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ELABORATION OF THE MARKETING COMMUNICATION OF THE MIDDLE-SIZED COMPANY

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The main goal of this paper is elaboration of the current marketing strategy of the middle-sized company in Slovakia producing and selling animal products focusing mainly on the online marketing communication as a crucial part of overall marketing communication of the company. For the purpose of this research are used data from the questionnaire survey that took part in the February of 2021 by almost 500 respondents. Results of this questionnaire survey are statistically evaluated, so that we are able to answer our research questions. The output of this paper is evaluation of the importance of social media of the selected company, along with understanding the views of customers. In the conclusion of this paper, we propose some changes to improve the marketing communication of the company.

Keywords: marketing strategy, marketing communication, online marketing

Introduction

It is necessary for companies to have great product, however somehow that is not enough. Nowadays each company knows it needs to have the best possible marketing strategy. Good marketing strategy can ensure or at least increase profitability and customer satisfaction. Therefore, marketing should not be separated from other departments of the company, however, it should be considered in each department and in every decision-making of the company. It can be hard to choose the marketing strategy that will fit the company and know based on what to choose it. Nowadays, we live more online than ever. That is also why in our paper we decided to focus on the following research questions:

1. Is the usage of social media contributing to overall marketing communication of the company in a good way?
2. Should company use the company and its name HSH or rather the name of the premium product Kura Kráľovské for marketing?
3. Is Kura Kráľovské the most popular product from the portfolio of the company HSH?
4. Which product is the product that makes company HSH recognizable for customers?

Stewart and Saren (2014) think marketing can be regarded as the business function located at the boundary between the firm and the outside the world. Hunt (2010) states the scope of marketing include different areas. The role of the marketing is to manage activities inside the company in order to focus those outwards, particularly towards customers. Right marketing decisions are reflected into strong and good relationships between customers and brands. Marketing investment has a range of direct and indirect effects on components of the profit equation as Markovitch, Huang and Ye (2020). Kerzner (2019) notes that marketing also has a crucial role when it comes to understanding of the needs and want of customers, it should provide critical factors to be considered during selection of the project, such as for instance: overtaking specific competitors, maintaining market share, the long-range company position in the industry or growth in certain market segments.

Internet marketing strategies focus on reputation marketing and branding of the business name as Gupta, Miller and Darda (2016) states. This is called: Digital Footprint and it consists out of seven components: website, local search, reviews, social media, video, press releases and online articles. Nowadays, more than ever before, the popularity of online social networks and their increased influence in affecting opinions of people has driven advertisers to utilize them as marketing strategy as declare Abri and Valaee (2020). Over last years, there were many senior marketers that considered online marketing very challenging and they connected the idea of online marketing with uncertainty according to Tagg, Stevenson and Vescovi (2013). Doherty (2015) advises four steps to successful online marketing by: building platforms of company, growing network of the business, defining listening, engagement and content strategy and measuring results.

The company that we cooperate for this research is HSH Ltd., the company producing and selling animal products, specializing mostly on poultry meat. It is known also for its CSR activities which can be also used as an advantage when creating a marketing strategy. Corporate social marketing means a corporation supports development or implementation of a behaviour change campaign intended to improve safety, public health, environmental or community well-being, according to Sanclemente-Téllez (2017). Marin and Lindgreen (2017) view combination of marketing with CSR as meaningful and good marketing strategy, since they share several research and practice goals.

Materials and methods

To more in-depth analysis of results of our questionnaire survey we analyse statistical data by using following statistical procedures and tests, while if is not stated in particular test otherwise, we work with the level of significance $\alpha = 0.05$.

Correlation analysis

Correlation analysis helps us with determination of the level of dependence between two or more variables. In our case we apply this analysis to determine the relation between two ordinal variables, in which we apply Kendall τ coefficient, which can be calculated followingly:

$$t_b = \frac{P - Q}{\sqrt{(P + Q + X_0)(P + Q + Y_0)}}$$

Chi-square test of square contingency

In this statistical test we conclude about the fit or difference between empirically gotten and theoretically expected multiplicity according to null hypothesis testing. Null hypothesis (H0) is the assumption, there is no significant difference between expected and theoretical results. Test characteristic we compute as:

$$\chi^2 = \sum_{i=1}^{r}\sum_{j=1}^{c}\frac{(A_{ij} - E_{ij})^2}{E_{ij}}$$

Mann-Whitney test

This test is used to compare values of two independent samples measured on ordinal scale. Mann-Whitney test answers the question whether is the difference of averages of order of two groups statistically significant or only random. This testing characteristic can be computed using the following formulas:

$$U_1 = R_1 - \frac{n_1(n_1+1)}{2}$$

$$U_2 = R_2 - \frac{n_2(n_2+1)}{2}$$

Results and discussion

For our research we sent questionnaires to 497 people, most of respondents, almost 95% were in the age of 18 to 30. This research is focused on young people and their perceptions of the company HSH and its products and marketing. Almost 82% of respondents are women, the rest are men.

