

THE USE OF MARKETING MANAGEMENT TOOLS IN E-COMMERCE

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Abstract

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Marketing management increasingly occupies an important position in the world of business as well as in the sphere of e-commerce. However, some companies underestimate the importance of marketing support. This paper focuses on the e-commerce marketing management and its importance that is currently in theory and practice underestimated. Based on the analysis of the current state, synthesis of knowledge are literature research, quantitative survey was conducted using questionnaires, which aims to determine the use of marketing management tools, weaknesses and effectiveness of the marketing management concept among Internet companies, focusing on online retailing. The results of the survey reject or not reject the hypotheses (by the Pearson's χ^2 -test of independence, the Chi-square test, Friedman test, Nemenyi test of multiple comparisons and the Wilcoxon matched pairs test). The results of the survey show that the concept of e-commerce marketing management is not used effectively as well as marketing management tools. The survey founded out that the analysis phase, compared to other phases, the e-commerce marketing management is significantly undervalued. The survey also showed that the e-commerce marketing management concept is used at the tactical level, strategic tools are used to a limited extent. However, marketing management concept in e-commerce is not used in most cases (53.84%). The survey also has confirmed that the marketing activities of Internet companies are limited to Internet marketing, which is controlled only at the tactical level.

Keywords: marketing management, marketing management tools and processes, e-commerce marketing management, strategy, strategy management process, e-commerce, e-strategy

INTRODUCTION

E-commerce has fast become a phenomenon of the 21st century. Despite its relatively short existence, it has significantly influenced contemporary forms of business, which can be called the era of the information revolution. Companies must adapt to new conditions, otherwise sooner or later they will disappear.

Companies that use the Internet for trading recorded a significant shift in efficiency in the following areas: *efficient communication between employees, the company and business partners accelerate the delivery process in the distribution network, reducing inventory and subsequent abandonment of tying funds in stocks, dropping from fixed prices and accession to a dynamic price model, increased sales on the market without increasing costs* (Brončková, Bernátová, 2005).

The mass popularity of e-commerce was recorded worldwide after 2000. E-commerce with its benefits has become an essential business tool and has transformed the Internet market (Sung, 2006). It is currently estimated that more than 90% of Internet users have experience with online shopping. A few years ago, experts predicted that the main subject of e-commerce will become information, services or commodities. Today, it appears that e-commerce is perfect for selling cars, cosmetics, furniture and other goods. By 2020, it is expected that up to 80% of the world population will be connected to the Internet (currently it is 34.3%), the current Internet population according to Internet World Stats (2013) is 2 405 518 376.

The importance of e-commerce is still growing in the long term. This example demonstrates

the development of sales in online stores. The share of online stores in total retail sales in 2011 ranged between 5–6%, which represented 40 to 45 billion CZK, (ČSÚ, 2013). According to the Czech Statistical Office (ČSÚ, 2012) around 27% of Czech companies is operating electronically. These companies grossed over 42 billion CZK (which is 16% more than in 2011), (APEK, 2012). In 2002, revenues from online orders was 5% of a company's turnover, in 2010 this share had risen to 25%.

The need for a theoretical perspective on marketing management in e-commerce is still growing but is lacking the relevant professional and popular publications on the market. Therefore, the main aim of this paper is to analyse the use of tools and the concept of marketing management in e-commerce and insufficiencies of Internet companies in this process and evaluate the effectiveness of the surveyed field.

The Current State in Marketing Management

The basic competence of marketing is the management of relations between the company and its customers. In a broader sense, marketing involves researching the market and processing information about it, planning production, promotion and also monitoring and comparing the competition. It is a process through which individuals and groups get what they need and want by creating and exchanging products and values for other product (Kotler, Armstrong, 2009). Drucker added: "It is expected that there will always be a need to sell something. The aim of marketing is to make selling something superfluous. The aim of marketing is to know and understand the customer so well that the product or service sells itself. Ideally, marketing should result in making a customer willing to buy" (Kotler, Keller, 2007)

The main attributes of successful modern marketing are (Kotler, 2000; Pilík, 2008): *not to equate marketing with selling, integration of marketing communication tools instead of planning a communication tool separately, focus on customer care instead focus on customer acquisition, the transition from action on the market to action in cyberspace, transition from marketing using one channel to marketing using multiple communication channels, transition from product-oriented marketing to customer-oriented marketing.*

