. The respondent for the company referred to that exactly, saying that the Czech Subway offered some unique and localised products. The brand's position on the market was also emphasised, as it was different from the position the brand occupied in the USA, where the brand became commonplace, while in the CR, located only in Prague and other big cities, it was, by some people, still perceived as something new.

Another company from the USA, Manpower, a provider of administrative and support services, deals with recruitment and assessment and helps with training and development of employees. It is the third-largest staffing firm in the world. According to its employee, the main difference between the Czech Republic and the USA was in the target groups of recruited candidates. Both countries have, based on different job sectors, various needs.

Timeout, under the mother company Great United Trading, is an American retail selling clothes. A participant of the survey working for the company said that the main difference was in Czech customers. They are more sensitive to prices and more conservative, which means that the company has to be more careful about setting prices and, compared to the USA, about designing certain items of clothing more thoughtfully.

JYSK, a Danish retail chain selling household goods, furniture and interior décor, who, in the previous question, answered that there were only minor differences, elaborated in here to explain that there were differences in how the media was used, and that there were certain special events that were different than in Denmark, with heavy focus on online communication.

Deloitte is a multinational organisation providing audit, tax, consulting and financial advisory services. It was founded in London, UK, although the marketing manager who filled in my questionnaire gave the USA as the country of origin. Regarding it as a mistake, it will be considered as British. The respondent for Deloitte said that the strategies were only different in details, but they still had mandatory brand rules that had to be respected.

Another British company, Whittard of Chelsea, is an international retailer of coffee, tea and other items that are used for the consumption of hot drinks. Their shops in the Czech Republic are located in Prague and Brno. According to its respondent, the brand was said to have a different image in the minds of Czech customers, who perceived it as a somewhat exotic, foreign brand, while in the native UK, it naturally did not evoke those images. That, according to their words, had to be taken into account when creating their brand strategy.

JCI Czech Republic is a non-profit non-governmental organisation from the USA specialising in educational events and encouraging young people to make a difference, to become active citizens and to participate in efforts toward social development. The respondent for JCI said the global strategy of the organisation was very animated and general and it communicated its mission, vision, values and history of the organisation, while the local strategy focused on using real people and concrete things, results of particular projects and events.

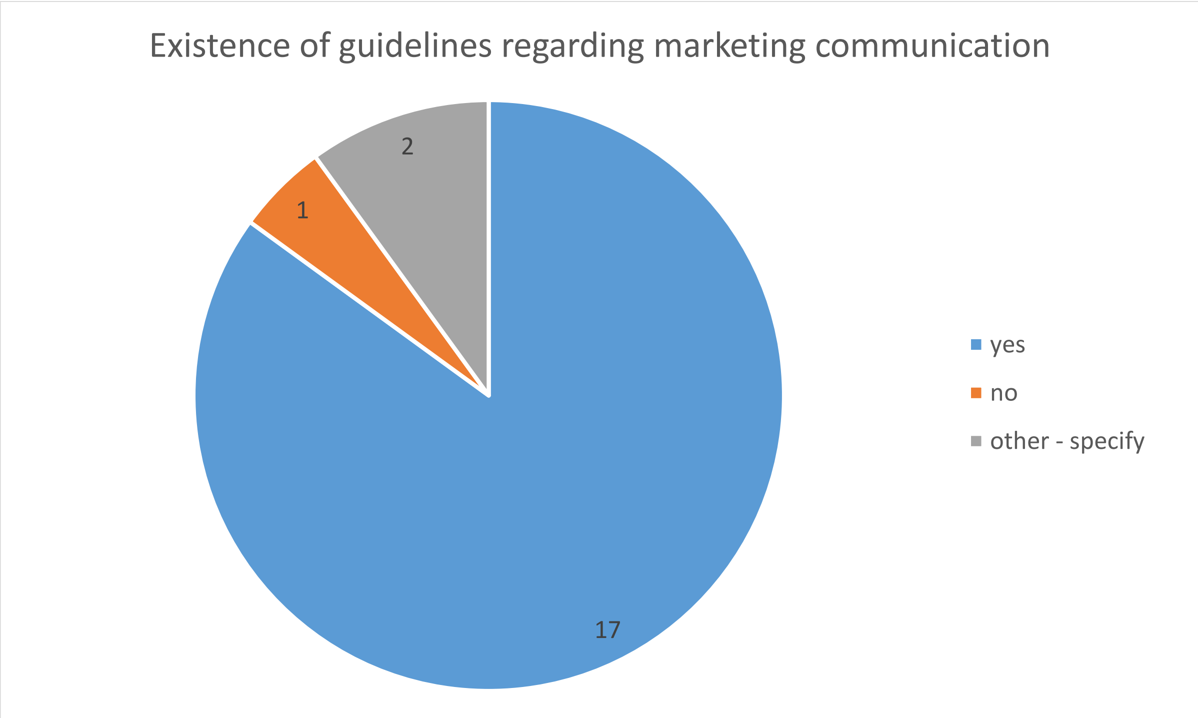
Valeo is a global automotive supplier from France. They supply a wide range of products to automakers and they have been in the CR since 1995. As for the differences, the company's communications manager pointed out that there were some on the PR level, in the relationship the firm had with the media, and in HR marketing. The product marketing was the same as in its country of origin.

Calzedonia, and therefore also the brands Tezenis and Intimissimi (from Italy) and an unnamed German cosmetics company both answered the previous question saying there were only minor differences, but then did not expand their answers further.

The respondent from iWant Apple Premium Reseller, focused on selling electronics of the Apple brand, said that they could not provide their answer to this kind of question.

