

A Competitiveness Analysis of Škoda Karoq

Lenka Trávníčková

Bachelor's thesis
2018



Tomas Bata University in Zlín
Faculty of Humanities

Univerzita Tomáše Bati ve Zlíně
Fakulta humanitních studií
Ústav moderních jazyků a literatur
akademický rok: 2017/2018

ZADÁNÍ BAKALÁŘSKÉ PRÁCE

(PROJEKTU, UMĚLECKÉHO DÍLA, UMĚLECKÉHO VÝKONU)

Jméno a příjmení: **Lenka Trávníčková**
Osobní číslo: **H15785**
Studijní program: **B7310 Filologie**
Studijní obor: **Anglický jazyk pro manažerskou praxi**
Forma studia: **prezenční**

Téma práce: **Analýza konkurenceschopnosti Škody Karoq**

Zásady pro vypracování:

Shromáždění odborných materiálů
Studium teorie konkurence a konkurenceschopnosti
Analýza Škody Karoq podle marketingového mixu
Analýza konkurentů
Doporučení pro zlepšení

Rozsah bakalářské práce:

Rozsah příloh:

Forma zpracování bakalářské práce: **tištěná/elektronická**

Seznam odborné literatury:

Huggins, Robert, and Hiro Izushi. 2011. Competition, Competitive Advantage, and Clusters: The Ideas of Michael Porter. Oxford: Oxford University Press.

Kingsnorth, Simon. 2016. Digital Marketing Strategy: An Integrated Approach to Online Marketing. London: Kogan Page.

Kotler, Philip, and Gary Armstrong. 2016. Principles of Marketing. Boston: Pearson.

Kotler, Philip, and Kevin Lane Keller. 2016. Marketing Management. Boston: Pearson.

West, Douglas C., John B. Ford, and Essam Ibrahim. 2015. Strategic Marketing: Creating Competitive Advantage. New York: Oxford University Press.

Vedoucí bakalářské práce: **Ing. Jiří Vaněk, Ph.D.**

Datum zadání bakalářské práce: **11. července 2018**

Termín odevzdání bakalářské práce: **22. srpna 2018**

Ve Zlíně dne 13. srpna 2018

doc. Ing. Anežka Lengálová, Ph.D.

děkanka



Mgr. Dagmar Masár Mačková, Ph.D.

ředitelka ústavu

PROHLÁŠENÍ AUTORA BAKALÁŘSKÉ PRÁCE

Beru na vědomí, že

- odevzdáním bakalářské práce souhlasím se zveřejněním své práce podle zákona č. 111/1998 Sb. o vysokých školách a o změně a doplnění dalších zákonů (zákon o vysokých školách), ve znění pozdějších právních předpisů, bez ohledu na výsledek obhajoby ¹⁾;
- beru na vědomí, že bakalářská práce bude uložena v elektronické podobě v univerzitním informačním systému dostupná k nahlédnutí;
- na moji bakalářskou práci se plně vztahuje zákon č. 121/2000 Sb. o právu autorském, o právech souvisejících s právem autorským a o změně některých zákonů (autorský zákon) ve znění pozdějších právních předpisů, zejm. § 35 odst. 3 ²⁾;
- podle § 60 ³⁾ odst. 1 autorského zákona má UTB ve Zlíně právo na uzavření licenční smlouvy o užití školního díla v rozsahu § 12 odst. 4 autorského zákona;
- podle § 60 ³⁾ odst. 2 a 3 mohu užít své dílo – bakalářskou práci - nebo poskytnout licenci k jejímu využití jen s předchozím písemným souhlasem Univerzity Tomáše Bati ve Zlíně, která je oprávněna v takovém případě ode mne požadovat přiměřený příspěvek na úhradu nákladů, které byly Univerzitou Tomáše Bati ve Zlíně na vytvoření díla vynaloženy (až do jejich skutečné výše);
- pokud bylo k vypracování bakalářské práce využito softwaru poskytnutého Univerzitou Tomáše Bati ve Zlíně nebo jinými subjekty pouze ke studijním a výzkumným účelům (tj. k nekomerčnímu využití), nelze výsledky bakalářské práce využít ke komerčním účelům.

Prohlašuji, že

- elektronická a tištěná verze bakalářské práce jsou totožné;
- na bakalářské práci jsem pracoval samostatně a použitou literaturu jsem citoval. V případě publikace výsledků budu uveden jako spoluautor.

Ve Zlíně 20.8.2018

.....

1) zákon č. 111/1998 Sb. o vysokých školách a o změně a doplnění dalších zákonů (zákon o vysokých školách), ve znění pozdějších právních předpisů, § 47b Zveřejňování závěrečných prací:

(1) Vysoká škola nevydělečně zveřejňuje disertační, diplomové, bakalářské a rigorózní práce, u kterých proběhla obhajoba, včetně posudků oponentů a výsledku obhajoby prostřednictvím databáze kvalifikačních prací, kterou spravuje. Způsob zveřejnění stanoví vnitřní předpis vysoké školy.

(2) *Disertační, diplomové, bakalářské a rigorózní práce odevzdané uchazečem k obhajobě musí být též nejméně pět pracovních dnů před konáním obhajoby zveřejněny k nahlížení veřejnosti v místě určeném vnitřním předpisem vysoké školy nebo není-li tak určeno, v místě pracoviště vysoké školy, kde se má konat obhajoba práce. Každý si může ze zveřejněné práce pořizovat na své náklady výpisy, opisy nebo rozmnoženiny.*

(3) *Platí, že odevzdáním práce autor souhlasí se zveřejněním své práce podle tohoto zákona, bez ohledu na výsledek obhajoby.*

2) *zákon č. 121/2000 Sb. o právu autorském, o právech souvisejících s právem autorským a o změně některých zákonů (autorský zákon) ve znění pozdějších právních předpisů, § 35 odst. 3:*

(3) *Do práva autorského také nezasahuje škola nebo školské či vzdělávací zařízení, užije-li nikoli za účelem přímého nebo nepřímého hospodářského nebo obchodního prospěchu k výuce nebo k vlastní potřebě dílo vytvořené žákem nebo studentem ke splnění školních nebo studijních povinností vyplývajících z jeho právního vztahu ke škole nebo školskému či vzdělávacího zařízení (školní dílo).*

3) *zákon č. 121/2000 Sb. o právu autorském, o právech souvisejících s právem autorským a o změně některých zákonů (autorský zákon) ve znění pozdějších právních předpisů, § 60 Školní dílo:*

(1) *Škola nebo školské či vzdělávací zařízení mají za obvyklých podmínek právo na uzavření licenční smlouvy o užití školního díla (§ 35 odst.*

3). *Odpirá-li autor takového díla udělit svolení bez vážného důvodu, mohou se tyto osoby domáhat nahrazení chybějícího projevu jeho vůle u soudu. Ustanovení § 35 odst. 3 zůstává nedotčeno.*

(2) *Není-li sjednáno jinak, může autor školního díla své dílo užít či poskytnout jinému licenci, není-li to v rozporu s oprávněnými zájmy školy nebo školského či vzdělávacího zařízení.*

(3) *Škola nebo školské či vzdělávací zařízení jsou oprávněny požadovat, aby jim autor školního díla z výdělku jím dosaženého v souvislosti s užitím díla či poskytnutím licence podle odstavce 2 přiměřeně přispěl na úhradu nákladů, které na vytvoření díla vynaložily, a to podle okolností až do jejich skutečné výše; přitom se přihlédne k výši výdělku dosaženého školou nebo školským či vzdělávacím zařízením z užití školního díla podle odstavce 1.*

ABSTRAKT

Tato bakalářské práce je založena na bakalářské práci Analýza konkurenceschopnosti společnosti Škoda Auto a.s. Hlavním cílem této bakalářské práce je analýza konkurenceschopnosti nového produktu Škody Auto a.s., Škody Karoq. Na základě analýzy jsou poté navržena doporučení pro zlepšení pozice na trhu. Práce se skládá ze dvou částí. V teoretické části je vysvětlena terminologie týkající se oblasti konkurence a konkurenceschopnosti, a souvisejících marketingových analýz. V úvodu praktické části je představena společnost. Dále práce pokračuje analýzou Škody Karoq. Následuje analýza konkurence podle marketingového mixu. Dále je vypracován benchmarking, S-W analýza, PEST analýza, O-T analýza, a Porterova analýza pěti sil. Na konci praktické části jsou navržena doporučení pro zlepšení konkurenceschopnosti Škody Karoq. Součástí práce jsou také dva rozhovory s vlastníky Škody Karoq.

Klíčová slova: benchmarking, konkurence, konkurenceschopnost, marketingový mix, analýza konkurentů, SWOT analýza, PEST analýza, Porterova analýza pěti sil

ABSTRACT

This bachelor's thesis is based on the bachelor's thesis A Competitiveness Analysis of Škoda Auto a.s. The main aim of this bachelor's thesis is a competitiveness analysis of a new product of Škoda Auto a.s., Škoda Karoq. From the analyses, recommendations on improving its position on the market are suggested. This thesis is divided into two sections. The first part is theoretical where terminology of competition and competitiveness, and related marketing analyses are explained. At the beginning of the practical part, the company is introduced. Then the thesis continues with an analysis of Škoda Karoq, and it is followed by competitor analysis according to marketing mix. Then benchmarking, S-W analysis, PEST analysis, O-T analysis, and Porter's five forces analysis are performed. At the end of the practical part, recommendations for improving competitiveness of Škoda Karoq are proposed. Two interviews with owners of Škoda Karoq are also a part of this bachelor's thesis.

Keywords: benchmarking, competition, competitiveness, marketing mix, competitor analysis, SWOT analysis, PEST analysis, Porter's five forces analysis

ACKNOWLEDGEMENTS

I would like to thank to my supervisor Ing. Jiří Vaněk, Ph.D, for the inspiration, support and willingness to help and also for his useful comments.

I would also like to express my special gratitude to my father for providing me with all important information about cars and to my mother for supporting me all the time.

I hereby declare that the print version of my Bachelor's thesis and the electronic version of my thesis deposited in the IS/STAG system are identical.

CONTENTS

INTRODUCTION	10
I THEORY	11
1 COMPETITION AND COMPETITIVENESS	12
1.1 COMPETITIVE STRATEGY	12
1.1.1 Overall Cost Leadership.....	12
1.1.2 Differentiation	12
1.1.3 Focus	12
1.2 MARKETING DOMINANCE STRATEGIES.....	13
1.3 COMPETITIVE ADVANTAGE	13
1.4 COMPETITOR ANALYSIS	13
1.5 COMPETITIVE INTELLIGENCE	14
1.6 BOSTON CONSULTING GROUP (BCG) MATRIX.....	14
1.7 ANSOFF MATRIX	15
2 PESTLE ANALYSIS.....	17
2.1 POLITICAL FACTORS	17
2.2 ECONOMIC FACTORS.....	17
2.3 SOCIAL FACTORS	17
2.4 TECHNOLOGICAL FACTORS	17
2.5 LEGAL FACTORS	18
2.6 ENVIRONMENTAL FACTORS	18
3 SWOT ANALYSIS	19
3.1 O-T ANALYSIS.....	19
3.2 S-W ANALYSIS.....	20
4 PORTER'S FIVE FORCES ANALYSIS	22
4.1 COMPETITIVE RIVALRY	22
4.2 SUPPLIER POWER.....	22
4.3 BUYER POWER.....	22
4.4 THREAT OF SUBSTITUTION	23
4.5 THREAT OF NEW ENTRY	23
5 MARKETING MIX.....	24
5.1 PRODUCT	24
5.1.1 Product life cycle.....	24
5.2 PRICE.....	25
5.3 PROMOTION	26
5.4 PLACE.....	27
6 BENCHMARKING	28
6.1 TYPES OF BENCHMARKING	28
6.2 BENCHMARKING MODELS	28
II ANALYSIS	30
7 ŠKODA AUTO A.S. COMPANY PROFILE.....	31

8	ANALYSIS OF ŠKODA KAROQ	32
8.1	PRODUCT	32
8.2	PRICE	34
8.3	PROMOTION	35
8.4	PLACE	36
9	COMPETITOR ANALYSIS	37
9.1	OPEL GRANDLAND X	37
9.2	RENAULT KADJAR	40
9.3	VOLKSWAGEN T-ROC	42
9.4	PEUGEOT 3008	45
9.5	SEAT ATECA	48
10	BENCHMARKING	52
11	S-W ANALYSIS	54
12	PEST ANALYSIS	55
12.1	POLITICAL FACTORS	55
12.2	ECONOMIC FACTORS	56
12.3	SOCIAL FACTORS	57
12.4	TECHNOLOGICAL FACTORS	58
12.5	ENVIRONMENTAL FACTORS	59
13	O-T ANALYSIS	60
14	PORTER'S FIVE FORCES ANALYSIS	61
14.1	COMPETITIVE RIVALRY	61
14.2	SUPPLIER POWER	61
14.3	BUYER POWER	62
14.4	THREAT OF SUBSTITUTION	62
14.5	THREAT OF NEW ENTRY	62
15	RECOMMENDATIONS	63
	CONCLUSION	64
	BIBLIOGRAPHY	65
	LIST OF ABBREVIATIONS	73
	LIST OF FIGURES	75
	LIST OF TABLES	76
	LIST OF PICTURES	77
	APPENDICES	78

INTRODUCTION

Škoda Auto is one of the best-known car manufacturers in the world, and one of the largest employers in the Czech Republic. All its products were successful. Thanks to them, the company gained huge profit and strengthened its position on the market. Despite many competitors, in 2017 the company achieved the best results in its entire history. A portfolio of the company has expanded considerably. But the company is currently developing new car models, and in the future it wants to follow trend of plug-in hybrid and electric cars.