In the Figure 1 we can see the share of respondents according to the recognition of the company HSH Ltd.

The question that respondents answered was focused on whether they know the company HSH Ltd. According to the Figure 1 we can see that only 13% of respondents recognized the company HSH Ltd. In the Figure 2 we can see how many respondents recognized the most significant product – Royal Chicken produced and sold by company HSH Ltd.

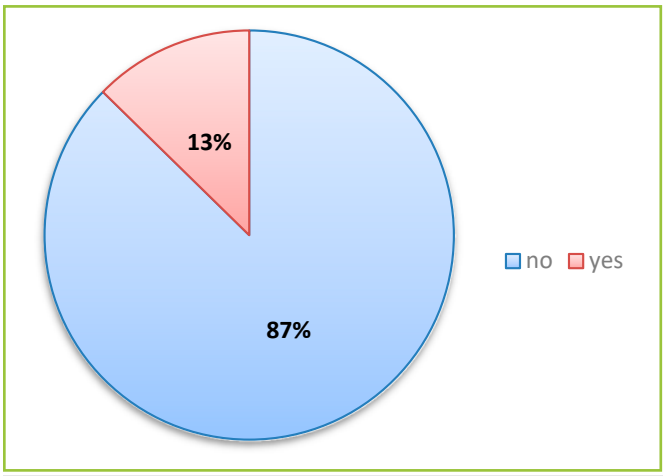


Figure 1 Recognition of the company HSH Ltd.
Source: Own elaboration of questionnaire survey

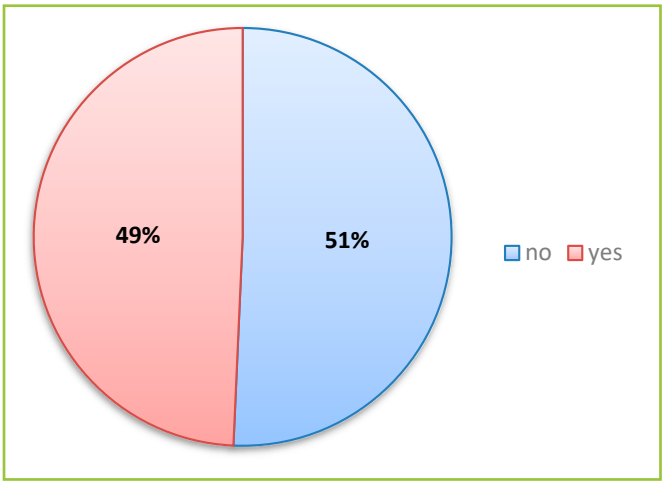


Figure 2 Recognition of product Royal Chicken (Kura Kráľovské)
Source: Own elaboration of questionnaire survey