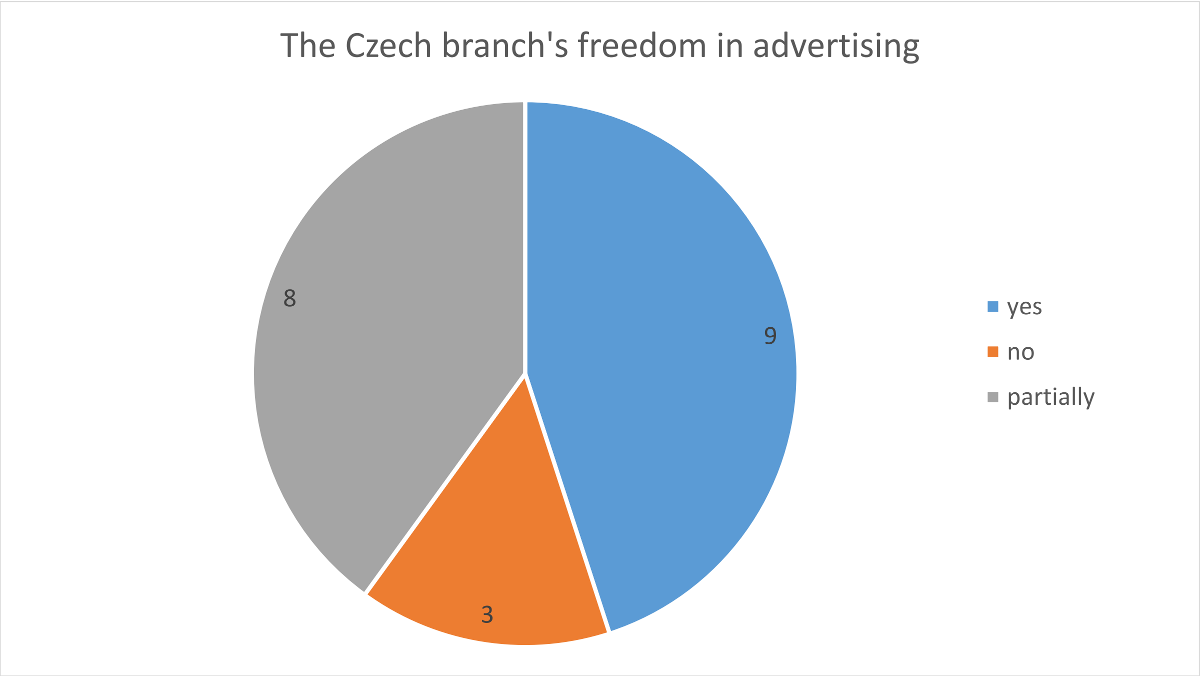
Tiger Stores (from Denmark), ACS International (Bulgaria), DHL Express and EvoBus (both from Germany) explained in the previous question that there were no differences and therefore did not mention anything in this question.

Question number 11 dealt with the existence of any guidelines and rules regarding marketing communication. It became clear that the majority of companies (17) did indeed have to follow certain rules. One company gave a negative answer. According to one company, the guidelines did not exist yet, but they were semi-finished, and according to the last one, there were rules for the brand and how it should be handled, but not for marketing communication.

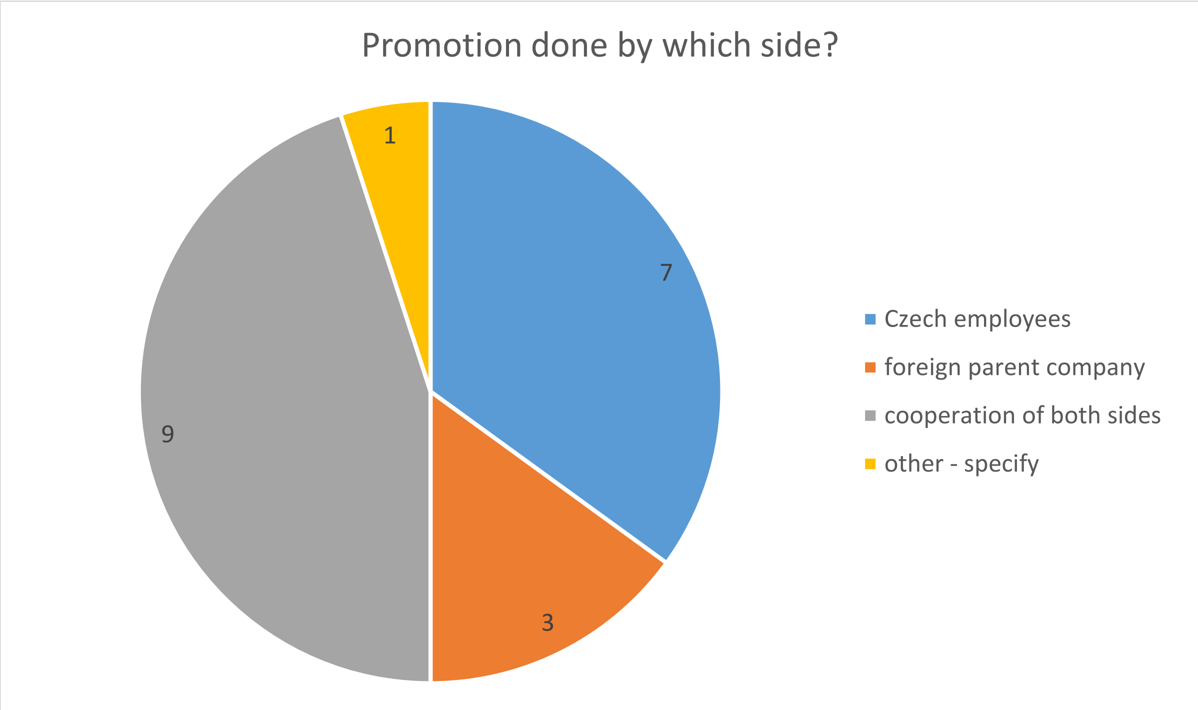


Question 12 was a question where respondents could choose more than one answer. It transpired that most of the companies had to follow a certain way their shop looked and the assortment of goods on offer. Half the respondent had to adhere to a particular kind of advertising and communication with the customers, nine firms were instructed on how employees should behave and seven had given dress code in the workplace. One answer was that the only fixed part was visual identity, namely logo, and two firms gave a simple “no”.