Nowadays, there are so many companies and substitutes of products on the market that there is need to develop an appropriate competitive strategy, which provides the best competitive advantage. Examining of competitiveness is a significant activity, with which, the company has to deal, and make its products different from others. I chose Škoda Auto Company and its new model Škoda Karoq, because I am working in the Kvasiny's plant, where this model is manufactured. The goal of this thesis is to prove that Škoda Karoq is able to compete to car models that will be chosen according to similarity to Škoda Karoq. They will be selected, for example, by body type or price.

This bachelor's thesis has theoretical and practical part. The theoretical part deals with terminology such as competitiveness, competitive strategy, competitive advantage, and competitor analysis, marketing mix, related marketing analyses and benchmarking. The practical part comprises company's introduction, an analysis of Škoda Karoq, competitor analysis, benchmarking, S-W analysis, PEST analysis, O-T analysis and Porter's five forces analysis. At the end of the practical part, recommendations for improving competitiveness of Škoda Karoq are proposed.

I. THEORY

1 COMPETITION AND COMPETITIVENESS

Competition is viewed as a comparison between a company and other companies, which provide similar products or services. Competitiveness is a feature of a company, which is successful and provide better products or services in a certain branch in comparison to its competitors. It can be assessed in a certain moment, but the most important thing is its improvement (Veber 2016, 15).

1.1 Competitive strategy

Each company has its goals, which wishes to reach. A creating of a competitive strategy is the first step to achieve its goals. Porter pointed out three competitive strategies, which are overall cost leadership, differentiation and focus.

1.1.1 Overall Cost Leadership

The companies want to reach the lowest costs that are related to production and distribution, and in this case, they can undervalue their rivals and get market share. They do not need some special marketing techniques to do it. The issue is that other companies will have even lower costs and it damages the company whose future is relied only on cost (Kotler and Keller 2016, 74).

1.1.2 Differentiation

This strategy is based on emphasizing some feature of the product or some part of a marketing mix. This feature or this part is important for customers and provides the differentiation from the competitors. The company can be a leader in quality of the products, be the best in marketing or technological development. An advantage of this strategy is that uniqueness and a difference allow the higher price of the product. But this strategy can be ruined with imitations (Lesáková et al. 2014, 147-155).

1.1.3 Focus

The companies concentrate on one or more adjacent segments on the market. They want to know them good and follow the cost leadership or differentiation inside the specific segment (Kotler and Keller 2016, 74). An advantage of this strategy is that the company knows its narrow segment well and it can provide its services more efficiently than its competitors (Lesáková et al. 2014, 154-155).

1.2 Marketing dominance strategies

With a dominance strategy, a company is informed about its market share, and it can be identified as market leader, market challenger, market follower and market nicher.

When a company is a market leader, it is dominant in its industry on the market. The company is also accepted as the leader by its competitors.

When a company is a market challenger, it has a strong position on the market but not the best one. This company is a sign for the market leader that there is another successful company. This company should also make some changes to highlight its presence on the market.

When a company is a market follower, it should become stronger on the market, but it has to wait for an occasion to be the challenger or the leader.

When a company is a market nicher, it is focused on its niche. It means that it is focused on a few selected target markets. This strategy is similar as focus competitive strategy (Ahmed Mohey El-Deen 2010).

1.3 Competitive advantage

The competitive advantage is defined as a goal to be better than the company's competitors. It means to satisfy customers' needs with the tools that no other company has. Nowadays, the companies' marketing department is focusing the most on the two types of ways how to develop the best competitive advantage. The first one is an improving the quality and the second one is a developing relationship with customers. Among the known types of the competitive advantage belong benefits from an exclusivity of the product, an advantage of low costs, global experience, legislative powers, special relations with customers, suppliers or distributors, an advantage of an amount and a range, active policy connected with an innovation, special competence and an exclusivity of an assets, which can be based on owning of buildings (Lesáková et al. 2014, 25-26).

1.4 Competitor analysis

The company has to identify its competitors, which are represented by all companies with the same or similar product, which is offered to the same target group of people at the same or similar prices. The company can determine its competitors from two aspects. The first one is an industry aspect, where the company has to know well its competitors and competitive patterns to be a successful part of that industry. A market aspect can also determine the competitors. Through this aspect, the company's competitors are all

companies that sell its products to the same customer group and want to fulfill the same customers' needs (Kotler and Armstrong 2016, 569). The competitor analysis is based on actions that analyze the comparative position of competitors in a certain market. This group of actions comprises: determine the company's competitors, know competitors' goals, determine competitors' strategies, evaluating competitors' responses and choosing right competitors (West, Ford and Ibrahim 2015, 78-79).

1.5 Competitive intelligence

The competitive intelligence is scanning of microenvironment and also macroenvironment, and combines the knowledge of all people who are in a company. It can also be viewed as a real intelligence that means it tries to get a strategic advantage (West, Ford and Ibrahim 2015, 81).

1.6 Boston Consulting Group (BCG) Matrix

BCG Matrix focuses on market growth rate and relative market share. Each company has to identify them. They can be stated as high or low. Then with help of the matrix, the products are identified as stars, question marks, cash cows or dogs (Kermally 2006, 89). The matrix has four parts, and each of them represents different type of product. Each part of the matrix is specified according to its share on revenues or costs (Lesáková et al. 2014, 166).

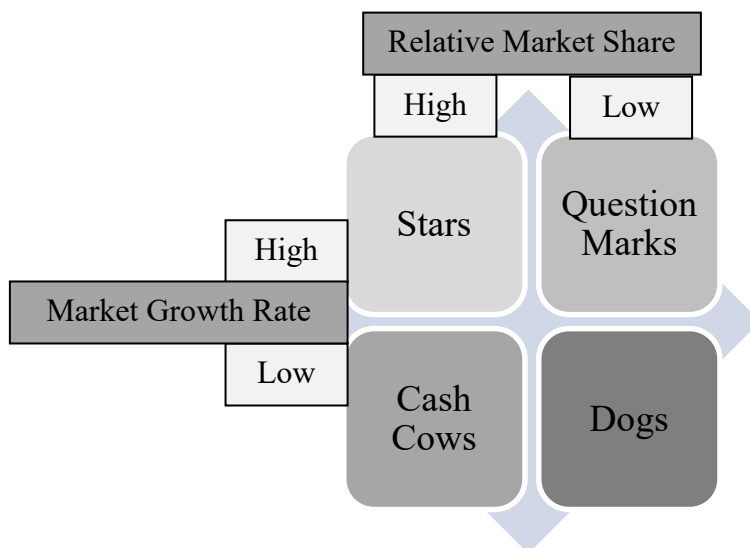


Figure 1 BCG Matrix (Martin 2017)

Stars have really good position on the market. Sometimes, they need to be financed to resist the competitors. But they often bring profit to the company, and after some time, can be cash cows.

From the point of view of product life cycle, question marks are very often in an introduction stage on the market. They need high investments, and they can cause large revenues or as opposite, can cause large loss.

Cash Cows bring more revenues than costs, and surplus can be useful for financing of other products. They are often used to make growth of stars and question marks higher.

Dogs can cause low profit or even loss. So sooner or later, there is need to get them out of the market (Lesáková et al. 2014, 166-167).

1.7 Ansoff Matrix

Ansoff Matrix is one of strategic and analytic tools. It allows to make important decisions to reach the goals of a company. It consists of market and a product that are new or existing (Kermally 2006, 87-88).

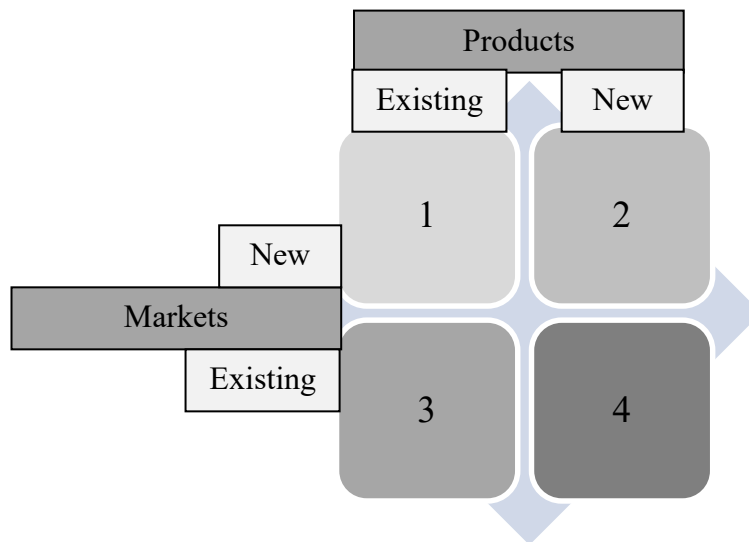


Figure 2 Ansoff Matrix (Mind Tools Content Team)

*1 Market Development

*3 Market Penetration

*2 Diversification

*4 Product Development

New market/existing product - Market Development: The company wants to sell the same products to the new market or new regions of its current market. It can target new geographical regions or use distinct sales channels. It also can identify only groups

of people according to for example age or lifestyle. Or there is an option to reposition the product.

New market/new product – Diversification: Diversification is trying to make business risk smaller and market size larger.

Existing product/existing market - Market Penetration: In this version, the company wants to sell bigger amount of the same products to the same market. The company can invent new marketing strategy, develop striking price offers, or create BCG Matrix to choose to which products are worth to invest.

Existing market/new product - Product Development: Here, the company sells various products to the same market. There can be changed the package of the product or some new diverse versions of the product can be created (Mind Tools Content Team).

2 PESTLE ANALYSIS

Pest analysis is used to analyse the macro-environment of the company and its relation to the situation in business. PESTLE is an abbreviation for political, economic, social, technological, legal, and environmental factors. Through PESTLE analysis, the company can control how these factors affect the industry in long-term.

2.1 Political factors

These factors include government issues such as regulations or standards; and their influence on the business market. The critical question is political stability in the country as well as tax guidelines or some trade or safety regulations. There are examples of political factors: new tax policies, government organization, environmental regulations or new employment laws (Pestle Analysis 2013).

2.2 Economic factors

The purchasing power differs from one country to another. Even on the one particular market, there is that power different. A significant difference is also among the population segments. The difference between rich and poor ones is profound, and concerning this, the difference between the most expensive and the cheapest products is also huge (Karlíček 2013, 62-63). Among examples of economic factors are changes in interest rates, inflation rate, economic growth, unemployment rate or business cycle.

2.3 Social factors

These factors are represented through a culture of a society. Socioeconomic environment includes aspects such as customer demographics, cultural element, lifestyle attitude, education, age, career attitude or status. These factors influence customers' needs and what can be an impulse for a purchase. There are examples of social factors: population growth rate, changing career, get Master's degree or increasing of comfort in living.

2.4 Technological factors

They explain how technology affects a product or service, its introduction or its innovation. These are examples of technological factors: a rate of innovation, automated processes in the industry, or the role and changes in Internet (Pestle Analysis 2013).

2.5 Legal factors

These factors can be internal or external. There can be some specific business laws in a specific country. On the other hand, there are laws that are obligatory only for specific companies. These factors can include consumer laws, safety standards, or labour laws.

2.6 Environmental factors

These factors are influenced by surrounding environment. They are extremely important for some industries, for example for agriculture or automobile production. Among these factors belong changes in weather and climate, problems with waste, pollution and recycling; eco-friendly policy, or geographical location (Pestle Analysis).

3 SWOT ANALYSIS

The SWOT analysis examines a strategic situation of the company. It is based on a processing of the external and internal environment of a company. It represents a total evaluation of a company's strengths, weaknesses, opportunities, and threats. The SWOT analysis is created for an only one branch of the industry. In the case the company is a part of more branches of the industry, it has to make the SWOT analysis for all branches separately (Lesáková et al. 2014, 41).

3.1 O-T Analysis

The external environment of the company is identified by O-T analysis, which has to recognize new opportunities and threats, to which the company will face in the future. They are dependent on an intensity of the competitors in a particular branch of the industry, the existence of barriers to entry, the presence of substitutes and power of buyers and suppliers.