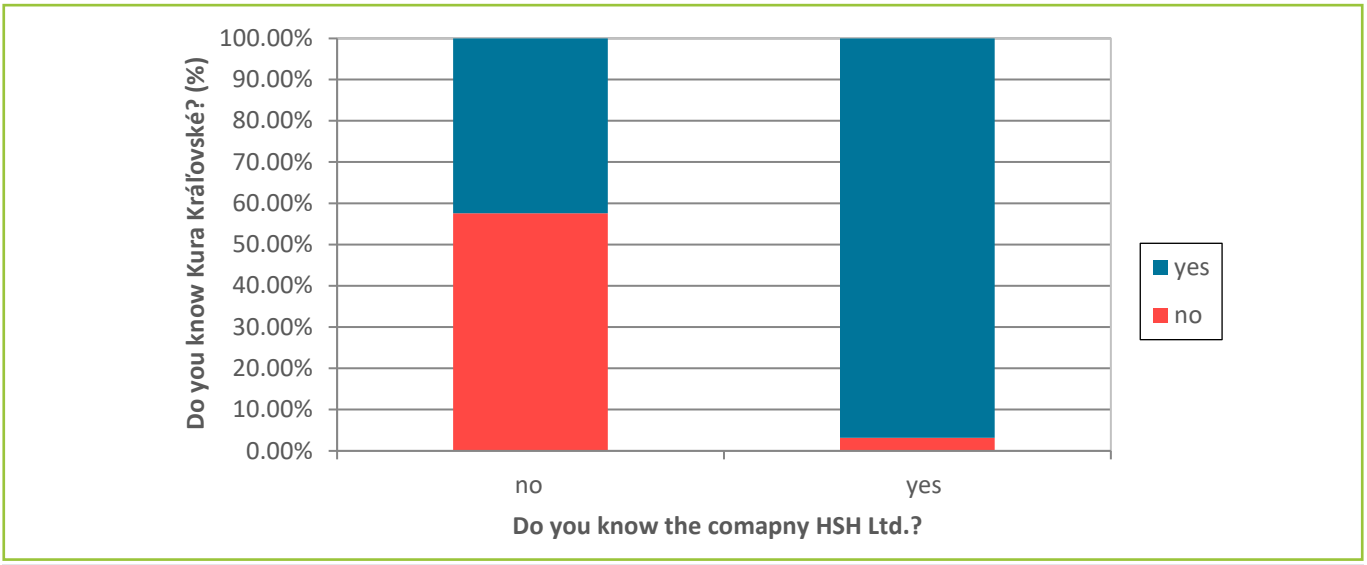


Figure 3 Assumption 1
Source: Own elaboration of questionnaire survey

When were respondents asked about the product Kura Kráľovské, 49.3% of respondents knew this product, according to which we can say Kura Kráľovské is recognized more than the company HSH Ltd. itself. Next, we analyse dependency between the matter of respondent knowing the company HSH Ltd. and product Kura Kráľovské in the Figrue 3.

We confirm the dependency between the matter of respondent knowing the company and product Kura Kráľovské (chi-square test, *p*-value <0.001). From the Figure 3 it is obvious that respondents who know the company HSH Ltd. almost always know also the product (96.8%). On the other hand, it is also very interesting, the share of respondents that do not know the company HSH Ltd. but do know the product Kura Kráľovské (Royal Chicken) (42.4%), which also shows the potential of the using the product recognition to increase the recognition of its producer, in our case the company HSH.

We also asked our respondents to choose on scale how much are they contented with products of the company HSH Ltd. (on scale from 1–5, where 1 stands for not satisfied at all, 3 stands for neutral, and 5 stands for very satisfied). According to Figure 4 we can see most of the respondents were contented with products of the company, only few were not.

From the Figure 5 we can say that respondents that know the product Kura Kráľovské have also the tendency to evaluate products of HSH on the higher level than those who do not know the product (Mann-Whitney Test, one sided *p*-value = 0.005).

We are also interested to find the answer to whether are respondents following the company on social media. That helps us to see, whether respondents that either know the company or buy its products also look for information about the company and its products on social media and follow its page/account, as it can be seen in Figure 6.

Interesting finding was that almost 86% of HSH customers that took place in this survey do not follow neither the Facebook page nor the Instagram page of the company. In Figure 7 is shown the evaluation of the online communication of the company HSH Ltd. according to respondents.

When respondents should have evaluated the online communication of the company HSH Ltd., they mostly found it neutral, not very poor but also not very good.

However, it is important to mention, that respondents who follow the company HSH on Facebook or Instagram evaluate overall

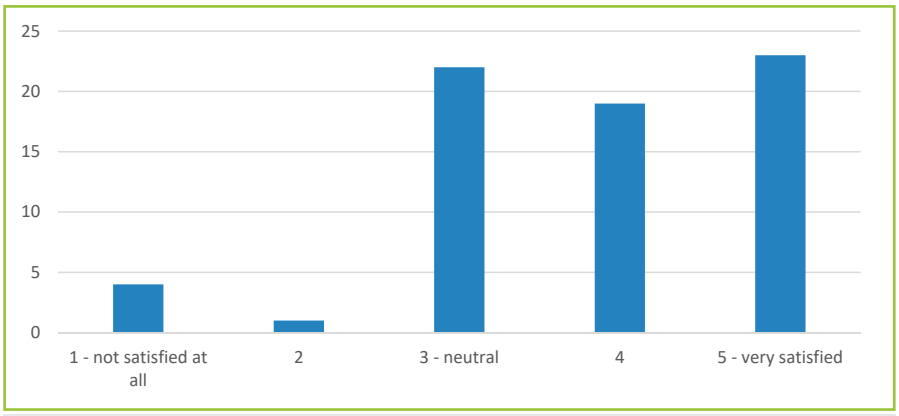


Figure 4 Evaluation of HSH products by respondents
Source: Own elaboration of questionnaire survey