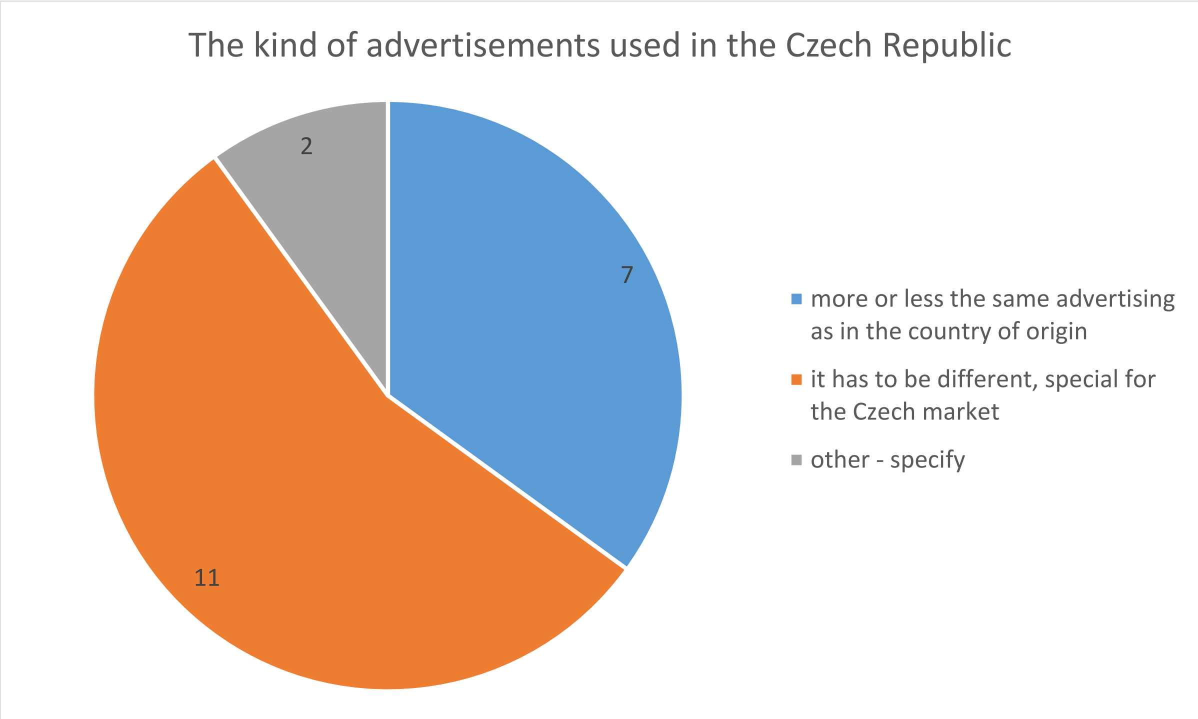
In question number 13, I inquired whether the Czech branch of the company was free to create its own advertising. From the results, we can see that they are mostly free or partially free concerning advertising, as nine respondent said they had full freedom about it, eight that they were somewhat independent and only three said they could not do what they wanted.



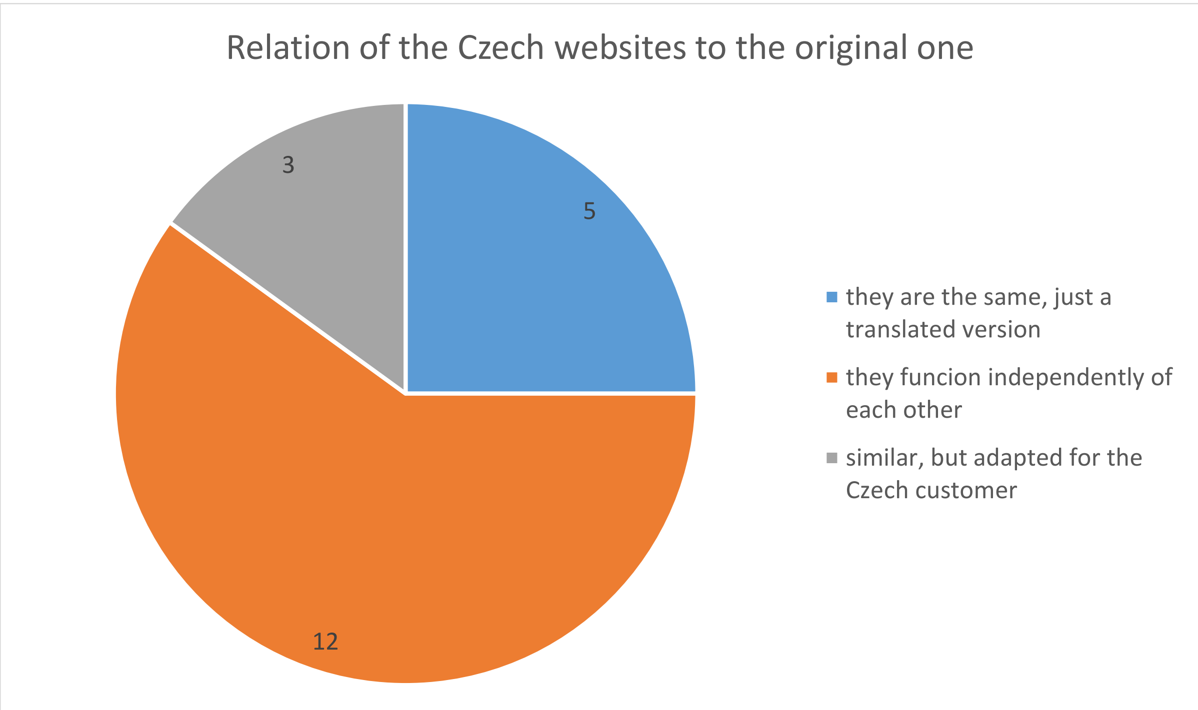
The fourteenth question in a way more or less corresponded to the previous one. The participants of the survey were asked which party took care of promotion in the Czech Republic. As shown in the pie chart below, in nine companies, promotion was arranged by the two countries cooperating with each other, in seven firms, it was solely the Czech employees' responsibility and in three cases, it was the foreign parent company's responsibility. One company stated that it was taken care of by the Czech employees, but they had to follow certain rules set by their headquarters abroad.