The focus on the consumer is the first aspect of the marketing concept. The first decision must be the customer's requirements. The modern concept of marketing implies that it is easier to find what the customer requires and to offer a product than to manufacture a product and then try to sell it to someone (Zikmund, D'Amico, 1989). With the increasing competition and demand on the market, the importance of marketing is growing. Initially, marketing usually was part of the sales department. With the expansion of this field, the need of marketing specialists is growing. Sales focus on the needs of the seller, marketing on the needs of the customer. Sales address the need

of the seller to exchange its actions into cash, marketing deals with the idea of satisfying customer needs (Lewitt, 1986). Drucker (1993) explains the fundamental difference between marketing a sales orientation: "There will always be a need to sell, but the aim and purpose of marketing is to know and understand the customer so well the product or service meets its requirements and sells itself; ideal result of marketing efforts is the customer who is ready to buy."

Typically, marketing management comes to the forefront of a company when any of the following changes are occurring: *decline in sales, growth in sales, customers and the market have different requirements, competition in the area or market increases, marketing requires higher expenses, but with no effect.* Marketing management should continuously monitor and evaluate all of these parameters and, if necessary, take the appropriate action, i.e. monitoring market trends, customer knowledge and estimating future demand.

It is known that many companies do not pay enough attention to this area because it is considered less important or even unnecessary. Modern marketing management includes the following major topics (Kotler, Cox, 1980): *analysing the marketing opportunities (i.e. the concept of marketing, market analysis, customer buying behaviour, etc.), organizing the marketing activities (i.e. determining goals, planning, decision making, marketing research, modelling, creativity), planning (i.e. the theory of marketing program decisions on product or service, pricing, distribution channels, promotion), controlling the marketing effort (i.e., marketing control, cost analysis and sales, marketing audit).*

Kotler, Keller (2007) state that the current marketing management is a marketing process of planning and implementation of certain concepts, pricing, promotion and distribution of ideas, goods and services, creating shifts that meet individual goals and objectives. Meyers defines marketing management as a category of business that makes marketing more effective and which is responsible for streamlining and automating processes. It covers the entire marketing life-cycle from budgeting and planning to the implementation of activities, analysis and reporting (feedback), (Meyers, 2007). Webster (2002) states that the main function and the effectiveness of marketing management are based on customer orientation, sophisticated strategic management and stimulated demand. According to Horáková (1992), management of marketing activities provides for the connection of market conditions and economic interests of the organization. Its analysis provides insight into the breadth and interrelatedness of activities associated with the implementation of marketing.

Kahn (2009) emphasizes the importance of teamwork in the final process of marketing management, which should be concentrated in a defined or designated team (i.e. in the marketing department, which works closely with other company departments). Tsai (2008) argues that

the process of marketing management should become an integral part of the corporate identity that a marketing manager helps to create and fill a number of management and marketing roles. Cant *et al.* (2009) talks in the process of marketing management about some of the managerial and strategic instruments that create a synergistic effect of the process. These include the decision-making process, the creation of competition, growth and life strategy, cooperation of senior management with other company departments and other external and internal factors that affect the final outcome.

Kazmi (2009) says that the development of the Internet market and information technology in general opens up new possibilities for the concept of marketing management. It is mainly due to the globalization process, which provides a large amount of input information and a comparison of the current process for effective marketing management. It is therefore possible to talk about cooperation and knowledge of marketing management. Weitz, Wensley (2002) describe the main topics of current marketing management in relation to general social issues and topics related to consumer protection. Topics of marketing management are concentrated mainly in relation to the classical marketing mix 4P with respecting other external factors that significantly affect the marketing management process. In the Czech Republic, the role of marketing management is underestimated. Large and multinational corporations use the concept of marketing management to a greater or lesser degree, but strategic management is an important part of their business activities. For small and medium-sized enterprises, certain shortcomings have been shown in this area (Blažková, 2007): *companies tend to focus on the present and they are engaged in strategic activities for a minimum amount of time – they do not consider them important, companies often have insufficient knowledge about the environment and trends, which causes a lack of interest in business strategy and strategic management, all this has the effect that the strategy is incomplete and the internal structure is undervalued.* Further research (Hommerová, Králová, 2009; Pilík, 2008) indicated that Czech companies do not perceive marketing as a one of the most important parts of the managing process or they favour certain marketing tools (price or promotion politics) over others. This reduces the effectiveness of the analysed field.