The opportunity is a significant area, in which the company can obtain the competitive advantage with the help of appropriate tools. At first, the company has to specify its opportunities and examine them from their attractiveness and probability of achieving them. Among opportunities can be international markets, low barriers to entry or new trends in technology (Lesáková et al. 2014, 42-44)

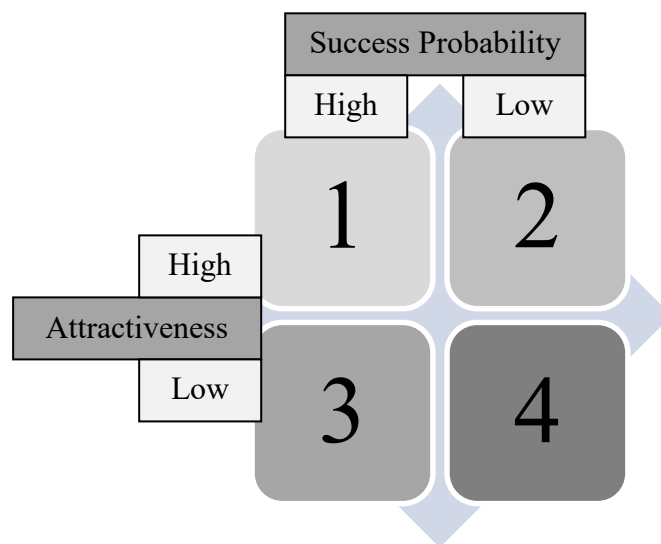


Figure 3 Opportunity Matrix (Kotler and Keller 2016, 72)

In the left upper quadrant, there are the best opportunities. The company has to focus on them. On the other hand, in the right bottom quadrant, there are opportunities, which are not so important. The opportunities in other two quadrants the company should monitor.

The threat is a challenge, which was formed from an adverse event in the external environment. When the company does not behave in a right way, its position on the market can become worse. Among threats can be powerful key competitors, free entry of foreign competitors to the local market, a worse situation for the company on the market or changes in laws and new regulations. The threat can mean an inappropriate position of the company on the market or probability of failure (Lesáková et al. 2014, 42-44).

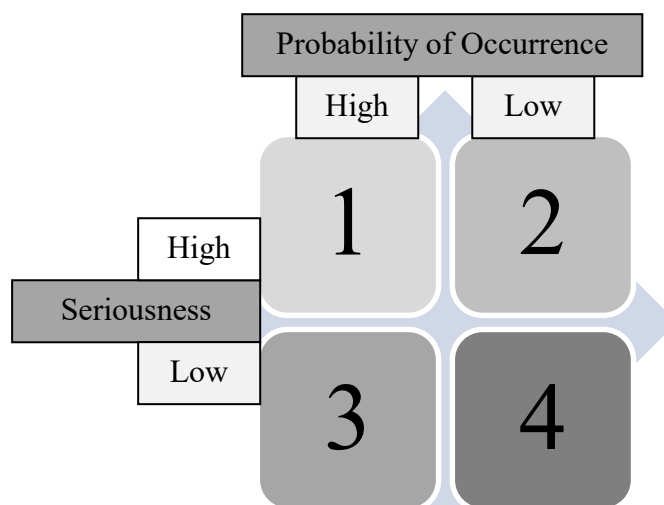


Figure 4 Threat Matrix (Kotler and Keller 2016, 72)

In the left upper quadrant, there are the worst threats to the high probability of occurrence. In the right bottom quadrant, there are threats, which have a little chance. The risks in other two quadrants should be monitored (Lesáková et al. 2014, 43).

3.2 S-W Analysis

After the external analysis, the internal environment of the company has to be examined. Specifying strengths and weaknesses of the company is necessary. Each company has to identify them and evaluate its abilities, efficiency, sources and organization structure.

The strengths are advantages related to internal factors. The management of the company tries to identify strengths and make a benefit of them. The most significant ones cannot be directly copied, and they represent the competitive advantage. Among the strengths are quality products, skilled staff, right image of the company, tradition and research and development at a reasonable level.

The weaknesses are issues, which are represented by weak places that caused the imperfect efficiency of the company. Among the weaknesses there are products of poor quality, high prices, lousy motivation in benefits, and negative image of the company or horrible organization structure (Lesáková et al. 2014, 45).

4 PORTER'S FIVE FORCES ANALYSIS

Porter claims that the situation of competition in the industry is strongly affected by the force of five competitive forces. Among these forces belong intensity of rivalry, supplier power, buyer power, and a threat of substitution and risk of new entry (Huggins and Izushi 2011, 5-6). The overall strength of these forces identifies the potential to get profit in the industry. To create a strategy, it is essential to examine the primary sources of these forces and specify the strengths and weaknesses. Competitive strategy aims to discover a right position in the industry, where the company can protect itself and make these forces profitable to itself (Lehmann 2012, 16).

4.1 Competitive Rivalry

The rivalry among existing competitors can include a decision about the price, which type of promotion is appropriate to use, a presentation of a new product or making customer service better (Huggins and Izushi 2011, 6). The competitive rivalry is based on an intensity of that rivalry and contains some facts. Among these facts are alike balanced competitors, growth of the industry or various competitors, who can be from different countries (Lehmann 2012, 17-18).

4.2 Supplier Power

The supplier power is also known as bargaining power of suppliers. The supplier has a power when some conditions are fulfilled. For example, when it is controlled by only a small number of companies, when the product is decisive to the business of the buyer or when the outcome of the supplier is different than any other one. Here Porter claims that the company's workforce as a part of the competition has the similar effect as suppliers with their force. The workforce can negotiate wages or benefits (Lehmann 2012, 19-20).

4.3 Buyer Power

Buyers can affect all earnings in the industry by requiring lower prices, wanting a higher quality or better services (Huggins and Izushi 2011, 6). The buyer power is also known as the bargaining power of buyers or customers. The buyer has the power in some specified cases. The buyer is dominant when realizes the purchases of similar goods or when the buyer is informed, and it gives him the force to negotiate, and in some other cases (Lehmann 2012, 19).

4.4 Threat of Substitution

The substitutes can influence potential revenues. They can also determine the highest possible prices, which are profitable in that industry (Huggins and Izushi 2011, 6). They satisfy the same or similar needs as company's products and its direct competitors. Nevertheless, they have to differ in some way, and sometimes they cannot be visible on the market, and it is their risk (Karlíček 2013, 48).

4.5 Threat of New Entry

The threat of new competitors and getting the target market is dependent on the barriers to entry which allow obtaining some market share. In the case the barriers are high, and competitors are firmly established, the threat of entry is low. These barriers can contain how much is the product different from the other ones. The differentiation can be based on the advertising, packaging, prices or services. Or access to distribution channels is included among these barriers. It means that the new company has to gain access to distribution channels, which are already existing (Lehmann 2012, 17-18). New entrants can also make the prices lower and the costs higher, and with this, they can decrease the profits (Huggins and Izushi 2011, 6).

5 MARKETING MIX

The marketing mix consists of a product, price, promotion, and place. These parts are connected and serve as a set of tools which are significant for an achieving the goals the target market. These tools are created by a company itself. The marketing mix with a selection of market segments and target market helps to create a marketing strategy for the company. Concerning Kotler, he added two other parts to the mix. It is political power and public opinion formation. Then a presentation and process were added. In respect of Robins, a critic of a basic version of the marketing mix, he recommended a strategic marketing mix. It also has four parts, and it includes customers, competitors, capabilities and a company. The company has to choose which concept is the most suitable for it, but it is advisable to use both of these concepts (Jakubíková 2013, 190-192).

5.1 Product

The product may be any physical thing and any service, and also its combination. Among the most significant element according to the product belongs the brand name, design or versions of the product. All features have to be based on a specific marketing strategy. A perception of the customers is important. The design can determine a strong position on the market. It can even create a company's competitive advantage. In an automotive industry, it was proven that people like automobiles, which are predominant and make good impression. Creation of a new car model is costly, and a mistake maybe even destroying the company (Karlíček 2013, 154).

5.1.1 Product life cycle

Product life cycle has four stages. It is introduction stage, growth stage, maturity stage, and decline stage. Each stage needs different marketing strategies.

In the introduction stage, the product is not so known to the customers, and it causes lower revenues. The customers need to be informed about features of the product, and because of that, the promotion is really significant in this stage.

In the growth stage, the product causes growth of revenues, and the customers begin to accept the product. The promotion is focused on a brand instead of the features of the product.

In the maturity stage, saturation causes a lower revenues growth rate. The company has profit from the purchases that are repeated. The product is under the competitor's eyes, and there is no potential for making higher profit.

In the decline stage, revenues and also prices are lower and lower. Most of companies get rid of these products and concentrate on different activities (Lesáková et al. 2014, 102-103).

5.2 Price

The price presents an only part of the marketing mix which can earn some money. The price is also the most elastic part. The general information is, when the price is lower, the demand is higher. On the contrary, when the price is higher, the demand is lower. But in case of decreasing the price of the product the brand can be perceived as less quality. Thus with the lower price, the positioning is changed. The further the price can be influenced by some discounts, which are wanted by customers, and which can cause the increase immediately in demand. Concerning the automotive industry, the price can often change customers' decision rather than for instance the design, and in this case, any brand can create the competitive advantage from the price (Karlíček 2013, 171-183). In fact, the company has no physical shop; it means it has an only online shop, the lower price is expected by customers. It is caused there are no overhead expenses (Kingsnorth 2016, 10).

There are three the most important pricing strategies. It is customer value-based pricing, cost-based pricing, and competition based pricing. Concerning to customer value-based pricing, the company determines buyers' needs and their ability to perceive the value at first. Then it creates the certain price based on the mentioned ability. The value and price decided about the costs and design. The cost-based pricing requires that the prices are creating according to the costs of manufacturing, distributing and selling. The costs can be a significant part of the company's pricing strategy. Any company with lower costs can have lower prices and achieve considerable revenue. On the other hand, some companies have higher costs, and they set higher prices. Finding the right range between costs and prices is important. The last pricing strategy is the competition-based pricing. It sets the prices according to its competitors. It is essential to know their strategies, costs, prices, and offers. In case that customers think that the product has a more substantial value, the company can change the price to higher. As opposed the customers believe that the value of the products is lower than product of competition, the company has to make the price lower or prove that its price is reasonable (Kotler and Armstrong 2016, 325-332).

5.3 Promotion

The promotion is based on the marketing strategy of the company. Under the term promotion, there is an information and persuasion of the target audience. A promotional mix has several parts, which are comprised of advertising, sales promotion, personal selling, public relations, direct marketing, sponsoring and event marketing. The Škoda Auto uses all of these parts of the promotion, but mostly it uses advertising, sales promotion, public relations and sponsoring.

The most significant is the advertising. Its advantage is that it can quickly catch customers' attention and entice the large segments. It consists of Television commercials, radio, print and outdoor. The television belongs to a mass media and because of it; it can send a message to the whole market. The radio allows sending the message to the particular audience because listeners often have a similar style. The printed version of advertising contains advertising in newspapers and magazines. A disadvantage is that these spots are full of advertising. The outdoor advertising is comprised of billboards or places on the bus stops, and it can influence the customer repeatedly.

A sales promotion represents a set of short-term of stimulating activities, which support a sale or the product of service. It can be contests, sampling or discounts. However, the sales promotion can also negatively influence the brand, and it is related to tools, which make the price lower. As mentioned in the section about the price, the lower price can change the positioning of the brand.

The third tool of the promotion is a personal selling, which is based on face to face communication. It is the most effective part of the whole promotional mix. It allows presenting offers while potential questions can be immediately answered. Nevertheless, the developing of a relationship with the customer is also important.

Public relations are specified as a developing of positive relations with the media, making a right image of the company and minimizing consequences of scandals. The public relations can be represented by public speeches, annual reports, company's magazines, and meetings with the people, articles in the media or by some events.

Direct marketing is based on establishing direct contacts with certain customers. An advantage is that there is immediately some opinion from the customer's point of view. Its important part is telemarketing, which is represented by a phone call, which can make the marketing campaign more effective. Among other components belong leaflets, brochures or direct e-mails.

A sponsoring and event marketing have some similar features. Whereas through the event marketing, the company organizes the event for potential or loyal customers, with the sponsoring the sponsor does not organize the event, but it is connected with the event. The event marketing creates some experience for the target audience. It can support the positive image of the brand and make the customers loyal to the company. On the other hand, the sponsoring is organized by a third person. It is a little similar to the advertising. The company wants to make its brand known among the people. For instance, the Škoda Auto sponsors Ice Hockey and Tour de France (Karlíček 2013, 190-199).

The terms above-the-line and below-the-line are also both of them associated with the marketing promotion. The above-the-line marketing focuses on large groups of potential customers. It sends a unique message, and it is comprised of a television, radio, press, display advertising and outdoor. The below-the-line one focuses only on individuals or segments. It is comprised of a Search Engine Optimization, direct mail, paid search, e-mail and direct selling (Kingsnorth 2016, 11-12).

5.4 Place

The most important thing is the distribution of the product and the place, where the company sells the product. It can be the key competitive advantage, but only in cases, the placing is available for the particular segment of customers. There are two types of the distribution. The first one is an intensive distribution, which ensures that the product is available anywhere and anytime the customer wants. The second one is an exclusive distribution, which makes the product special, luxurious and rare. The product is distributed by a few distributors or only in some regions. There is also a selective distribution. It is between the intensive and exclusive distribution. The company has several distributors, less than in the case of the intensive distribution and more than in the case of the exclusive distribution. In the case of the automotive industry, a number of certified dealers and a placing of them is the most critical thing (Karlíček 2013, 211-213).

6 BENCHMARKING

Benchmarking is a process of comparing specific factors of the company to specific factors of other companies. The goal of this process is to gain new information within learning. The company uses the benchmarking to find out in what factors it is better and in what it is worse than other. Then there is need to improve these factors.