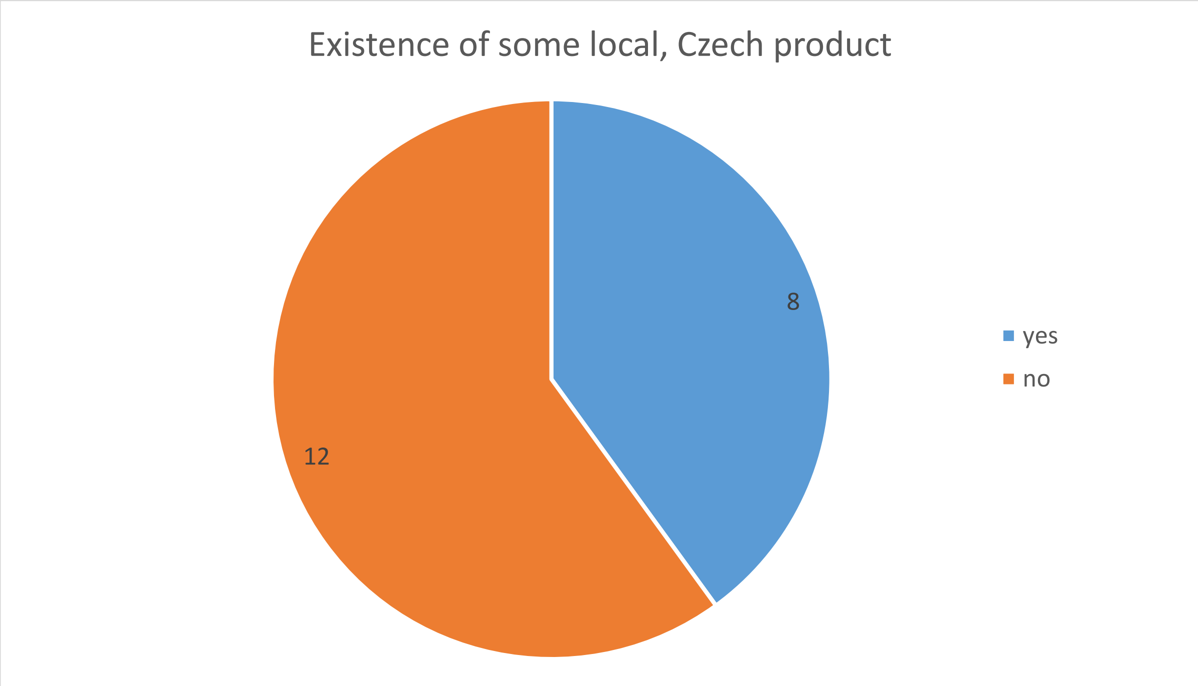
Question number 15 dealt with the kind of advertisements used in the Czech Republic. The participants of the survey were asked whether the same advertisements were used as in the country of origin of the company or whether there was a need to create original ones, somehow special for the Czech consumers. The results, reflected in the chart on the next page, show the total number of eleven firms creating special advertisements and seven companies using the same advertisements as are used in their countries of origin. One respondent argued that their company did not use advertisements at all and one that they did not sell to customers directly, but they made commercial transactions with other businesses and therefore had no need for classic advertisements neither.