Marketing Management in E-commerce

Basic principles of marketing management have universal validity for all business sectors. It could be said that marketing management is specialized in certain fields (especially e-commerce) and is adapted to the current conditions of specific industries and markets. Marketing management in e-commerce can be called e-marketing management or e-commerce marketing management. It is clear that marketing management in e-commerce should consist of the same phases as conventional marketing

management (analysis, planning, implementation and control). The specificity of e-marketing management consists mainly in the use of various marketing forms and tools, i.e. different analyses of online customer behaviour and online shopping, a different approach to creating e-marketing strategies and other strategic tools, different management due to the Internet market specificities, connectedness of sales activities and online space (e-shop) with marketing activities (especially with Internet marketing tools), as well as different approaches to the creation of an e-marketing mix. It is interesting that although the area of e-commerce is an attractive topic for research and development (R & D) activities, the focus of R & D on marketing management in e-commerce is totally insufficient. E-commerce offers diversity in decision-making, which leads to the formation of strategic approaches (from web design, understanding online customer behaviour, to brand building and strategic position in the e-market) (Nescott, 2012). Therefore, its relevance becomes strategies for e-commerce, which is also called e-strategy or e-commerce strategy. Chaffey (2007) defines e-strategy as specific objectives and approaches that use electronic channels, tools and methods for achieving them. Its creation and implementation is closely connected with the electronic market. E-strategy combines traditional and modern tools for achieving the major and long-term business objectives in the form of online and offline strategies. E-strategy may be also seen as a form of marketing strategy (e.g. for acquiring new customers and their loyalty, brand building and image, etc.). The actual implementation of the e-commerce strategy can be also seen as one of the main necessary strategic steps (Mohapatra, 2013). It can be stated that the focus of e-marketing management success lies in the effective creation and implementation of an e-strategy. It is therefore necessary for the effectiveness of marketing activities to determine such tools that can help to achieve the desired objectives. Marketing management can be called a process which is significantly affected by the selected management and marketing tools. This paper focuses on defining the marketing management tools (see Tab. I) on the basis of a literature review. Tab. I characterises selected tools in each phase of the marketing management process (analysis, planning, implementation, and control), evaluates their general importance and specifies them for the area of electronic commerce.

MATERIALS AND METHODS

Based on the literature review, an analysis of the current state and the authors' knowledge, a survey is performed to obtain practical experience with the use of the tools of the marketing management concept in e-commerce. The survey was carried out in the form of a quantitative questionnaire among selected Czech Internet companies. The main aim of the research is to