The term that is associated with the benchmarking is benchlearning. It is long-term process which consists of a few stages, and it is identified as a method, which allows connecting of a management system and training of staff with company's needs. It deals with improvements of own activities and changes of company's environment. And it uses knowledge, information and sometimes even sources to realize these activities (Nenadál, Vykydal, and Halfarová 2011, 14-15).

6.1 Types of Benchmarking

The first benchmarking ever was created by Xerox Corporation and was named as competitive benchmarking. The types of benchmarking depend on their character.

Generic Benchmarking is also known as process benchmarking. It is a set of activities, which is used to compare and measure a specific process in the company. Among these activities can be flight booking, quality of some service or internal audit. The other type of benchmarking is Functional Benchmarking. It is an examination of several functions or only one function in particular companies. These functions can present comparing of airplanes' safety or a range of services used after purchase. The last type of benchmarking is Output benchmarking. It is aimed at analyzing and measuring of different output factors. It is used among close competitors, who produce the same products or provide the similar services (Nenadál, Vykydal, and Halfarová 2011, 20-23).

6.2 Benchmarking Models

As mentioned in types of benchmarking, Xerox Corporation created first model of benchmarking. It has ten necessary steps, which are categorized into four sections – planning, analysis, integration, and action. The planning is a task for management of the company. It has to choose some partners for comparing and begin to collect specific data. In the analysis part the data will be examined, and from them, the most appropriate will be chosen. The last stage is the action, where the improvements are realized.

Model of benchmarking American Productivity & Quality Center was created by a team of professionals of more companies. It emphasizes what should be remembered

in the benchmarking process. There are four important questions, which have to be answered:

1. What will be compared? In this question the benchmark team is appointed, success factors are identified, and the certain process or area is chosen.
2. How do we do it? There should be stated the detailed description of the process, which will be benchmarked.
3. Who is the best in it? There the company has to determine, which company is the best in an individual process.
4. How do they do it? There the company states the description of the process and identifies the goals of their output.

The last model of benchmarking was created by European Foundation for Quality Management (EFQM). The whole benchmarking is distinguished among these four stages:



Figure 5 Model of Benchmarking EFQM (Nenadál, Vykydal, and Halfarová 2011, 31)

In the first part, the benchmark team finds partners for comparing. Then it collects data, which will be useful in identifying of own improvements. For the collecting information questionnaires are the primary tool. In an analysis part, the data will be examined. The output of this part is a list of improvements. The last stage focuses on adapting of these improvements (Nenadál, Vykydal, and Halfarová 2011, 28-32).

II. ANALYSIS

7 ŠKODA AUTO A.S. COMPANY PROFILE



ŠKODA

Picture 1 Company's Logo (Škoda Auto)

Name: Škoda Auto a.s.

Tax identification number: 00177041

Company's legal form: Stock company

Sole shareholder: Volkswagen Finance Luxemburg s.a.

Headquarter: třída Václava Klementa 869, Mladá Boleslav II, 293 01 Mladá Boleslav

The chairman of a company Board of Management: Bernhard Maier

Registered capital: 16 708 850 000, - Kč (Justice)

The Škoda brand is known as one of the oldest car producer in the world and these days it employs over 30 000 people. The company was established between 1894 and 1895 by Václav Laurin and Václav Klement. In 1905 the company presented its first car Voiturette A. On global scale, the stable position of the company was guaranteed by the success of this car.

Škoda Auto is among the top employers in the Czech Republic. The company believes that it achieved great results because of their professional teams, which cooperate and support each other.

Škoda Auto's main plant is located in Mladá Boleslav, where the head office and the development department were established. Here Škoda manufactures Rapid, Fabia, Octavia and Citigo models. Škoda Auto has two more plants, which were founded in Kvasiny and Vrchlabí. In Kvasiny Škoda produces Superb and both SUVs – Kodiaq and Karoq. And in Vrchlabí Škoda produces transmissions for the whole Volkswagen Group. But the production has also moved to many other cities, and then to many other countries - to China, Russia, India, Ukraine, Kazakhstan and Algeria (Škoda Auto).

8 ANALYSIS OF ŠKODA KAROQ

The analysis of Škoda Karoq will be realized according to marketing mix. As mentioned in the section 5, the marketing mix consists of product, price, promotion and place.

Table 1 Information about Karoq (EuroNCAP 2017)

Model	Body Type	Year of Publication	Kerb Weight	Class
Škoda Karoq	5 door SUV	2017	1365 kg	Small Off-Road

*SUV – Sport Utility Vehicle

*kg – kilogram

*EuroNCAP – The European New Car Assessment Programme



Picture 2 Photo of Škoda Karoq (EuroNCAP 2017)

8.1 Product

Škoda Karoq is a successor of Škoda Yeti, whose production was ended. Karoq is manufactured on the concern's platform, and it means that it is technically related to Seat Ateca (Svět motorů 2017, 32).

Škoda Karoq is offered in two versions – Ambition and Style. The Ambition version is a standard version of Karoq, and it is offered with black/grey interior as a standard and black/red as an optional extra. The Style version is Ambition version with other special items. The Karoq in the Style version has a black interior as standard, but there is an option to have a beige interior. To comfort of a customer, Columbus system with radio and navigation controlled by touch and Infotainment Online 1 year Free is included in the price (Škoda Auto).

Škoda guarantees a standard two-year warranty. This standard type of the warranty protects the car against technical and electrical defects, which were caused during

manufacturing. Another type of warranty is body protection warranty, where the internal components of a car are protected against the rust for twelve years. The third type of warranty is three-year paintwork warranty (Svět motorů 2017, 32).

The exterior of Škoda Karoq is underlined by Light-Emitting Diode (LED) system, which is energy efficient. The headlights consist of Adaptive Frontlight System (AFS), which can adapt the lighting to a particular situation such as driving in the rain, and of fog lamps. On the roof, there is a panoramic window. From the rear view, Karoq has lights with the shape of a letter C, which are typical for Škoda models.

Škoda Karoq's luggage compartment is with its 521l of luggage space spacious, and when the rear seats are down, the luggage space has even 1630 litres, and it makes it practical. The luggage compartment is flexible because of VarioFlex system. This system is based on three independent rear seats, which can be moved separately. In case of removing these three seats, the space is immediately 1 810 litres.

Škoda Connect offers Infotainment Online and Care Connect. The first one provides data about traffic or weather and the second one offers remote control of the car or service. Another useful thing is an emergency SOS button, which in case of the crash, an emergency call takes place immediately after activation of airbags. Through MyŠkoda App, customers can use the help of assistant Paul, who can be available for them all time. Paul knows detailed information about the car. Another smart thing is Virtual Pedal, which allows open or close the luggage compartment without touch. It means it is hands-free approach and reacts only with a move of the foot. Virtual Pedal is offered only with an electrically-controlled 5th door, which allows open or close the luggage compartment with the button, which is placed in driver's door, on a remote control or on the door itself.

The safety was proven in the rating of EuroNCAP. Karoq was awarded 5 stars, which is the highest possible rating. Karoq was evaluated in these categories: Adult occupant – 93%, Child occupant – 79%, Pedestrian – 73% and Safety Assist – 58% (EuroNCAP). The Karoq has these driver assistance systems: Lane assist, Front assist, Blind Spot Detect, Rear Traffic Alert, Traffic Jam Assist, Adaptive cruise control, Travel assist and Park Assist.

1. With Lane assist the driver can let the system control the position in the lane.
2. Front assist with protection of pedestrians is a system, which prevents a crash. It can control the brakes to minimize consequences of the collision, and with Automatic Emergency Braking, it can stop the car when someone enters to its way.

3. Blind Spot Detect system can check with sensors the areas, which are not visible to the driver. It chooses whether or not it has to warn the driver.
4. Rear Traffic Alert is a part of the Blind Spot Detection. It allows moving backward from a parking place to bad visibility.
5. Traffic Jam Assist can copy the ride of the cars around it and oversee the engine, brakes, and steering.
6. Adapt Cruise Control is a system, which is in the front grid, concentrates on the distance from the car before customers' car.
7. In Travel assist there works the teamwork between camera system and Global Positioning System. This assist is capable of identifying and showing the traffic signs on the screen.
8. Park assist chooses the right parking place and parks itself.

8.2 Price

The price depends on the version, on the type of the engine and also on the type of the transmission.

Table 2 Karoq's technical data (Škoda Auto)

Škoda Karoq			Ambition	Style
Engine	Consumption (l/100km)	CO2 (g/km)		
1,0 TSI/85 kW	5,3	119	529 900	584 900
1,0 TSI/85 kW AP	5,2	118	579 900	634 900
1,5 TSI/110 kW ACT	5,4	123	574 900	629 900
1,5 TSI/110 kW ACT AP	5,5	125	624 900	679 900
1,6 TDI/85 kW	4,6	120	579 900	634 900
1,6 TDI/85 kW AP	4,4	117	629 900	684 900
2,0 TDI/110 kW 4×4	5,0	131	669 900	724 900
2,0 TDI/110 kW 4×4 AP	5,2	137	719 900	774 900

*4x4 = Four-wheel drive

*AP – Automatic transmission

*ACT –Active Cylinder Technology

*CO2 – Carbon Dioxide emissions

*g/km – grams on one kilometre

*kW = kilowatt

*l/100km – litres on 100 kilometres

*TDI = Turbocharged Direct Injection, TSI = Twincharged Stratified Injection

*Prices are in CZK = Czech currency Česká koruna

*Mentioned consumption is combined consumption, which is an average consumption of urban and extra-urban consumption.

A Škoda Financial Services offer an Operative Leasing. The operative leasing includes rent for 24 - 48 months, maximum 150 000 km per a whole rent with 5 000 km tolerance, own configuration of a car, Škoda Insurance (participation in the crash 1% or 5%) and a substitute for the vehicle in case of theft for 60 days. Among optional items belongs a set of winter wheels including an exchange of the wheels, Škoda service, and Škoda original accessories.

Another service, which is offered, is a Credit. The credit offers to finance of a car up to 100 percentages (%) of the value of a car. A length of a contract is 12-72 months. All insurance is included in one instalment, and there are no other payments out negotiated (Škoda Auto).

8.3 Promotion

The most prominent campaign of Škoda Karoq was during autumn 2017 because at this time it was a new model on the market. The campaign consisted of commercials in television and cinemas, advertisements in a printed version, bigboards, billboards, radio formats, and in the social media including YouTube (Mediaguru 2017).

In 2018 Škoda supported its sales promotion and public relations on a Geneva Motorshow in Switzerland (Lažanský 2018).

Škoda also promotes through its partners. The company is an important partner of International Ice Hockey Federation (IIHF). As Bernhard Maier, Chief Executive Officer of Škoda Auto, stated about the sponsorship, *“just like in a good marriage, which takes a lot of trust, mutual respect and reliability.”* The President of IIHF claimed that a Škoda car had become practically a symbol of the Championship.

Škoda is also a significant partner of Tour de France, wherein 2017 one team decided to try a new model – Škoda Karoq. Concerning technology, cycling is monitored by sponsors or by the media; accordingly, Karoq has many cameras to catch the footage of the riders.

Škoda is also a considerable partner of Zlin film festival. It has provided transportation for sixteen years. In 2018, the company provided 25 cars for the festival. There was also A day with Škoda Auto, where the company showed new and old Škoda models, its safety elements or some simulators. This partnership is included in cultural sponsoring of Škoda Auto.

In the long run, the company is a significant partner of cultural institutions and cultural events in the Czech Republic. There belongs cooperation with Czech Philharmonic, support of National Theatre, National Museum, National Technical Museum or National Festival Smetana's Litomyšl (Škoda-storyboard 2018).

8.4 Place

Škoda Auto has almost two hundred of certified dealers and also over two hundred of authorized service partners only in the Czech Republic. Some of the dealers are also service partners (Škoda Auto For example, Autosalon Klokočka is one of the biggest certified dealers of brands Volkswagen, Škoda, Audi and Kia in the Czech Republic. (Klokočka) And for instance, in Zlin region, the most popular dealer is Samohýl Motor a.s., and close to the Kvasiny's plant the vital dealer is Matrix a.s. in Lipovka. And in 2017, Škoda Auto began online selling of Škoda cars. It means that Škoda Auto has intensive distribution, and cars are available anywhere and anytime the customer wants (Škoda Auto).



Picture 3 A Map of Škoda Dealers and Partners in the Czech Republic (Škoda Auto)

9 COMPETITOR ANALYSIS

The competitor analysis will be realized according to marketing mix as Karoq's analysis. The competitors were chosen according to similarity to Škoda Karoq. They were selected, for example, by body type or price. I chose representatives from Germany, France, and Spain.

9.1 Opel Grandland X

Table 3 Information about Opel Grandland X (EuroNCAP 2017)

Model	Body Type	Year of Publication	Kerb Weight	Class
Opel Grandland X	5 door hatchback	2017	1412 kg	Small Off-Road



Picture 4 Photo of Opel Grandland X (EuroNCAP 2017)

Grandland X is available in four versions. They were named as Selection, Enjoy, Innovation and Ultimate. Version Selection is a basic version with standard equipment. For instance, over Selection version, Enjoy has OnStar system. Over Enjoy version, Innovation has park assist and keyless entry and start. Over Innovation version, Ultimate has a panoramic camera, Lane assist or heated rear and front seats (Opel).