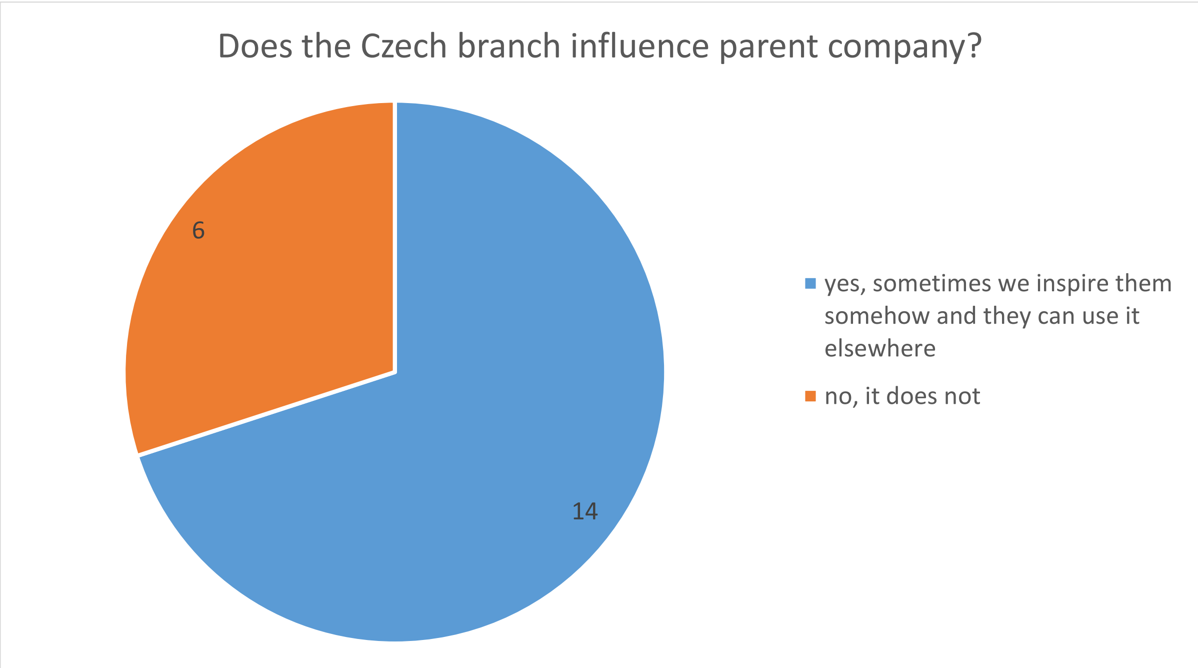
In the sixteenth question, I was interested in online communication and particularly the individual brands' websites. Twelve respondents noted that the Czech websites functioned independently of the original ones and there was no relation between the two whatsoever. In five cases, they were the same but the Czech one was a translated version of the original one, and three firms described that they were very similar, but in some ways adapted specifically for Czech consumers.



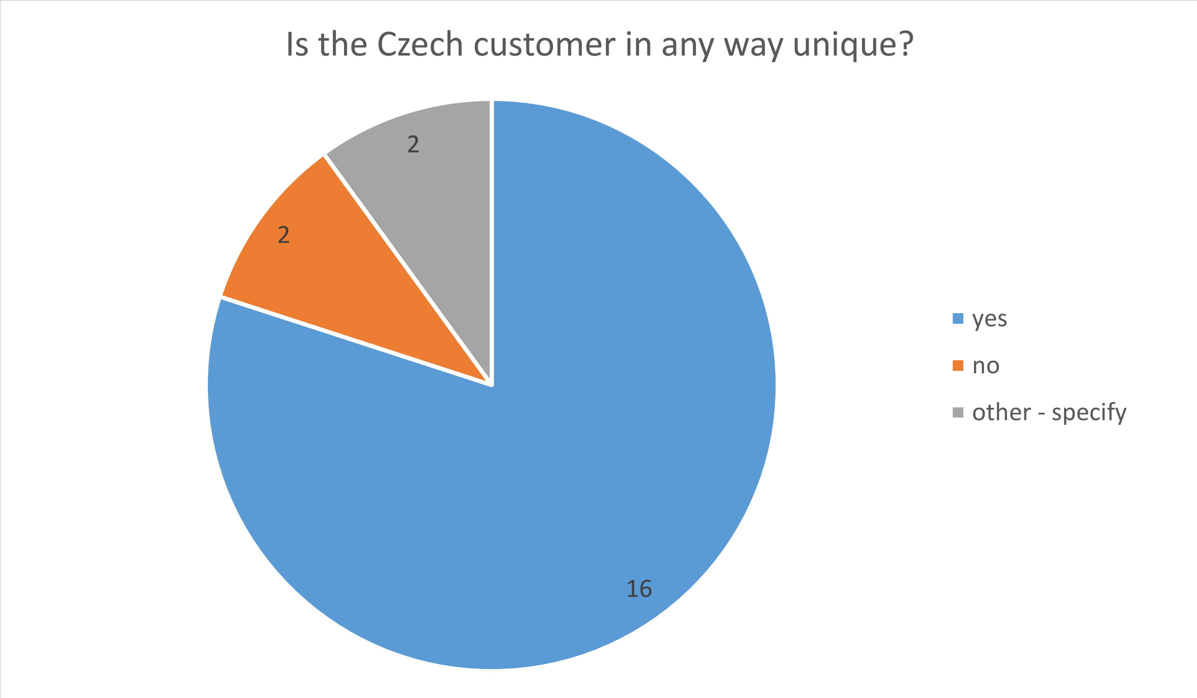
In the seventeenth question, I asked whether the Czech branch offered some local product that could not be bought elsewhere in the world. There seemed to be no trend and the answers were quite balanced; twelve businesses said there was not any such product, eight that there was.



It was already determined that the foreign parent company influenced the Czech branch, but could there be some influence the other way round? Fourteen respondents reported that they indeed occasionally did or created something new that inspired the foreign headquarters to borrow it and reuse it somewhere else. In six cases, there was no such occurrence.



In question number 19, I inquired about the sociological aspect of branding and marketing. The respondents were asked about any existing differences between the Czech customer and the consumers in the country of origin of their company. An overwhelming majority of answers was positive, with only two negative answers and two “other” answers. In those, one firm referred to not having customers as such but dealing with other businesses, and therefore had no relevant data. The other one said that every country had a typical consumer behaviour and the Czech Republic was no different, but did not elaborate further.