I: *Marketing management tools in e-commerce*

Phase	Marketing management tools	General meaning and meaning in e-commerce for final results and competitiveness
Analysis	Analysis of the Internet company	The key phase in the marketing management process is a situation analysis through which it is possible to predict the future development of the company and field. It offers many of the analytical tools that are used for further marketing decisions. The best way is to use all the tools, but at least SWOT, PEST analysis, analysis of competition and online customer behaviour and market and portfolio analysis (by using Ansoff matrix, BCG or GE matrix etc.). It is important to receive quality and adequate information (i.e. by using a Marketing Information System or marketing research) that can ensure the creation and implementation of e-strategy (oriented on online and offline customer).
	SWOT analysis	
	PEST analysis and portfolio analysis	
	Risk analysis	
	Analysis of suppliers	
	Analysis of competition	
	Analysis of market and industry.	
	Analysis of customers and their needs	
	Analysis of online shopping behaviour	
	Marketing research	
	Cost benefit analysis	
Analysis of the value chain		
Planning	Online market segmentation and selection of target markets	The planning phase includes key strategic processes, such as online segmentation (geographic, demographic, and behavioural), definition of strategic online target groups and online positioning (i.e. by effective using forms of online and offline marketing), through which the Internet company is identified. A key tool for this phase is a unique and competitive marketing e-strategy, which is based on the mission, vision and corporate and business strategy of the Internet company. After that it is possible to specify a marketing plan (selection of marketing forms, security of resource, security of data, information and knowledge, timetable, organization of the implementation phase), marketing program and objectives (by using the SMART methodology).
	Online targeting of strategic groups	
	Online positioning	
	Specifications of mission and vision	
	E-strategy	
	Marketing e-strategy	
	Marketing plan	
	Financial and marketing goals according to SMART methodology	
	Data, information and knowledge (knowledge management)	
Marketing program (marketing mix)		
Implementation	Timing	The process of the implementation phase is influenced by many factors which are necessary for maintaining competitiveness (in the form of tools and methods for change management and marketing). The success of the implementation of the plan is provided by a quality Marketing Information System, proper timing and good organization. During this phase effective online communication with customers should be ensured, in addition to managing online relationships with customers and suppliers. An essential part of the success of the implementation phase is highly functional and attractive marketing-sales interconnection (e-shop and internet marketing).
	The organization of marketing activities	
	Online marketing communication with customers	
	Marketing Information System	
	Customer Relationship Management (CRM)	
	Online retail space (e-shop)	
	Change management	
	Supplier Relationship Management	
Control	Control the results (economic and non-economic)	The control phase can be effective only if the planning process sets measurable goals and the means for their measurability. Control principles are the same for both the online and offline market. On the online market, we can also select online marketing tools that measure attendance, conversion or number of online advertising views. Online marketing control can therefore be highly effective. The control phase should control the achievement of economic and non-economic objectives. This can be proven by a marketing audit, including the control of profitability, effectiveness, marketing strategies and customer satisfaction. The aim of the control phase is to identify the causes of the deviation of actual results from planned results and find ways for their subsequent elimination.
	Identifying the deviations of actual results from planned results	
	Feedback from customers	
	Measuring of customer satisfaction	
	Marketing audit	
	Control of annual plan	
	Control of profitability	
	Control of effectiveness	
Control of marketing e-strategy		

Phase	Marketing management tools	General meaning and meaning in e-commerce for final results and competitiveness
All phases	Communication with colleagues	During all phases, it is necessary to ensure quality and effective internal communication, motivation, cooperation and participation. They are essential tools that support the success of all phases of the marketing management process. They can ensure quality work of online marketing manager and marketing team. Marketing team or marketing department should work with other staff and departments of the Internet company (and provide an active application of key competencies). Good marketing work can only be ensured within a quality corporate culture. Each step should be interactively communicated; the presumption can be achieved by effective cooperation and participation of members of the online marketing team. The Internet company should encourage the creativity of all employees to achieve unique results to provide a competitive advantage.
	Communication of mission and vision	
	Communication and marketing of e-strategy	
	Communication of marketing objectives	
	Targeted support of creativity	
	Cooperation and participation of members from the marketing team	
	Management and coordination of marketing activities	
	Motivation of employees	
	Corporate culture	
	Cooperation with other departments of the company	
Key competencies		

Source: own work

identify the tools and significance of the phases of marketing management in e-commerce and to critically evaluate the main weaknesses and effectiveness of Internet companies in the marketing management process. On this basis, the main research hypotheses (H1, H2, H3, H4) were formulated.

The Survey

Before starting the research, it was necessary to analyse and characterize the current Internet market. The available statistical data of the Czech Statistical Office (ČSÚ, 2012), the Association for Electronic Commerce (APEK, 2012) and other portals that focus on database of Internet companies were used. No database provides comprehensive information about the Internet companies, for example by size, industry, number of employees or turnover. There was only the information, which says that 27% of Czech companies do business electronically, i.e. they realised at least one order through the Internet or other computer networks (ČSÚ, 2012). This figure has been found in a sample size of 1,000 Czech companies. If it is extended to the entire population, we arrive at the nominal value that approximately 10,681 companies are involved in e-commerce. Therefore we created our own database of Internet companies. For the purpose of the research we created a basic set of companies with the following criteria: *companies that do business mostly electronically (e-shops and e-malls), companies that sell mainly via a website, companies which are only national or with minimal participation of foreign capital, area of operation: Internet retailing, type of business: B2C (business-to-customer), companies that are registered in the Commercial Register, companies that are certified (by the Association for Electronic Commerce, or "Prověřeno zákazníky!" through Heureka.cz).*