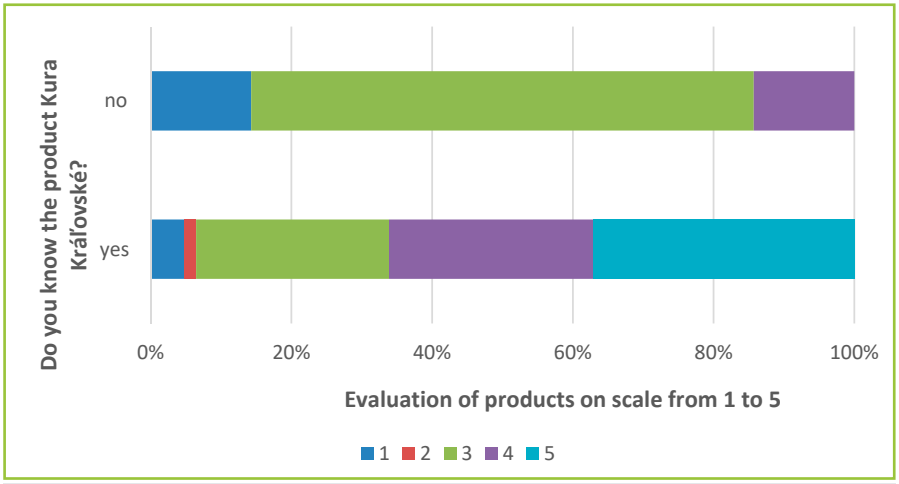


Figure 5 Assumption 2
Source: Own elaboration of questionnaire survey

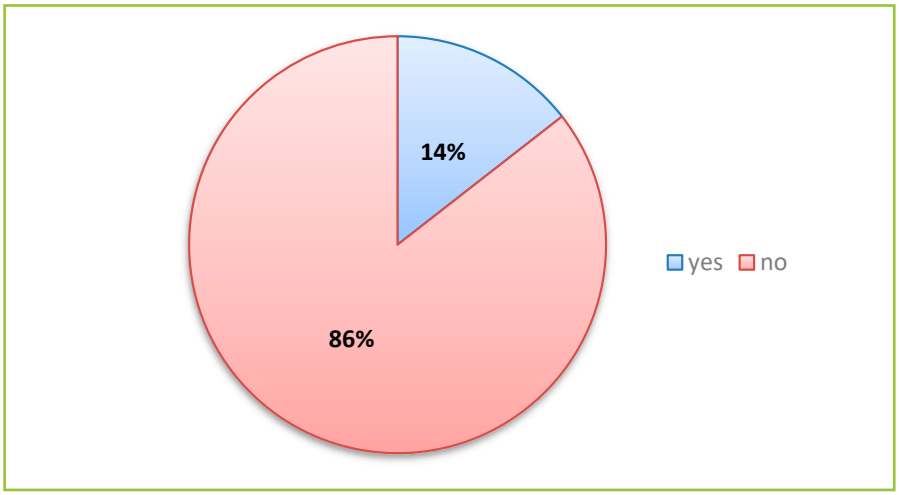


Figure 6 Percentage of respondents following Facebook or Instagram page of the company HSH
Source: Own elaboration of the questionnaire survey

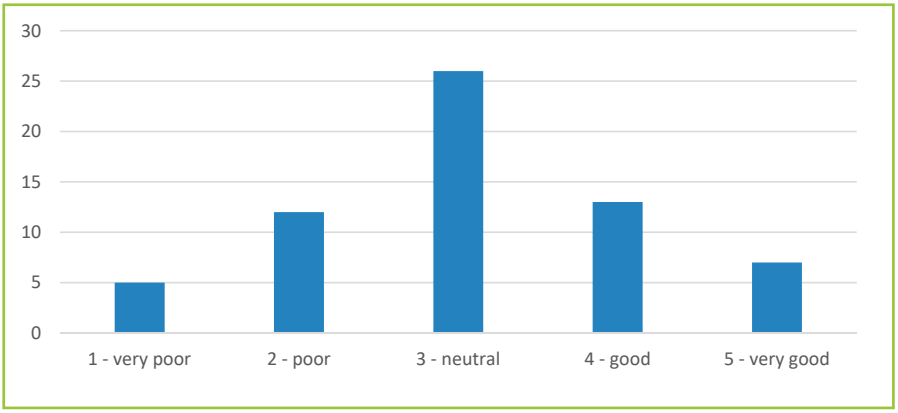


Figure 7 Evaluation of the online communication of the company
Source: Own elaboration of the questionnaire survey