The last question was an open question, so no graph follows. Provided they said “yes” in the previous question (and sixteen of them did), the respondents expanded on their answers further and detailed the way the Czech consumer was different from consumers elsewhere.

Several brands agreed on the Czech attitude to prices. According to clothing brand Calzedonia, the Czech customer was very sensitive to prices. Similar answer came from Timeout, namely that the Czech customer was sensitive to prices and bought discounted goods more often. Just like in their answer to question 10, they also stated Czech consumers were rather conservative, and that it could take for some trends that appear in the USA as many as two years to manifest in the Czech Republic. ACS, specialising in designing solutions for electrical systems, noted that when discussing a specific commission with their client, the client in the CR is mainly interested in price and only then in quality of the execution of the task, as opposed to their Bulgarian headquarters. An unnamed German cosmetics brand also gave “buying discounted goods” as the main difference between Czechs and Germans.

Clothing brand GANT referred back to their answer in question 10, saying the Czech customers saw the brand as rather premium based on their prices. The respondent for the coffee and tea company Whittard of Chelsea reported the Czech customers were more interested in knowing more information about the product in the shop – especially about the more expensive goods, in order to make a better-informed decision about the purchase.

According to the fast-food chain Subway, the Czech consumers were careful about prices and did not usually consider a sandwich a full meal. The history of quick service restaurants in the Czech Republic, which is not as long as in many western countries, influenced the way the company and its competitors were perceived. The respondent for NGO JCI mentioned some linguistic problems, namely that the terminology in the CR had to be carefully navigated. The term "active citizen" (a person who actively takes responsibility in areas of public concern) could not be translated directly as "aktivní občan" because of the Czech Republic's communist past and the words' connotations.

iWant referred back to their previous answer and repeated that every country had its typical consumer behaviour, but did not elaborate further. The variety store chain Flying Tiger did not see any difference between a Danish and a Czech customer in their behaviour, saying the assortment of their shopping basket was the same but the quantity differed – the Danes tended to buy more. The German bus manufacturer EvoBus only mentioned that there were differences in the way the bus in the CR was equipped. The Danish JYSK argued that online communication had a way bigger influence in Scandinavian countries than in the Czech and Slovak Republic, where its influence was growing but was not yet so significant.

The staffing firm Manpower remarked that the Czech customer valued certainty and security above all, and Raiffeisenbank said that in the CR, they had a different target group based on people's incomes. The respondent for T-Mobile described that Czech people were different from the Germans in terms of their mentality, needs and motivation, and Deloitte simply mentioned that everything they did in the CR was somehow only a localised version of what was already in use in the UK.

Valeo already said in the previous question that they did not sell to customers directly and therefore did not have any relevant information, and DHL saw no differences between the consumers of the two countries.

After this question, I encouraged the participants of the survey to leave some contact information in case they were interested in the result of the questionnaire, which some of them did.

3.2.3 Trends revealed by the questionnaire

The participants of the questionnaire were companies varied in their field, size and country of origin. The predominant country of origin was the USA and Germany. Those are understandable results, as Germany is the Czech Republic’s immediate neighbour and one of its closest business partners, and the USA is one of the world’s biggest exporters. Participants of the survey were mostly large business, with 200 or more employees working in the CR. They generally communicated with their foreign parent company online or through phone calls on a daily basis.

The differences in branding strategies were usually in details. The Czech branch of the company either had different target groups of customers, or it was perceived in a different light in general, usually as more luxurious or new. The mentality of Czech consumers was also pointed out, particularly their sensitivity to prices. The Czech branches of the companies were also said to have a different relationship with media and to rely on online communication way less than businesses abroad.

An overwhelming majority of the Czech branches followed certain guidelines concerning marketing communication and they had at least a partial freedom in creating their own advertising, which was done by the Czech employees or it was a result of cooperation with foreign employees. Only roughly half the companies offered some local product in the Czech Republic, but three quarters were able to somehow influence the foreign parent company in return.

The majority of the respondents acknowledged that the typical Czech customer was in a way unique and different. Czech customers were said to be sensitive to prices, enjoyed purchasing discounted goods and even preferred lower prices at the expense of quality. They were also supposed to be more conservative and not so easily influenced by online advertising. Furthermore, they needed to know more information about more expensive products before making the purchase.

4 CONCLUSION

As stated in the introduction, the main objective of this bachelor’s thesis was to analyse branding and marketing strategies of foreign companies operating in the Czech Republic, as well as to determine any unique aspects of consumer behaviour in the country.

In the theoretical part, the reader was introduced to the concept of brands and branding strategy. The whole process of branding was explained, etymology was looked into, and additionally, a brief outline of brand adaptation for different cultures was given.

The practical part shortly described the history of two global brands, McDonald’s and Nestlé (and its brand Nescafé), on the Czech territory, and then focused on how the companies carry out marketing and branding in the CR. It was shown that the marketing managers usually had to follow a certain set of rules, but everything they did they adapted to the local market. Local products could be created or further accommodated to specific taste preferences. There was also a mention of Czech customers’ disloyalty and attentiveness to prices.

The results of the questionnaire showed similar tendencies. To be specific, they seemed to paint the Czech consumer as rather economical with their money to the point of choosing a product of inferior quality. The Czech customer was also a bit conservative and preferred to be well informed about the product before purchasing it.