On the basis of the selected criteria, 264 companies we found that were listed in our own database based on information from the following web sites: APEK,

justice.cz, heureka.cz, internet-obchody.cz, firmy.cz, onlineshopy.cz, seznamobchodu.cz or topobchody.cz

The questionnaire research was conducted from February to April 2013. For this purpose we designed a website with the online questionnaire. At first, the Internet companies (managers, marketing managers or owner of the Internet company) were contacted by telephone. On the basis of previous agreement, the questionnaire (link on website) was distributed electronically (via e-mail). The questionnaire consists of 25 closed questions, which are divided into four sections (Section I – Identification of issues, Section II – Internet companies that use the marketing management concept, Section III – Internet companies that do not use the marketing management concept, but consider it, Section IV - Companies that do not use the marketing management concept and do not consider it). Finally 78 companies participated in the survey (i.e. 29.54% return from the research sample of 264 Internet companies). This sample is considered as sufficiently representative and by applying the method of statistical inference to this sample, so we can make relevant conclusions for the entire population.

Testing the Hypotheses

The Statistica and Excel programs were used for the statistical calculations that verify the formulated hypotheses. The rejection or acceptance of all hypotheses is decided by comparing the p-value, which is the minimum significance level for which the null hypothesis can be rejected, and the significance level α . The significance level was for all tested hypotheses set at 5%, i.e. $\alpha = 0.05$.

The basic identification and categorization question in the questionnaire asked whether the companies use a marketing management concept (i.e. analysis, planning, implementation and control). Based on these responses, the Internet

companies were divided into *Section II (Internet companies that use the marketing management concept) in 53.85% of cases, Section III (Internet companies that do not use the marketing management concept, but consider it), in 25.64% of cases and Section IV (Internet companies that do not use the marketing management concept and do not consider it) in 20.51% of cases.* More than half of the Internet companies use the marketing management concept but a substantial proportion of them (over 46%) does not. This may indicate an inefficiency of the marketing management process in e-commerce.

Certain questions in the survey focused on the current competitive position of Internet companies. In total, 6.41% of the Internet companies are considered as market leaders, 5.13% as market followers. More than a quarter of the Internet companies (25.90%) are below the 21st competitive position. This question can be loaded with a certain degree of subjectivity, but it can provide a view to the perception of competitive positions. These results were used for testing hypotheses **H1: The use of the marketing management concept has a direct impact on the competitiveness of the Internet companies**, i.e. the market position depends on the use of the marketing management concept. This hypothesis is tested by Pearson's χ^2 -test of independence.

The Statistica program provided a p -value of 0.006 (by the Pearson's χ^2 -test of independence). After comparing the significance level $\alpha = 0.05$ with the p -value, it is evident that hypothesis H1 is rejected (i.e. $p \leq \alpha$). It can be therefore argued that **the use of the marketing management concept has a direct impact on the competitiveness of Internet companies.**

We also tested whether there is any relationship between Internet company size and the use of the marketing management concept. Therefore, we tested the hypotheses **H2: There is no relationship between Internet company size and the use of the marketing management concept.** This hypothesis is tested by the Pearson's χ^2 -test of independence. The largest proportion of the companies in the survey had up to 50 employees (53.85 %), the second largest proportion of the companies had up to 100 employees (26.92 %). In addition, the survey was completed by companies with up to 10 employees (11.54%) and up to 250

employees (7.69%). Large companies with more than 251 employees were not represented at all. In this case, we obtained a p -value of 0.175 (by the Pearson's χ^2 -test of independence) in the Statistica program. Thus, we have no reason to reject the tested hypothesis, i.e. $p > \alpha$. It can therefore be argued that **there is no relationship between Internet company size and the use of the marketing management concept.**

Now we focus on testing the hypothesis **H3: All phases of the marketing management process in e-commerce are equally important.**

In order to validate this hypothesis, companies that have developed a marketing management concept in the questionnaire survey answered whether they use the selected tools in the various stages of marketing management (i.e., analysis, planning, implementation, monitoring) and the importance they attribute to their overall competitiveness. The companies assigned attribute values from 1 to 5 to the tools in different stages of the marketing management process depending on the importance of the attribute (1 – the lowest importance, 5 – highest importance). From these values, the average value attached to each of the four phases of marketing management was assigned for each company. Given that the companies ranked the individual tools of marketing management and that the subsequently calculated average values for the four phases are considered within the individual companies to be dependent, the Friedman test was used to test the above hypothesis. In each phase, given the magnitude, only the most important and the most used tools of marketing management (in theory and practice) were subject to the questionnaire survey. A more detailed analysis of the results in the different stages is made in the discussion of the paper (see Discussion).