Grandland has a standard two-year warranty with a five-year warranty of the engine without accessories and transmission. At this time all defects will be repaired for free by Opel Authorized Service Operation. Opel offers also an Anti-perforation warranty for twelve year and two-year paintwork warranty (Svět motorů 2017, 30).

Table 4 Grandland's technical data (Opel)

Opel Grandland X	Transmission	Consumption (l/100km)	CO2 (g/km)
Engine			
1.2 Turbo S&S	MAN6	5,1	117
1.2 Turbo S&S	AUT6	5,2	120
1.6 CDTI S&S	MAN6	4,0	104
1.6 CDTI S&S	AUT6	4,3	112

* AUT6 = 6-speed automatic transmission, MAN6 = 6-speed manual transmission

*CDTI = Common Rail Diesel Turbo Injection

*S&S = Stop&Start functionality

*Mentioned consumption is combined consumption.

Grandland X catches customer's attention with its panoramic window on the roof. On the other hand, sharp lines can grab the attention too. To the luggage compartment, it has 514l, and when the rear seats are down, the luggage space has 1 652l.

Grandland's connectivity is represented by OnStar system. With it, the customer can be connected with the digital world. OnStar provides many useful things. The first thing is a Remote Control, which can be helpful when the customer forgot to lock the car. With the help of a myOpel Smartphone App, it can be lock or unlock from far away. The second one is a Car Locator, which can be used in case a customer forgot, where parked. It also works with myOpel App. The next one is Stolen vehicle assistance, which can stop the ignition and sent the police GPS information, and a Roadside Assistance, which works even in places with weak coverage. Another smart item is Virtual Pedal and Kessy system, and both of them were mentioned in the Karoq's analysis.

The safety was proven in the rating of EuroNCAP. Grandland X was awarded 5 stars and evaluated in these categories: Adult occupant – 84%, Child occupant – 87%, Pedestrian – 63% and Safety Assist – 60% (EuroNCAP). The safety is also supported by the SOS button, which was mentioned in the Karoq's analysis, and by a panoramic camera, which provides a 360-degree view of the place around the car. It can be useful during parking, but there is also Advanced Park Assist. Other driver assistance systems are available in Grandland X too. It is Traffic Sign Recognition, Lane Assist, Automatic Emergency Braking, Automatic cruise control and all of them were mentioned in the Karoq's analysis. The safety is also represented by Advanced IntelliGrip, which

makes Grandland X suitable for conditions on the road, and it can also be helpful during bad weather. It has three driving modes. It is snow, mud and sand mode.

The range of the price for all versions is between 529 900,-Kč and 921 900,-Kč, and it depends on the version, on the type of the engine and also on the type of the transmission. The range of the price for Selection version is between 529 900,-Kč and 659 900,-Kč, for Enjoy version between 564 900 and 694 900,-Kč, for Innovation version between 621 900 and 801 900,-Kč and for Ultimate version between 741 900 and 921 900,-Kč.

An Opel finance offers an Operative Leasing for the natural person including services or not, 50:50 variant and three instalments. The operative leasing includes rent for 24 or 36 months and maximum 20 000 km per a whole rent. In one instalment there is insurance and a set of winter wheels, and participation in the crash 5%. At the end, the car returns. The 50:50 variant allows buying a car and pays only 50% from its price and the following year pay just insurance. After that year there is the choice to pay rest of the price in instalments or pay it all at that moment. The third instalments offer paying the car in three instalments. The first one will be paid before a purchase, the second one after a one year and the third after two years. All the time the customer has to pay the insurance (Opel).

TV Commercial of Grandland X is placed on a Youtube channel of Opel. There is shown a 24-hour connection, 360-degree camera, and excellent park assistance or Advanced IntelliGrip (YouTube). Opel also uses billboards to support advertising of Grandland X (Twitter 2018). In 2015 Opel made an agreement with Bundesliga clubs Freiburg and Mainz extended by two years, and it keeps long-term partnerships with Borussia Dortmund and Bayer Leverkusen (Opel 2015).

Opel has thirty-six certified dealers of Opel cars and thirty-nine authorized service partners in the Czech Republic. Some of the dealers are also service partners (Opel).

Table 5 Features of Grandland X (own processing)

Positive features	Negative features
Car Locator	Price
Stolen vehicle assistance	Luggage compartment
5-year engine warranty	Number of dealers

9.2 Renault Kadjar

Table 6 Information about Renault Kadjar (EuroNCAP 2015)

Model	Body Type	Year of Publication	Kerb Weight	Class
Renault Kadjar	5 door hatchback	2015	1420 kg	Small Off-Road



Picture 5 Photo of Renault Kadjar (EuroNCAP 2015)

Kadjar is available in five versions. They were named as Life, Zen, Adventure, Intens, and Bose. The version Life is a basic version with standard equipment. For instance, over Life, version Zen has Visio system with lane departure warning and traffic sign recognition. Over Zen version, Adventure has upholstery from Dark Carbon synthetic leather. Over Adventure version, Intens has Full LED headlights and auto-dimming rear-view mirror. Over Intens version, Bose has Blind Spot Warning and Hands free parking (Renault).

Renault guarantees a five-year/100 000km warranty; whichever occurs first. The next type of the warranty twelve-year anti-corrosion warranty and a third type of the warranty is three-year paintwork warranty (Svět motorů 2017, 31).

Kadjar's exterior is highlighted by the LED headlights, which has a shape of a letter "C", and by the alloy wheel rims. To luggage compartment, it is with its 472l not so spacious. The luggage space has 1 478l, when the rear seats are down.

Kadjar's R-Link 2 system with 7" screen is controlled by the touch. This system can save even six different driver profiles. Each profile can have various data about navigation, multimedia or driver assistance systems. There is also access to R-Link Store, where for instance TomTom is available. The TomTom is a system, which can provide information about the actual traffic.

The safety was proven in the rating of EuroNCAP. Kadjar was awarded 5 stars and evaluated in these categories: Adult occupant – 89%, Child occupant – 81%, Pedestrian – 74% and Safety Assist – 71% (EuroNCAP). The driver assistance systems are available in Renault Kadjar too. It is Speeding Alert with traffic sign recognition, Blind Spot Warning, Hands-free parking, Active emergency braking system. Speeding alert notifies when the driver drives too fast. Rest of them were mentioned in the Karoq's analysis.

Table 7 Kadjar's technical data (Renault)

Renault Kadjar	Cons. (l/100km)	CO2 (g/km)	Version and price				
			Life	Zen	Adventure	Intens	Bose
Energy TCe 130	5,7	126	479 900	504 900	529 900	569 900	0
Energy TCe 130 EDC	5,6	125	0	554 900	579 900	619 900	669 900
Energy TCe 165	6,1	134	0	0	0	609 900	659 900
Energy dCi 110	3,9	100	0	554 900	579 900	619 900	0
Energy dCi 110 EDC	3,9	100	0	594 900	619 900	659 900	0
Energy dCi 130	4,4	117	0	0	0	649 900	0
Energy dCi 130 X-Tronic	5	130	0	0	0	0	744 900
Energy dCi 130 4x4	4,8	127	0	634 900	659 900	699 900	749 900

*0 = an engine is not available for the version

*Cons. = Consumption

*dCi = Diesel Common-rail injection

*EDC = Efficient Dual Clutch

*TCe = Turbo Control Efficiency

*Mentioned consumption is combined consumption.

A Renault finance offers Fair Credit, Premium, and 103% financing. The Fair credit is available only for a natural person. It can be financed in any period between 12 and 84 months, and there is a choice between two insurance companies. The Premium is available for the natural person, a legal person, and businesspeople. There is a choice among four insurance companies. The 103% financing is available for companies and businesspeople.

It can be financed in any period between 24 and 84 months. There is an extra payment 3% and no other hidden payments (Renault).

In 2018 Renault supported its sales promotion and public relations on the Geneva Motorshow in Switzerland, where Kadjar was shown (Lažanský 2018). Renault also uses billboards to catch customers’ attention (INSITE Team 2017). Renault has also its team in Formule 1. A list of achievements of the brand Renault has no competition. The brand also electrified the motorsport. It was the first winner ever in a World Cup Formule E and a developer of cars with a pure electric drive (Renault).

Renault has many certified dealers throughout the Czech Republic, but the most significant is Renault Retail Group CZ. It is the largest dealer of Dacia and Renault cars in the Czech Republic. It has its showrooms in Prague (Renault Retail Group).

Table 8 Features of Renault Kadjar (own processing)

Positive features	Negative features
Consumption, CO2 emissions	Luggage compartment
Energy efficient engines	Connectivity
Participation in the Geneva Motorshow	

9.3 Volkswagen T- Roc

Table 9 Information about Volkswagen T-Roc (EuroNCAP 2017)

Model	Body Type	Year of Publication	Kerb Weight	Class
Volkswagen T-Roc	5 door SUV	2017	1250 kg	Small Off-Road



Picture 6 Photo of Volkswagen T-Roc (EuroNCAP 2017)

Volkswagen T-Roc is available in four versions. They were named as T-Roc, Design, Style, and Sport. Version T-Roc is a basic version with standard equipment. Over T-Roc version, Style has for instance rails on the roof. Over Style version, Design has a choice of colour of the dashpad. Over Design version, Sport has steel pedals. All versions have alloy wheels and wheel bolts protected against a theft (Volkswagen). T-Roc's warranty is the same one as Karoq's (Svět motorů 2017, 18).

T-Roc catches customer's attention with its dual-colour exterior. In a Design version of the vehicle the customer can choose the colour of the roof. From colours were chosen pure white, black, flash red and dark oak brown. T-Roc's interior in the Design version of the car allows choosing a dashpad colour. The interior colour depends on the exterior colour. To T-Roc's luggage compartment, it is with its 445l not so well-sized, and when the rear seats are folded down, the luggage space has only 1 290l.

T-Roc's connectivity is shown through Infotainment with Car-Net "Guide and Inform" and Car-Net "Security and Service". The Guide and Inform system includes online information about traffic, a fuel placement with prices or weather. Security and Service system allows connection among the driver, car and call centre (Volkswagen).

The safety was proven in the rating of EuroNCAP. T-Roc was awarded 5 stars and evaluated in these four categories: Adult occupant – 91%, Child occupant – 81%, Pedestrian – 79% and Safety Assist – 71% (EuroNCAP). T-Roc also has some driver assistance systems. It is Lane assist, Front assist, Park assist system and all of them were mentioned in the Karoq's analysis. The safety is also represented by 4MOTION Active control, the same system as Grandland's Advanced IntelliGrip. Also PreCrash preventive occupant can identify a situation, which can be dangerous or unsafe and immediately begins to protect the occupants. Among the protective measures belong straightening the seat belts, shutting the electric windows and put brakes into an action. And the SOS button, which was mentioned in the Karoq's analysis, is also available in T-Roc.

Table 10 T-Roc's technical data (Volkswagen)

T-Roc	Engine	CO2 (g/km)	Consumption (l/100km)	Price in CZK
Version				
T-Roc	1,0 TSI BMT	117	5,1	452 900
Design	1,5 TSI	117	5,4	584 900

	2,0 TDI BMT 4MOTION	121	5,1	692 900
Style	1,5 TSI	117	5,4	514 900
	2,0 TDI BMT 4MOTION	123	5,1	722 900
Sport	1,5 TSI	122	5,4	652 900
	2,0 TSI BMT	124	6,7	808 900
	2,0 TDI BMT 4MOTION	155	5,0	760 900
	2,0 TDI BMT 4MOTION	132	5,1	820 900

*4MOTION= Four-wheel drive

*BMT= Blue Motion Technology

*Mentioned consumption is combined consumption.

A Volkswagen Finances offer Solution Personal Contract Plan, Hire Purchase, and Contract Hire. Solution Personal Contract Plan can be made in any period between 18 and 48 months, and annual mileage has to be chosen. Among total costs of the car belongs deposit, which can be as high as one payment, monthly instalments and additional final payment, which consists of the three options. The first one is a change car from old one to new one, the second one a payment of a certain amount of money to become an owner of the car and the last one is just represented by returning car to the company. Hire Purchase can be made in any period between 12 and 60 months with no mileage limitations. Among total costs of the car belongs deposit, which can be as high as one payment and monthly instalments. After paying all instalments and fees, the customer becomes an owner of the car. Contract Hire can be made in any period between 12 and 48 months. Among total costs of the car belongs initial rental and rental instalments. There is no need to specify annual mileage expectations. At the end of the contract, the customer returns the car. There are no final payments (Volkswagen).

TV Commercial of T-Roc narrates the story about a small ram named Bam. *“He was born as the leader of his herd. For this confident animal, there is only one equal partner, the new T-Roc, which was also born to take the lead, in this case in the compact class.”* A motto of the spot and also of T-Roc is *“Born Confident”*. The campaign was comprised of TV commercials, advertisements in a printed version, performance in the social media,

posters and typical billboards (Volkswagen). In 2018 Volkswagen supported its sales promotion and public relations on a Geneva Motorshow in Switzerland (Lažanský 2018).