The Czech Republic is a relatively small country of 10 million and since it is located in the middle of central Europe, right between the West and the East, it does not display any unexpected differences. Consequently, foreign companies generally do not need to change their strategies dramatically to succeed in the CR. The Czechs are not culturally different to such an extent as to require such a step and the Czech market may even not be big enough for certain global powers to make an effort and invest their resources in adaptation to it.

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6 ABSTRACT

This bachelor thesis is called *Branding in the Czech Republic, etymology of some business terms with focus on cultural aspects of branding strategy in the Czech Republic* and its main purpose is to analyse branding and marketing strategies of foreign companies in the Czech Republic. It also aims to discover any uniqueness in Czech customers' behaviour.

The theoretical part gives a definition of the term "brand" and describes the branding strategy of a company. A brief etymological background of business terms is included as well as a description of all the aspects of the brand companies need to adapt locally when expanding abroad.

In the practical part, attention is paid to specific foreign companies operating on the Czech market and to the extent to which their branding strategies were adapted to the local culture. The results of a questionnaire, distributed to marketing specialists of those companies, feature charts accompanied by verbal analysis of the answers obtained.

7 RÉSUMÉ

Hlavním cílem této bakalářské práce, nazvané *Branding v České republice, etymologie některých obchodních termínů se zaměřením na kulturní aspekty branding strategie v České republice*, je analyzovat branding a marketingové strategie zahraničních firem v České republice. Práce si také klade za cíl odhalit jakékoliv existující specifičnosti v chování českých zákazníků.

Teoretická část definuje termín „obchodní značka“ a popisuje strategii značky společnosti. Také je zde zahrnuta stručná etymologie obchodních termínů a popis všech aspektů značky, které musí společnosti lokálně přizpůsobit, když rozšiřují svoji působnost do zahraničí.

V praktické části je pozornost věnována konkrétním zahraničním společnostem fungujícím na českém trhu a je analyzována míra, do které tyto společnosti musely přizpůsobit své branding strategie lokální kultuře. Výsledky dotazníku, který byl rozšířen mezi marketingové specialisty těchto společností, jsou prezentovány pomocí grafů doplněných slovní analýzou získaných odpovědí.

8 APPENDIX

Appendix: Questionnaire – Cultural aspects of branding strategy in the Czech Republic (The following questionnaire is presented both in the Czech and English language, as it was distributed to the Czech marketing specialists in Czech, but in the practical part it was dealt with in English for the sake of unification and comprehensibility of the text.)

Dotazník k bakalářské práci – Kulturní aspekty branding strategie v České republice

1. Pro kterou společnost pracujete?
(nepovinná otázka)

2. Jaká je Vaše pozice?

3. Na co se specializuje společnost, ve které pracujete?
Vyberte jednu odpověď

a) Oděvy
b) Obuv
c) Kosmetika
d) Potraviny
e) Nápoje
f) Nábytek
g) Elektronika
h) Telekomunikace
i) Automobily
j) Nezisková organizace
k) Poskytování služeb
l) Jiná odpověď

4. Ze které země společnost pochází?
Vyberte jednu odpověď

a) Austrálie
b) Belgie
c) Bulharsko
d) Čína
e) Dánsko
f) Francie
g) Indie
h) Irsko
i) Itálie
j) Japonsko
k) Jižní Korea
l) Kanada
m) Německo
n) Nizozemsko
o) Norsko
p) Rakousko
q) Rumunsko
r) Spojené království
s) Spojené státy americké
t) Španělsko
u) Švédsko
v) Švýcarsko
w) Jiná odpověď

5. Kolik zaměstnanců ve společnosti v Čechách pracuje?
Vyberte jednu odpověď

a) 0-50
b) 51-200
c) 201-500
d) 501-1000
e) >1001

6. Do jaké míry je česká pobočka nezávislá a jak moc se musí řídit pravidly ze zahraničí – je firma decentralizovaná?
Vyberte jednu odpověď

a) Zcela nezávislá
b) Docela nezávislá
c) Docela závislá
d) Zcela závislá
e) Jiná odpověď

7. Jak probíhá komunikace se zahraniční mateřskou centrálou?
Vyberte jednu nebo více odpovědí

a) Prostřednictvím emailů
b) Videokonference
c) Osobně - jednání, schůzky
d) Telefonicky
e) Jinak

8. Jak často komunikujete se zahraniční mateřskou centrálou?
Vyberte jednu odpověď

a) Denně
b) Párkrát do týdne
c) Párkrát do měsíce
d) Čtvrtletně
e) Výjimečně
f) Jiná odpověď

9. Liší se marketingová a branding strategie v České republice od té původní?
Vyberte jednu odpověď

a) V ničem se neliší
b) Liší se v detailech
c) Celkem se liší
d) Jsou velmi odlišné
e) Jiná odpověď

10. Pokud se marketingová a branding strategie v České republice liší od té původní, v čem konkrétně?

11. Existují oficiální guidelines a pravidla ohledně marketingové komunikace?
Vyberte jednu odpověď

a) Ano
b) Ne
c) Jiná odpověď

12. Pokud tato pravidla existují, která musí česká pobočka splňovat?
Vyberte jednu nebo více odpovědí

a) Propagace
b) Vzhled prodejen
c) Chování personálu
d) Komunikace se zákazníky
e) Dress code na pracovišti
f) Sortiment nabízeného zboží
g) Jiná odpověď

13. Má česká pobočka svobodu ve vytváření reklam a advertisingu?
Vyberte jednu odpověď

a) Ano
b) Ne
c) Částečně
d) Jiná odpověď

14. Starají se o propagaci čeští zaměstnanci, nebo jsou podmínky jasně stanoveny zahraniční centrálou?
Vyberte jednu odpověď

a) Čeští zaměstnanci
b) Zahraniční centrála
c) Spolupráce obou stran
d) Jiná odpověď