After comparing the significance level $\alpha = 0.05$ with p -value of 0.0000 using the Friedman test (see Tab. II), the null hypothesis is rejected because $p \leq \alpha$. It can therefore be argued that **Internet companies to each of the stages of the marketing management process give a different meaning to each phase of the marketing management process.**

Because the null hypothesis was rejected we need to perform a Nemenyi test of multiple comparisons. The Nemenyi test compares sums

II: The results of Friedman test

Phases of marketing management process	Friedman test			
	ANOVA Chi-square test (N = 42, sv = 3) = 53.66906, p = 0,000000 Coefficient of concordance = 0.42594 Average standard deviation r = 0.41194			
	Average sequence	Sums of sequences	Average	Standard deviation
Analysis	1.333333	56.000000	2.150794	0.492229
Planning	2.809524	118.000000	3.122449	0.394804
Implementation	2.547619	107.000000	2.980952	0.464988
Control	3.309524	139.000000	3.412698	0.636767

Source: own work in Statistica program

III: The results of the Nemenyi test of multiple comparisons

		Analysis	Planning	Implementation	Control
Marketing management phases	Sums of sequences	56.0000	118.0000	107.0000	139.0000
Analysis	56.0000	0	62	51	83
Planning	118.0000	62	0	11	21
Implementation	107.0000	51	11	0	32
Control	139.0000	83	21	32	0

Source: own work in Excel program

IV: The results of Wilcoxon matched pairs test

Pairs of variables	Wilcoxon matched pairs test			
	Number of valid	T	Z	p
Tactical processes (average) & Strategic processes (average)	78	5.00000	7.647945	0.000000

Source: own work in Statistica program

of sequences that are received by the Friedman test in Statistica software. The final results of the Nemenyi test are in Table III. Bold numbers in Tab. III indicate the values of the pairs of phases that caused rejection of the hypothesis H3 – i.e. the pairs of phases: **analysis and planning, analysis and implementation, analysis and control, implementation and control**. In addition, the results of the sums of the sequences show that the analysis phase is deeply underestimated in e-commerce.

The last group of questions in the survey focused on evaluating the importance of selected marketing activities of Internet companies. Internet companies had 100 points at the disposal to divide them among tactic processes (pricing, promotion, product and distribution policy) and strategic processes (targeting, segmentation, positioning, marketing strategy, e-strategy). Detailed results of these questions are discussed in Chapter 5. Based on these results, we test the hypothesis **H4: Internet companies give the same importance to strategic and tactical processes**. This hypothesis was tested by Wilcoxon matched pairs test (for dependent samples). The results of Wilcoxon test from Statistica software are in Tab. IV.

The Statistica program provided the p -value of zero by the Wilcoxon matched pairs test (see Tab. IV). Therefore the null hypothesis at the significance level $\alpha = 0.05$ is rejected. It can be argued that **companies that trade primarily electronically do not give the same importance to strategic and tactical processes**. This result reveals that marketing activities in e-commerce are performed at a tactical level consisting of individual elements of the marketing mix. Strategic processes involving among other things marketing strategy and e-business strategy are attributed little or no importance.

RESULTS OF THE SURVEY AND DISCUSSION

The results of the survey indicated that the concept of marketing management (i.e., analysis, planning, implementation and control) is used in 53.85% of cases. In the remaining cases, Internet companies do not use the marketing management concept but consider it (25.64%), and the rest (20.51%) do not use the marketing management and do not consider it. These facts confirmed the assumptions and literature research that the marketing management process is generally underestimated. The survey also showed that there is a direct relation between the use of the marketing management concept and competitiveness of the Internet companies. However, the survey showed that there is no association between the use of the marketing management concept and company size. This means that the marketing management concept can also be used by Internet companies with few employees.