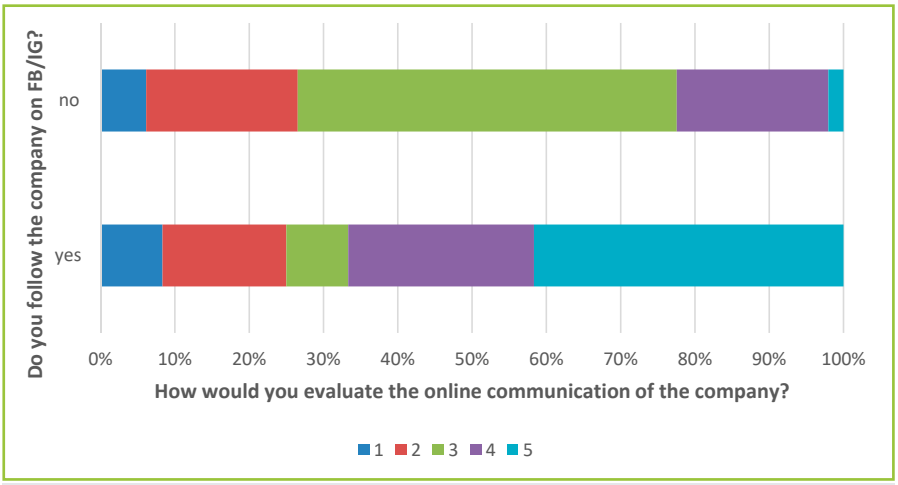


Figure 8 Online communication of the company
Source: Own elaboration of questionnaire survey

online communication of company better than those who do not (Mann-Whitney test, one sided *p*-value = 0.005), which indicates that the communication of the company on these two platforms is beneficial when it comes to online communication which can be seen in the Figure 8.

Conclusions

Chaston (2012) mentions sustainable competitive advantage is one of the essential features that need to be considered when creating the marketing strategy. Lesáková (2014) admits that strategy is in the first place a tool, that is used to achieve goals. Undoubtedly crucial part of marketing strategy is marketing communication. According to Přikrylová (2019) the important role of marketing communication is selection of the right media. As Egan (2019) explains, marketing communication is important part of the marketing strategy. Villani (2018) states it is essential to take perspectives of customers seriously and look for ways of stimulating positive emotional responses and pre-empting negative ones when creating a marketing strategy.

In this paper we were conducting the research using questionnaire survey in which almost 500 respondents participated. We successfully answered our research questions followingly:

1. Is communication via social media of the company contributing to overall marketing communication of the company?
   The answer for this first question is yes, since we found out that meanwhile is online communication as a whole evaluated by respondents mostly neutrally, those of them who follow the company on social media evaluated overall online communication better than those who do not. Here, we would propose joining also platforms that are more popular nowadays, like for example TikTok, and work on the quality of all the accounts and sites on social media to attract more people to follow the company.
2. Should company use the company and its name HSH or rather the name of the premium product Kura Kráľovské for marketing?
3. Is Kura Kráľovské the most popular product from the portfolio of the company HSH?
4. Which product is the product that makes company HSH recognizable for customers?

The second research question was more complex. We were asking our respondents to evaluate the products of the company on the scale from very poor to excellent (1 stood for very poor, 5 stood for excellent) and we found out, that respondents that know the product Kura Kráľovské (Royal Chicken) evaluated products of the company HSH much better. This interesting fact may show us the significance of the product Kura Kráľovské, which was seen even more when were respondents asked whether they know or ever heard of the company HSH in comparison to recognizing the product Kura Kráľovské. According to our results we found out that product Kura Kráľovské makes company HSH recognizable for customers and not *vice versa*. Also, it was straight-forward that Kura Kráľovské is also the most popular product from the portfolio of the company HSH. That said, we can conclude the company should definitely continue rather using the name of the product – Kura Kráľovské, than its own name – HSH for marketing purposes.

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