Volkswagen has forty-four certified dealers of Volkswagen cars and thirty-eight authorized service partners of Volkswagen in the Czech Republic. Some of the dealers are also service partners (Volkswagen). As mentioned in the Karoq's analysis Autosalon Klokočka is one of the biggest certified dealers of Volkswagen and other brands (Klokočka). But Auto Jarov is a significant dealer since the company was established. New cars of Volkswagen, Škoda, Audi, SEAT, and Honda are shown in the showrooms (AutoJarov).

Table 11 Features of Volkswagen T-Roc (own processing)

Positive features	Negative features
Price	CO2 emissions
Dual-colour exterior	Consumption
Choice of the colour of dashpad	Luggage compartment
Participation in the Geneva Motorshow	

9.4 Peugeot 3008

Table 12 Information about Peugeot 3008 (EuroNCAP 2016)

Model	Body Type	Year of Publication	Kerb Weight	Class
Peugeot 3008 new	5 door SUV	2016	1300kg	Small Off-Road



Picture 7 Photo of Peugeot 3008 (EuroNCAP 2016)

Peugeot 3008 is available in three versions. They were named as Active, Allure, GT Line. Version Active is basic version with standard equipment. Over Active version, Allure has for instance Park assist. Over Allure version, GT Line has Peugeot i-Cockpit Amplify and Peugeot Full LED Technology. All versions have alloy wheels (Peugeot).

Peugeot ensures the similar warranty as Karoq. The standard type is two-year warranty, which protects the car against defects, which were caused during manufacturing. The second type of warranty is twelve-year warranty against corrosion. But the third type is an only two-year paintwork warranty (Svět motorů 2017, 30).

The most striking thing of the exterior is big grid at the front of the car and shape of headlights with dark and chrome trim. These headlights are highlighted with LED strip at the top of the headlights. LED technology is used on rear lights too. Peugeot's interior has Instrument panel, Compact multi-function steering wheel, and 8.0" capacitive touchscreen, which offers Automatic dual-zone climate control, Digital Audio Broadcasting Radio, Mirror Screen and 3D Navigation.

To Peugeot's luggage compartment, it is with its 520l quite spacious, and it makes it practical. The luggage space has 1 482l, when the rear seats are folded down. Mentioned Mirror Screen the customer can use through Apple CarPlay, Android Auto, and Mirror Link. This system allows mirroring of a phone's screen. Peugeot also has a Smart Electric Tailgate, which is similar to the Karoq's Virtual Pedal.

The safety was proven in the rating of EuroNCAP. Peugeot 3008 was awarded 5 stars and evaluated in these four categories: Adult occupant – 86%, Child occupant – 85%, Pedestrian – 67%, Safety Assist – 58% (EuroNCAP). The safety is also proven by An Intelligent solution: Advanced grip control can be chosen on all versions of Peugeot 3008. It includes five driving modes, which consist of Off, Normal, Snow, Mud and Sand Mode. This system is similar to T-Roc's 4MOTION Active Control. Moreover, this system includes Hill Assist Descent Control (HADC), which can control the ride on steep slopes and reduce danger of sliding. HADC contains Clutch Mode, which is useful for extremely steep hills, where it regulates car's speed to 3km/h. And the SOS button and the driver assistance systems are available in Peugeot 3008 too. It is Lane Assist, Blind Spot Detect, Adaptive Cruise control and all of them were mentioned in the Karoq's analysis.

Table 13 Peugeot's technical data (Peugeot)

Peugeot 3008	Engine	CO2 (g/km)	Consumption (l/100km)	Price in CZK
Version				
Active	1.2 PureTech 130 S&S MAN6	117	5,1	560 000
	1.2 PureTech 130 S&S EAT6	120	5,2	610 000
	1.6 THP 165 EAT6	129	5,8	645 000
	1.5 BlueHDi 130 S&S MAN6	108	4,1	635 000
	1.5 BlueHDi 130 S&S EAT8	107	4,1	695 000
Allure	1.2 PureTech 130 S&S MAN6	117	5,1	600 000
	1.2 PureTech 130 S&S EAT6	120	5,2	650 000
	1.6 THP 165 EAT6	129	5,8	685 000
	1.5 BlueHDi 130 S&S MAN6	108	4,1	675 000
	1.5 BlueHDi 130 S&S EAT8	107	4,1	735 000
GT Line	1.6 THP 165 EAT6	129	4,1	750 000
	2.0 BlueHDi 180 S&S EAT8	129	4,9	845 000

*BlueHDi = Peugeot's new version of eco-friendly Diesel engines

*EAT6= 6-speed Efficient Automatic Transmission, EAT8= 8-speed Efficient Aut. Trans.

*THP=Turbo High Pressure

*1,2 PureTech engines are powerful as 1,6 engines, but with better acceleration, lower emissions and reduced consumption.

*Mentioned consumption is combined consumption.

Financial services of Peugeot offer an Operative Lease, which is available in two types, and a credit. The first type is Relax. It includes regular monthly instalment, rent for 24, 36 or 48 months, maximum 40 000 km per two years or 60 000 km per three years or 80 000 km per four years and the insurance with 5% participation in the crash. The second one is Relax Plus. It contains a regular monthly instalment, a rent for 24, 36 or 48 months, insurance with 5% participation in the crash, an assistant service in EU, a substitute for the car for 4 days, a set of winter wheels and motorway toll sticker.

Another service, which is offered, is a credit. A length of a contract is 12-84 months. Monthly instalments of Peugeot credit are lower than instalments of standard credit (Peugeot).

Television Commercial of Peugeot 3008 is placed on a YouTube channel of Peugeot. There is shown a passion and exciting while you are driving (YouTube). Peugeot also promotes through its partners. Peugeot is an important partner and official car supplier of Association of Tennis Professionals World Tour. It has provided brilliant transportation services for more than thirty years (Peugeot). In 2018 Peugeot supported its sales promotion and public relations on the Geneva Motorshow in Switzerland (Lažanský 2018).

Peugeot has many certified dealers throughout the Czech Republic. Among the most important dealers belong Domanský, Kopecký, Olfín Car Palace and Federal Cars. The company Domanský is the largest dealer of new and used Peugeot, Citroën and Hyundai cars in the Czech Republic. It has its showrooms in Prague, Tábor, and Zdíby (Domanský).

Table 14 Features of Peugeot 3008 (own processing)

Positive features	Negative features
Luggage compartment	Price
Hill Assist Descent Control	Consumption
Participation in the Geneva Motorshow	CO2 emissions

9.5 Seat Ateca

Table 15 Information about Seat Ateca (EuroNCAP 2016)

Model	Body Type	Year of Publication	Kerb Weight	Class
Seat Ateca	5 door SUV	2016	1300 kg	Small Off-Road



Picture 8 Photo of Seat Ateca (EuroNCAP 2016)

Ateca is available in four versions. They were named as Reference, Style, Xcellence, and FR. All versions are available in the Czech Republic. Version Reference is a basic version with standard equipment. Over Reference version, Style has for instance Handsfree Electric Tailgate. Over Style version, Xcellence has the Blind Spot Detection and the Top View Camera. Over Xcellence version, FR has Seat Drive Profile. All versions have alloy wheels (Seat).

Ateca's warranty is the similar one as Karoq's. There is a standard version of a two-year warranty, twelve-year anti-corrosion warranty and an even six-year paintwork warranty (Svět motorů 2017, 31).

The exterior of Ateca is underlined by specific shape of full LED headlights. Ateca's interior is made with good-quality upholstery. Especially the interior of Xcellence version is extravagant. There is leather upholstery on the sport seats, and the driver console can be individually shaped. The colour interior lighting is placed in the doors, and the customer can choose from eight colours, for instance Ice White or Sunset Orange is available.

To an Ateca's luggage compartment, it has 510l. With 4Drive engines the luggage compartment is 485l. In case of the rear seats are folded down, it has 1604l.

With Full Link, the customer can be connected with the online world. Moreover, with the Connectivity Hub with Wireless Phone Charger the customer can simply charge a phone. Another smart thing is Driving Experience button in Seat Drive Profile. It comprises of four modes, which include Normal, Sport, Eco and Individual mode. This system is similar to T-Roc's 4MOTION Active Control and Peugeot's Advanced Grip Control. Ateca also has the Virtual Pedal and Kessy system, which were mentioned in the Karoq's analysis.

The safety was proven in the rating of EuroNCAP. Ateca was awarded 5 stars and evaluated in these categories: Adult occupant – 93%, Child occupant – 84%, Pedestrian – 71% and Safety Assist – 60% (EuroNCAP). The safety is supported by Top View Camera, which provides a 360-degree view of the place around the car. The same system has Grandland X. And the driver assistance systems are available in Ateca too. It is Adaptive Cruise Control, Traffic Jam Assist, Blind Spot detection, Front Assist, Lane Assist, Traffic Sign Recognition and all of them were mentioned in the Karoq's analysis.

Table 16 Ateca's technical data (Seat)

Seat Ateca	Engine	CO2 (g/km)	Consumption (l/100km)	Price in CZK
Version				
Reference	1.0 TSI 85 S&S Eco	119	5,2	496 900
	1.6 TDI 85S&S Eco	118	4,5	540 900
Style	1.0 TSI 85S&S Eco	119	5,2	545 900
	1.6 TDI 85S&S Eco	118	4,5	589 900
Xcellence	2.0 TSI 4WD DSG 140 ACT S&S	158	6,9	773 900
	1.6 TDI 85S&S Eco	118	4,5	639 900
	2.0 TDI 4WD DSG S&S	134	5,2	877 900
FR	2.0 TSI 4WD DSG 140 ACT S&S	158	6,9	773 900
	2.0 TDI 4WD DSG S&S	134	5,2	877 900

*4WD = Four-wheel drive

*Eco= Ecomotive – engines with reduced fuel consumption and CO2 emissions

*Mentioned consumption is combined consumption.

Seat Financial Services offer Seat Extra credit, Seat Plus credit and an exchange old car for a new car. The extra credit allows a repayment period between 12 and 24 months. Among the terms there is one instalment at least 70%, which has to be paid in advance and interest rate 0% in case of financing to 200 000,-Kč, then 3,69%. The client can use 3 months and during them not to pay or make the instalment lower or pay an extra instalment. The plus credit allows repayment period between 24 and 72 months. Among the terms, there is one instalment from 0 to 70% in advance. An advantage is a five-year warranty and flexibility as in the extra credit. The exchange is available only for cars not older than ten years, which are owned by the client or a family member for at least six months. The repayment period is between 36 and 72 months, and good interest rate in case of the one instalment at least 50% has to be paid in advance (Seat).

TV Commercial of Seat Ateca is placed on a YouTube channel of Seat (YouTube). Seat also created an innovative campaign. It enticed potential customers to use a free internet then log to Seat website and call for a car to test it. Through the connection,

anyone can find a car's technical data and change the features on outdoor screens (JCDecaux 2016). Seat also uses billboards to support the promotion of Ateca (Twitter).

Seat has over thirty certified dealers of Seat in the Czech Republic. Some of the dealers are also service partners. In 2016 Seat opened the largest showroom in Průhonice, where Pyramida Centrum is a successful certified dealer of Seat cars for a long time (Seat).

Table 17 Features of Seat Ateca (own processing)

Positive features	Negative features
Price	CO2 emissions
Wireless Phone Charger	Consumption
Colour interior lighting	

10 BENCHMARKING

Benchmarking compares Škoda Karoq with its competitors, and at the same time, it tries to find the way how to be better than them. Škoda Karoq will be compared to other cars, which were analysed in section 9. Points will be given from 1 to 5 where 1 is the worst and 5 the best. I myself determined criteria for evaluation according to competitor analysis in section 9, and in that section, I analysed these criteria.

Table 18 Benchmarking (own processing)

	Škoda Karoq	Opel Grandland X	Renault Kadjar	Volkswagen T-Roc	Peugeot 3008	Seat Ateca
Warranty	3	5	5	3	2	4
Price	2	2	4	5	1	3
Consumption	2	4	5	1	3	2
CO2 emissions	2	4	5	2	3	1
Safety rating	5	5	5	5	5	5
Luggage compartment	5	3	2	1	4	3
Connectivity	4	5	2	2	4	3
Financial Services	4	5	1	5	3	2
Promotion	5	2	3	3	2	2
Number of dealers	5	2	2	3	2	2
Total points	37	37	34	30	29	27

The criteria were evaluated by myself with help of competitor analysis in section 9 where they were analysed. As total points demonstrate, the highest result reached Škoda Karoq and Opel Grandland X. It means that Karoq has significant competitors, but his competitiveness is at a right level. However, there is need to do some improvements, which can be connected, for example, with improving warranty or financial services.

11 S-W ANALYSIS

The S-W analysis is a tool for providing information about strengths and weaknesses of the company or the product. Strengths and weaknesses stand for internal factors. This data influences the competitiveness of the company or the product and at the same time, it can change customers' decision.

Table 19 S-W Analysis of Škoda Karoq (own processing)

Strengths	Weaknesses
Luggage compartment	Price
Electrically-controlled 5th door	Consumption
VarioFlex rear seats	CO2 emissions
Promotion	Warranty
Number of dealers	Financial services

The company tries to specify strengths and benefits from them. The strongest side of Škoda Karoq is certainly the luggage compartment with its 521l of the space and its electrically-controlled 5th door. Any other competitor has not the larger luggage compartment. The significant is also VarioFlex rear seat system, which is also among the competitors unique. The other important side is a promotion. The Škoda cars are represented in many spheres, which comprise of sport and either culture events, and of course the Geneva Motorshow. The number of dealers of Škoda reached almost two hundred. Dealers and service partners are systematically placed to be represented in all regions throughout the Czech Republic and the most around the big cities.