The main reason for not using of the marketing management concept is the lack of knowledge and experience of this concept or its unimportance. Therefore, educational activities in this area can be recommended and interactive collaboration with academics that can help with strategy in marketing management. The results of the survey also confirmed that Internet companies are interested in intensive learning in the surveyed field. In the long-term, these recommendations could help to increase the effectiveness of marketing activities in e-commerce.

It can be said that most of the Internet companies consider marketing for e-commerce as being very significant (total 73.07%). The survey also showed that the majority of Internet companies (61.54%) perform its marketing activities in the marketing department (due to the fact that the research sample is focused on retailing on the Internet) or through an individual responsible person (17.95%). All of the Internet retail companies are classified into

the category of small and medium-sized enterprises. Most of the Internet companies have less than a 21st competitive position on the market (35.9 %). On average, the companies have operated for 5.64 years on the Internet market.

The survey has proven that the Internet companies which use the marketing management concept strongly underestimate the analysis phase and not all of the phases of e-commerce marketing management are considered as being equally important (even though the situation should be vice versa according to the literature research). Large differences were determined between the analysis and all of the remaining phases of the marketing management process and between the implementation phase and the control phase. Furthermore, the tools in the various phases of marketing management are not evenly used (some of them are used more than others). The Internet companies attach to these tools a different weight and importance.

The most used and most important tools of marketing management process are analysis of customers and their needs in the analytical phase, the marketing program in the planning phase, marketing communication with customers and business space (e-shop) in the implementation phase, the control of profitability in the control phase and the internal communication and staff motivation in all phases. The least used or the least significant tools are the SWOT and PEST analysis in the analytical phase, strategic processes, such as segmentation, targeting, positioning and marketing e-strategies in the planning phase, customer relationship management in the implementation phase, control of marketing strategy in the control phase and targeted support of creativity in all phases. These results showed that the marketing management process is used by the Internet companies at the tactical level, strategic steps are erroneously underestimated, including an emphasis on the participation and creativity of the workers which creates the results of marketing activities. In summary it can be stated that the marketing management process in e-commerce is conducted inefficiently.

Internet companies which use the marketing management concept also evaluated their own main shortcomings of the marketing management process. The lack of an adequate risk analysis and competition analysis has been identified as the most significant. In the analysis phase, indistinct marketing objectives and strategies in the planning phase, problematic communication with customers and bad timing in the implementation phase, a lack of control feedback from customers phase control and impossibility to identify divergences from the planned objectives in the control phase and a lack of motivation, internal communications and targeted support of creativity in all phases. Companies are aware of their weaknesses; the question is whether they are eliminated. All

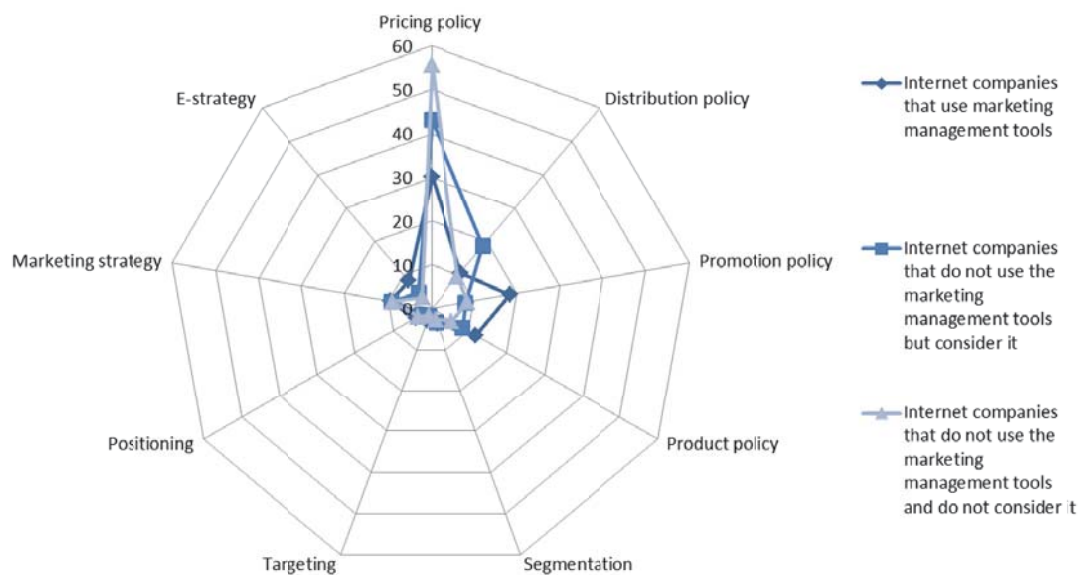
these shortcomings arise from the lack of a strategic concept and marketing management concept and awareness of the importance of human resources for the successful implementation of business processes.