15. Je potřeba vytvářet pro české zákazníky odlišné reklamy, nebo lze použít víceméně stejné, jako v původní zemi?
Vyberte jednu odpověď

a) Jsou využívány víceméně stejné reklamy
b) Vytváří se odlišné reklamy speciálně pro český trh
c) Jiná odpověď

16. Shodují se české webové stránky s těmi původními, nebo fungují nezávisle na sobě?
Vyberte jednu odpověď

a) Shodují se - jde jen o přeloženou verzi
b) Fungují nezávisle na sobě
c) Shodují se, ale v ČR jsou přizpůsobeny pro českého zákazníka
d) Jiná odpověď

17. Nabízí firma v ČR nějaký lokální produkt, který jinde ve světě není možné koupit?
Vyberte jednu odpověď

a) Ano
b) Ne
c) Jiná odpověď

18. Ovlivňuje nějak i činnost české pobočky zpětně zahraniční centrálu?
Vyberte jednu odpověď

a) Ano, občas se u nás něčím inspirují a využijí to i jinde
b) Ne, neovlivňuje
c) Jiná odpověď

19. Je český zákazník něčím specifický a odlišný od zákazníků v zemi původu firmy?
Vyberte jednu odpověď

a) Ano, je odlišný
b) Nijak se neliší
c) Jiná odpověď

20. Pokud je český zákazník něčím specifický a odlišný od zákazníků v zemi původu firmy, v čem konkrétně?

21. Pokud chcete být informováni o výsledcích dotazníku, zanechte na sebe prosím kontaktní informace.
Pokud máte jakékoliv dotazy ohledně tohoto dotazníku a shromažďovaných dat, můžete mě kontaktovat na emailové adrese *.

Questionnaire – Cultural aspects of branding strategy in the Czech Republic

1. What is the name of the company you work for?
(optional question)

2. What is your position in the company?

3. What does the company you work for specialise in?
Choose one answer

a) clothes
b) footwear
c) cosmetics
d) foodstuffs
e) drinks
f) furniture
g) electronics
h) telecommunication
i) cars
j) non-profit organisation
k) providing services
l) other – specify

4. What is the country of origin of your company?
Choose one answer

a) Australia
b) Austria
c) Belgium
d) Bulgaria
e) Canada
f) China
g) Denmark
h) France
i) Germany
j) India
k) Ireland
l) Italy
m) Japan
n) Netherlands
o) Norway
p) Romania
q) South Korea
r) Spain
s) Sweden
t) Switzerland
u) United Kingdom
v) United States of America
w) other – specify

5. How many employees work in the company in the Czech Republic?
Choose one answer

a) 0-50
b) 51-200
c) 201-500
d) 501-1000
e) >1001

6. To what degree is the Czech branch independent and how much does it have to follow rules from abroad – is the company decentralised?
Choose one answer

a) entirely independent
b) quite independent
c) quite dependent
d) entirely dependent
e) other – specify

7. How do you communicate with the foreign parent company – headquarters?
Choose one or more answers

a) emails
b) video-conferences
c) personally (conferences, meetings)
d) by telephone
e) other – specify

8. How often do you communicate with the foreign parent company – headquarters?
Choose one answer

a) daily
b) few times a week
c) few times a month
d) quarterly
e) rarely
f) other – specify

9. Is the marketing and branding strategy in the Czech Republic in any way different from the original one?
Choose one answer

a) they do not differ in any way
b) they differ in details
c) they are quite different
d) they are very different
e) other – specify

10. If marketing and branding strategy in the Czech Republic is different from the original one, can you describe in what specifically?

11. Are there any official guidelines and rules regarding marketing communication?
Choose one answer

a) yes
b) no
c) other – specify

12. If there are such rules, which ones does the Czech branch have to follow?
Choose one or more answers

a) advertising
b) shops' physical appearance
c) employee behaviour
d) communication with customers
e) dress code in the workplace
f) assortment of goods on offer
g) other – specify

13. Does the Czech branch have a free hand in advertising?
Choose one answer

a) yes
b) no
c) partially
d) other – specify

14. Is promotion done by Czech employees, or are there clear conditions set by the foreign parent company that have to be met?
Choose one answer

a) Czech employees
b) foreign parent company
c) cooperation of both sides
d) other – specify

15. Is there a need for creating different advertising for Czech customers, or can the same thing as in the country of origin be used?
Choose one answer

a) more or less the same advertising is used as in the country of origin
b) it has to be different, special for the Czech market
c) other – specify

16. Do Czech websites correspond with the original one, or to they function independently of each other?
Choose one answer

a) they are the same, just a translated version
b) they function independently of each other
c) they are similar, but in here they are adapted for the Czech customer
d) other – specify

17. Does the Czech branch offer some local product, which cannot be bought elsewhere in the world?
Choose one answer

a) yes
b) no
c) other – specify

18. Does the activity of the Czech branch somehow influence the foreign parent company in return?
Choose one answer

a) yes, sometimes we inspire them somehow and they can use it elsewhere
b) no, it does not
c) other – specify

19. Is the Czech customer in any way unique and different from the customers in the country of origin of the company?
Choose one answer

a) yes
b) no
c) other – specify

20. If the Czech customer is in any way unique and different from the customers in the country of origin of the company, can you be more specific?

21. If you would like to be informed of the results of the questionnaire, leave some contact information.
If you have any questions regarding the questionnaire and the gathered data, you can contact me via email at *.