The weakest side of Škoda Karoq is its price. In comparison with other rivals it is the average price, but it can influence customers' decision a lot. On the other hand, when the customer wants the large luggage compartment, he would pay more money to get it. The other weak side is the consumption, and it leads to other weakness which is represented by CO2 emissions. Three out of five competitors have the lower consumption as well as CO2 emissions. It is caused because the Karoq has not energy efficient engines. Notwithstanding, the Škoda offer the operative lease and credit, the offers of other competitors are more interesting. Four out of five competitors provide three finance services, so the customers can choose the one they like the most. And concerning the warranty, it is also average and needs some improvements.

12 PEST ANALYSIS

12.1 Political factors

The Czech Republic was established in 1993. It is a democratic state with a parliamentary system with the prime minister and the president. With its capital, Prague, it has 14 regions. The Czech Republic is a member of European Union (EU) since 2004 as well as Schengen area since 2007 (Europa 2017).

Business Corporations Act and Labour Code belong to the most important laws for a company. Business Corporation Act consists of information about companies and cooperatives (Business Corporations 2012, Section 1). The Labour Code controls legal relations between employees and their employers. It includes some general provisions as equal treatment and prohibition of discrimination, then working hours or care of employees (Labour Code 2006, Section 1).

EU safety regulation is vital for automobile producers. From April 2018 safety standards will be stricter. In the automobiles, there has to be airbags, systems Anti-lock Brake System (ABS), Electronic Stability Program (ESP), and system e-call (Emergency call) (Csas 2015). Regarding a scandal Dieselgate from September 2017, measuring of fuel consumption and CO₂ emissions changed a lot. New European Driving Cycle (NEDC) was used for that measuring before the scandal. But because Volkswagen Group inserted specific software into cars, which could influence measuring of emissions and make them lower during the testing (Diesel-gate 2017), EU created The Worldwide Harmonized Light Vehicle Test Procedure, known as WLTP testing, which can determine real fuel consumption and CO₂ emissions. Automobile producers have to publish all data about all potential components, which can influence fuel consumption or CO₂ emissions (Arval 2017).

Table 20 Old and a new test for measuring fuel consumption or CO₂ emissions (WLTPfacts 2018)

NEDC	WLTP
Old testing	New testing
Created in 1980s	Created in 2017
Theoretical data	Real data
Old-fashioned	On-road performance

12.2 Economic factors

The Czech Republic is a flourishing market economy, which has one of the highest Gross Domestic Product (GDP) growth rates and also one of the lowest unemployment in the EU. Exports of the Czech Republic contain 80% of GDP and predominantly are composed of automobiles, the most significant industry in the country (CIA 2017).

As mentioned the automotive industry is still the most prominent part of the Czech economy. It produces over one million automobiles per a year. It means it is on the fifth place in European Union and on the eighteenth place in the world. In 2016 automotive industry achieved excellent results.

Table 21 Total results 2016 (own translation)

Czech Republic	2016		
Manufacturer	Production	Local Sales	Exports
Cars + LCVs			
ŠKODA	765 171	88 016	680 935
TPCA	220 611	450	220 161
HYUNDAI	358 400	15 697	342 703
TOTAL	1 344 182	104 163	1 243 799

*LCVs – Light Commercial Vehicles

*TPCA - Toyota Peugeot Citroën Automobile

Table 22 Total results 2017 (own translation)

Czech Republic	2017		
Manufacturer	Production	Local Sales	Exports
Cars + LCVs			
ŠKODA	858 103	95 017	766 628
TPCA	199 078	434	198 644
HYUNDAI	356 700	15 743	340 957
TOTAL	1 413 881	111 194	1 306 229

Table 23 Total change 2017/2016 (own translation)

Czech Republic	Change since January till December 2017/2016					
Manufacturer	Production		Local Sales		Exports	
Increase (-decrease) 2017/ 2016						
ŠKODA	12,15%	92 932	7,95%	7 001	12,58%	85 693
TPCA	-9,76%	-21 533	-3,56%	- 16	-9,77%	-21 517
HYUNDAI	-0,47%	- 1 700	0,29%	46	-0,51%	- 1 746
TOTAL	5,19%	69 699	6,75%	7 031	5,02%	62 430

As you can see the most successful manufacturer is Škoda, which produced about 60% of the whole production. Škoda Auto had the best year in its entire history. It increased the output over 12%, and as a result, it produced almost 100 000 more than in 2016. The good results were influenced by the positive development of European and The World Economy and by increasing demand in the Czech Republic and also in Europe (AutoSAP 2017).

The Czech Republic has been a member of EU since 2004, but euro currency has not been adopted yet. Nowadays, the Czech Republic is in progress to adopt the euro (Europa 2017). The Czech Republic's currency is Czech Crown, and in 2017 it was one of the strongest currencies in the world (CIA 2017).

In 2016 for export inside EU main external trade partners were Germany (32,4%), Slovakia (8,3%), Poland (5,8%), United Kingdom (5,2%) and France (5,2%). While outside the EU, important partners comprise Russia (1,9%) and The United States (2,2%). And for import top partners include Germany (26,4%), Poland (8,3%), Slovakia (5,1%), Italy (4,3%) and France (3,2%). While outside the EU, it is China (12,4%) and South Korea (2,5%) (Český statistický úřad 2016).

The last quarter of 2017 confirmed record employment in the Czech Republic. The average number of employed people increased by more than 3 500 people, and the average number of unemployed people decreased about 19 400 people in comparing the previous quarter. Total employment increased over 75 000 people and reached the highest employment since the Czech Republic was established (Český statistický úřad 2018).

12.3 Social factors

In 2016 the Czech Republic had 10 565 284 inhabitants. In September 2017 it reached 10 597 473 inhabitants. So there is a little population growth. The majority of inhabitants are Czechs, and the minority includes other ethnic groups as Slovak citizens, Ukrainians, Poles, Germans, Vietnamese and some other. The exact percentage of these groups is hard to find because it was not compulsory to write the nationality in Census 2011 (Český statistický úřad 2014).

In respect of a preference of automobiles, it is clear. SUV is the main trend in entire automotive industry in Europe. The Czech Republic is not an exception. SUV and Czechs are perfect partners. Despite the fact that in the Czech Republic there are no high mountains and roads are relatively in good condition, approximately every fourth car,

which is sold there, is SUV. In SUV drivers feel safer and see everything around them from the good position. The lifestyle of Czechs is changing all the time. Czechs want to spend their free time more actively than earlier and this type of automobile is more than suitable (Čásenský 2017).

In the Czech Republic, Škoda Auto produces two types of SUV. It is Kodiaq and Karoq (ŠkodaAuto). Volkswagen has three kinds of SUV. These types include T-Roc, Tiguan, and Touareg (Volkswagen). Hyundai has even fourth types of SUV - Kona, Tucson, Santa Fe, Grand Santa Fe (Hyundai). Seat owns two types of SUV. It is Ateca and Arona (Seat). Peugeot produces three types of SUV. It is Peugeot 2008, 3008 and 5008 (Peugeot). All these types of SUV are available in the Czech Republic, but Škoda Auto is still Czech automobile leader. Six Škoda models were the most successful from 100 models, which were selling in the Czech Republic. Škoda Kodiaq was in the sixth place, and at that time, Škoda Karoq has not been available yet. Other successful producer is Volkswagen, but not with SUV model (Prokopec 2017).

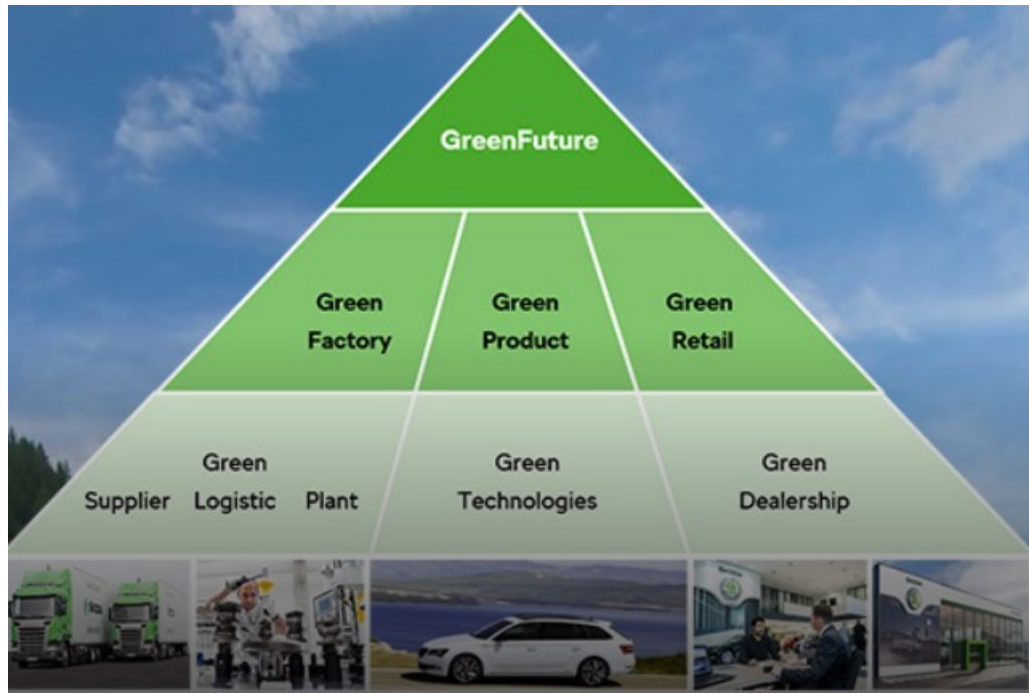
12.4 Technological factors

Concerning Consumer Technology Association's analysis, the Czech Republic belongs to top thirteen countries, which were 2018 international innovation champions. This analysis compared countries in 12 categories, which were consisted of 25 indicators. Countries were graded like at school. The Czech Republic got the best grade A from the field, which was about self-driving vehicle policy. Then twice B+ for freedom and Research and Development (R&D) investment, where freedom presents individual civil and political liberties (Internationalscorecard 2018).

Hybrid and electric cars. There is a little difference between the plug-in hybrid and an electric car. While plug-in hybrid is composed of a classic engine with an electric motor, electric cars have an only electric motor and according to bigger capacity of their batteries. Hybrid can also run exclusively on electric, but it is limited by 30 to 50 kilometres. By 2025 Škoda Auto begin to produce electric models. The first model, which will be offer to customers, will be Superb plug-in hybrid. It will be followed by the first electric car that will be form from Vision E concept (Škoda-storyboard 2018).

12.5 Environmental factors

Environmental field is very closely connected with automobile manufacturing. Škoda Auto has its own program for support of the environment that is named GreenFuture, and which consists of a green factory, green product, and green retail (Škoda Auto).



Picture 9 The strategy of Green Future (Škoda Auto)

Green Factory focuses on consumption of power, water, CO₂ emissions and volatile organic compound, and waste. In 2016, the company reduced the waste the most in plants Kvasiny and Vrchlabí. The waste was reduced from 6,7kg/car to less than 1kg/car.

Green Product is probably the most important part of the strategy. The company has to produce cars in accordance with European regulations about a fuel. As mentioned in the section 12.4, the electric cars and hybrids will be manufactured in the future. The company wants to maximize eco-friendliness of products. Each new group of Škoda models has lower consumption, CO₂ and weight.

Green Retail concentrates on eco-friendly dealership. It is about eco-friendliness of buildings of Škoda dealers and partners.

Škoda also promotes its eco-friendliness with Škoda Trees. It is a Grant Program that was established in 2007. It is based on planting of trees. It means for each sold car in the Czech Republic, the company plants a tree. Until the end of 2017, over 700 000 trees were planted in 60 different areas (Škoda Auto).

13 O-T ANALYSIS

The O-T analysis is a tool for providing information about opportunities and threats of the company or the product. The opportunities and risks stand for external factors, which the company can use in the future or at least prepare for them.

Table 24 O-T Analysis of Karoq (own processing)

Opportunities	Threats
Hybrid and electric cars	EU regulation
Gain a new trade partner	Lower sales
EU grant	Too many competitors

The company should examine the significance of opportunities, their attractiveness and probability of achieving. The largest opportunity for Škoda Auto is a trend of hybrid and electric cars. As mentioned in the section 12.4 about technological factors, Škoda Auto will begin manufacturing these types of cars by 2025. The other opportunity could be gaining of the new trade partner. This partner can be from any continent because nowadays the distribution is not a problem. This partner can bring a new group of customers and also new dealers in a particular country. The last opportunity that can be used is some grant from European Union. Due to the EU regulation about the safety and the measuring of CO₂ emissions and consumption, the company can get some extra money for changing its workflow or ensuring the development of new techniques.