The questionnaire survey also confirmed that the Internet companies unsurprisingly use the Internet marketing the most. Internet marketing is often the only form of marketing that the Internet companies use. In addition, the Internet companies also use relationship marketing and print marketing. It is surprising that although television and radio marketing is not practically used in e-commerce, the Internet companies attach a relatively high importance to it (although the literature research doubts the effectiveness of these traditional forms of marketing). Other modern marketing forms (such as the low-cost marketing or holistic marketing) are not used and considered in e-commerce as insignificant. These results also confirmed that marketing in e-commerce is in most cases limited to Internet marketing, and other traditional and modern marketing forms of are not used. This fact reduces the complexity of the e-marketing management, which may lead to lower efficiency.

The survey also focused on Internet marketing tools. Internet companies use Search Engine Optimization, PPC and similar systems and web page analysis the most and are considered as the most important. Modern forms, such as marketing on social networks, are used in e-commerce used but are not considered as being significant. Discount portals are rarely used in e-commerce. Although properly executed viral marketing can be one of the most effective Internet marketing tools, the Internet companies do not use it and give it almost no significance. The current trend is in tools that lead to the final goal of conversion marketing, but it is not practically used in e-commerce. This proves that even Internet marketing is not effectively used.

The results of the quantitative research revealed that Internet companies attach different weights to strategic and tactical processes, i.e. strategic processes (e-strategy, marketing strategy, segmentation, targeting, positioning) compared to tactical processes (pricing, product, promotion, and distribution policy) are significantly underestimated. The following graph (see the Fig. 1) shows the average evaluation of the importance of the selected tactic and strategic processes by Internet companies.

The biggest score reached the pricing policy (on average 38.71 points, mode 40, median 40). A far distance to other locations ranked promotion policy (on average 13.83 points, modus, 10, median 10), the distribution policy (on average 12.55 points, modus 10, median 10) and product policy (on average 9.82 points, multi-mode, median 10). Strategic processes are for the Internet companies unimportant – marketing strategy (on average 9.4 points, modus 10, median 10), e-strategy (on average



1: The importance of tactic and strategic processes in e-commerce
Source: own work

6.34 points, modus 0, median 5), segmentation (on average 3.24 points, modus 0, median 2.5), positioning (on average 3.73 points, modus 0, median 4) and targeting (on average 2.36 points, modus 0, median 0.5).

It could be stated that the Internet companies identify the marketing strategy with tactical elements of the classic marketing mix, other processes are

neglected. This is a mistake – marketing management processes as well as other business processes should be implemented conceptually at the strategic level. Overall, it can be stated that marketing and marketing management in e-commerce are not carried out comprehensively and efficiently and are not followed by modern trends that can significantly contribute to the desired results.

CONCLUSION

The subject of marketing and marketing management has appeared in a myriad of scientific and popular publications. Almost none of the works cover the issue of the marketing management process in e-commerce, even though there is a growing need to work on this theme professionally. Internet companies are limited to forms of Internet marketing. The survey revealed that the e-marketing management process requires a comprehensive approach that can greatly increase the probability of achieving the marketing and business goals. This comprehensive approach is based on the use of various tools in each phase of the marketing management process and respecting the essence of the company and requiring a participative and creative approach of marketing staff. Based on the theoretical background and results of the survey, it is clear that an effective e-marketing management process involves modern as well as traditional marketing tools. Even the use of marketing management tools in e-commerce can lead to higher company competitiveness. These tools are adapted to the needs of the electronic market, such as the identification of the e-marketing mix, creation and implementation of e-strategies and requirements for e-marketing managers and their e-marketing team. From the survey a more consistent interaction of entities in the private sector and academia is recommended to reach long-term and effective business results.

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