In case of threats, the company should examine their probability and seriousness. The largest threat is some EU regulation. It can be from any branch, for example, an ecological or safety regulation. Some of them were already published, and the automotive producers have to produce cars according to them. The second threat is a reduction of the sales, which can be caused by many reasons. Saturation of the market can occur and thus the demand will be much lower. And the other threat is the situation of existence of too many competitors on the market. In this case, the company can lose the customers and because of them the revenues. And in the latter case, the company can bankrupt. There are currently so many companies that the company should monitor not only close competitors, but also distant ones.

14 PORTER'S FIVE FORCES ANALYSIS

14.1 Competitive Rivalry

Škoda Karoq has many competitors all around the world. As the most significant were chosen these car producers that sell cars in the Czech Republic, and it means that there is perceptible demand, and that are listed with a country where they are manufacturing:

- | | |
|---|---|
| 1. BMW, Opel, Volkswagen, Renault – Germany | 5. Jeep – USA |
| 2. Dacia – Romania | 6. Mitsubishi, Nissan, Suzuki, Toyota – Japan |
| 3. Fiat – Italy | 7. Peugeot – France |
| 4. Hyundai, Kia – South Korea | 8. Seat – Spain (Vybermiauto) |

To results, the competitive rivalry is noticeable here, because the number of competitors is really high. The demand of competitor products has to be also significant. But according to benchmarking in the section 10, Škoda Auto has the best promotion, the highest number of dealers, and even if the price is one of the highest ones, its competitiveness is on the right level. But the company still has to care about its position on the market.

14.2 Supplier Power

These local suppliers supply parts to the Karoq:

Raymond Jablonec s.r.o.	Karsit Holding, s.r.o.
Benteler Automotive Rumburk s.r.o.	Klein automotive s.r.o.
BOS Automotive Products CZ s.r.o.	Koyo Bearings Česká republika s.r.o.
Brano Group, a.s.	Mubea - HZP s.r.o.
Brisk Tábor a.s.	Plastika a.s.
Drupol, výrobní družstvo	Saar Gummi Czech s.r.o.
Fehrer Bohemia s.r.o.	Tawesco s.r.o.
Gumárny Zubří, akciová společnost	TRW Automotive Czech s.r.o.
Gumotex, akciová společnost	Varroc Lighting Systems, s.r.o.
HP-Pelzer s.r.o.	ZPV Rožnov, s.r.o.
Kamax s.r.o.	

For instance, ZPV Rožnov supplies textile carpets as well as complete original accessories including luggage compartment's carpets. Or Koyo Bearings provides bearings to a clutch of the Karoq (Autoweek 2018).

To results, the company needs so many suppliers, and fortunately, they are available on the market. On the other hand, the company has also large importance for suppliers, because they supply items for the largest manufacturing of cars in the Czech Republic, and the loss of the company would be perceptible for them. The company can also change the suppliers of some items, but not so easily. In this case, the suppliers can influence the price of its items.

14.3 Buyer Power

Customers can affect the price or quality of the product because for them it is easy to switch among the producers. They have big power when there are many producers/sellers on the market. As opposed they have a much lower power when some product is different from others. In case of Škoda the first one is correct. The company has to consider prices and quality of products. There are many competitors on the market, and the company can easier lose customers.

14.4 Threat of Substitution

As mentioned in the competition rivalry, the Karoq has many substitutes. The best-known car producers manufacture some kind of car, which is included in an SUV category, and it means they produce a replacement to the Karoq. To results, there are many substitutes on the market, and there is also a high probability of threat in the future.

14.5 Threat of New Entry

The threat of a new entry is not so big because of an actual existence of so many substitutes. But not mentioned car producers can begin with the manufacturing of the small SUV, and because of that, Škoda can compete to a new competitor in the future. In this case, Škoda Auto should monitor all its competitors as well as potential competitors.

To results, the potential competitor would need some different items to manufacture SUV car. It can also need some new personnel that is not so easy to find with a really low rate of unemployment in the Czech Republic. It can probably need to find some suppliers to get needed material. However, it would be hard to obtain some customers and start to be favourite among them.

15 RECOMMENDATIONS

The first recommendation is related to financial services. Notwithstanding, the company offers the operative leasing and credit, four out of five selected competitors provide three finance services, so the customers can choose from more options. Concerning to this, the company can make better conditions in their financial services or add one more extra financial service. In the case of improving of their financial services, in the operative leasing the annual mileage can be changed. The instalment's price should not be influenced only by choice of car, but also with choice of annual mileage. The current annual mileage is maximum 150 000 km per a whole rent with 5 000 km toleration. In the case of adding one more extra financial service, the company can add an exchange. The old car not older than ten years has to be owned by the client or a family member for at least one year. This old car will be exchanged for the discount on the new car. The discount will be from 10% to 20% according to the age of the old car.

The second recommendation is to add another type of the warranty or make the current warranty last longer time. Škoda can add a warranty on an engine or original Škoda batteries or some other accessories. These warranties can be a part of the standard warranty that protects the car against technical and electrical defects, which were caused during manufacturing. Or they can be created separately and last longer time than the standard warranty.

The last recommendation is related to adding special items to the standard version of the Karoq, which was suggested in one of the interviews. Škoda should produce Karoq with more special items included in the standard version of the car. In the case everyone wants different special items in the car, it makes the production slower and waiting time for a new car longer. The company should choose some items, which are wanted among customers, and make them a part of the standard version. It can make probably the production a little faster. The company can implement KESSY System with push button start that was mentioned in section 8. The parking distance control with rear view camera can be added too, because standard version of Karoq has only rear parking sensors. On the other hand, the company should implement VarioFlex system to Style version of Karoq. As mentioned, this system is unique among the competitors, and because of this, it can be really significant in making decisions by customers. In this case, the customers can choose Style version instead of Ambition version, and with this, the company can earn more money.

CONCLUSION

This bachelor's thesis was based on the bachelor's thesis A Competitiveness Analysis of Škoda Auto a.s.

The goal of my bachelor's thesis was a competitiveness analysis of Škoda Auto's new model Škoda Karoq, which is manufactured in Kvasiny's plant. The company has a stable position on the market for many years, and its competitiveness is at the right level.

The bachelor's thesis consisted of two parts, theoretical and practical. In the theoretical part of the thesis, I focused on all the terminology related to competitiveness. Afterward, I described related internal and external analyses, and benchmarking. The practical part of the thesis I began with company's introduction, and I continued with the analysis of Škoda Karoq. It was followed by competitor analysis, benchmarking, S-W analysis, PESTE analysis, O-T analysis and Porter's five forces analysis.

Even though Škoda Auto demonstrated that it was capable to compete to other companies, my recommendations for making improvements were proposed at the end of the bachelor's thesis. Among these recommendations were the changes in financial services, a new type of warranty, and improvement of the versions of Karoq by adding some special items.

I am convinced that my recommendations have a real potential to improve Škoda Karoq's competitiveness, and I believe that the company will remain profitable.

BIBLIOGRAPHY

Main source:

Trávníčková, Lenka. 2018. "A Competitiveness Analysis of Škoda Auto a.s." Bachelor's thesis, Tomas Bata University in Zlin.

Ahmed Mohey El-Deen. "Marketing Strategies and Tactics I" Accessed August 12, 2018. <http://ezinearticles.com/?Marketing-Strategies-and-Tactics-I&id=3895345>.

Arval. 2017. "Nový cyklus měření spotřeby paliva a emisí WLTP." Accessed February 6, 2018. <https://www.arval.cz/cs/novy-cyklus-mereni-spotreby-paliva-emisi-wltp>.

AutoJarov. "O firmě." Accessed March 13, 2018. <http://www.autojarov.cz/o-firme/>.

AutoSAP. "Údaje za rok 2017." Accessed January 31, 2018. <http://www.autosap.cz/zakladni-prehledy-a-udaje/vyroba-a-odbyt-tuzemskych-vyrobcu-vozidel/#akt2017>.

Autoweek. 2018. "Dodavatelé pro Auto roku 2018 v ČR." Accessed April 9, 2018. https://www.autoweek.cz/cs-tiskove_zpravy-dodavatele_pro_auto_roku_2018_v_cr-7043.

Business Corporations. 2012. "No. 90/2012 Coll." Accessed March 28, 2018. <http://obcanskyzakonik.justice.cz/images/pdf/Business-Corporations-Act.pdf>.

CIA. 2017. "Czechia." Accessed January 30, 2018. https://www.cia.gov/library/publications/resources/the-world-factbook/geos/print_ez.html.

Csas. 2015. "Měsíčník EU aktualit." Accessed February 6, 2018. https://www.csas.cz/banka/content/inet/internet/cs/mesicnik_2015_09.pdf?archivePage=EUmonthly_archive&navid=nav00209_eu_mesicnik.

Čásenský, Robert. 2017. "SUV a Češi: Láska s velkou kapotou." Accessed February 6, 2018. <https://reportermagazin.cz/a/idQhM/suv-a-cesi-laska-svelkou-kapotou>.

Český statistický úřad. 2016. "Zahraniční obchod ČR – roční údaje – 2016." Accessed January 30, 2018. <https://www.czso.cz/csu/czso/zahranicni-obchod-cr-rocni-udaje>.

Český statistický úřad. 2018. "Zaměstnanost a nezaměstnanost podle výsledků VŠPS – 4. čtvrtletí 2017." Accessed February 5, 2018.

- <https://www.czso.cz/csu/czso/cri/zamestnanost-a-nezamestnanost-podle-vysledku-vsps-4-ctvrtleti-2017>.
- Český statistický úřad. 2014. "Národnostní struktura obyvatel." Accessed February 9, 2018. <https://www.czso.cz/documents/10180/20551765/170223-14.pdf>.
- Diesel-gate. 2017. "Průběh Dieselgate" Accessed February 6, 2018. <http://www.diesel-gate.cz/>.
- Domanský. "O nás." Accessed March 27, 2018. <https://www.domansky.cz/kontakt/o-nas/>.
- Euro NCAP. 2017. "Opel Grandland X." Accessed February 6, 2018. <https://www.euroncap.com/en/results/opel/vauxhall/grandland-x/27772>.
- Euro NCAP. 2016. "Peugeot 3008." Accessed February 6, 2018. <https://www.euroncap.com/en/results/peugeot/3008/5008/26581>.
- Euro NCAP. 2015. "Renault Kadjar." Accessed February 6, 2018. <https://www.euroncap.com/en/results/renault/kadjar/20853>.
- Euro NCAP. 2016. "Seat Ateca." Accessed February 6, 2018. <https://www.euroncap.com/en/results/seat/ateca/24847>.
- Euro NCAP. 2017. "Škoda Karoq." Accessed February 19, 2018. <https://www.euroncap.com/en/results/skoda/karoq/28527>.
- Euro NCAP. 2017. "Volkswagen T-Roc." Accessed February 6, 2018. <https://www.euroncap.com/en/results/vw/t-roc/28464>.
- Europa. 2017. "Czech Republic." Accessed January 31, 2018. https://europa.eu/european-union/about-e/countries/member-countries/czechrepublic_en.
- Huggins, Robert, and Hiro Izushi. 2011. *Competition, Competitive Advantage, and Clusters: The Ideas of Michael Porter*. Oxford: Oxford University Press.
- Hyundai. "Modely." Accessed February 6, 2018. <https://www.hyundai.cz/modely>.
- Internationalscorecard. 2018. "CTA International Innovation Scorecard." Accessed February 5, 2018. <https://www.internationalscorecard.com/>.
- INSITE Team. 2017. "Renault presents the new hands-free parking feature in Kadjar." Accessed April 5, 2018. <http://insiteooh.com/renault-presents-new-hands-free-parking-feature-kadjar/>.

- Jakubíková, Dagmar. 2013. *Strategický Marketing: Strategie A Trendy*. 2nd rev.ed. Expert. Praha: Grada.
- JCDecaux. 2016. "SEAT puts its Ateca model to the test." Accessed April 5, 2018. <http://www.jcdecauxna.com/innovate/news/seat-puts-its-ateca-model-test>.
- Justice. "Škoda Auto a.s." Accessed March 26, 2018. <https://or.justice.cz/ias/ui/rejstrik-firma.vysledky?subjektId=47718&typ=UPLNY>.
- Karlíček, Miroslav. 2013. *Základy marketingu*. Praha: Grada.
- Kermally, Sultan. 2006. *Největší představitelé marketing: Jejich hlavní myšlenky a názory*. Brno: Computer Press, a.s.
- Kingsnorth, Simon. 2016. *Digital Marketing Strategy: An Integrated Approach to Online Marketing*. London: Kogan Page.
- Klokočka. "O firmě." Accessed March 13, 2018. <http://www.klokocka.cz/o-firme>.
- Kotler, Philip, and Gary Armstrong. 2016. *Principles of Marketing*. Boston: Pearson.
- Kotler, Philip, and Kevin Lane Keller. 2016. *Marketing Management*. Boston: Pearson.
- Labour Code. 2006. "No. 262/2006 Coll." Accessed March 28, 2018. https://www.mpsv.cz/files/clanky/3221/Labour_Code_2012.pdf.
- Lažanský, Milan. 2018. "Autosalon Ženeva 2018: Přehled očekávaných premiér. Bude toho dost!" Accessed April 5, 2018. Více na: <https://www.autorevue.cz/autosalon-zeneva-2018-prehled-ocekavanych-premier-bude-toho-dost>.
- Lehmann, Carl F. 2012. *Strategy and Business Process Management: Techniques for Improving Execution, Adaptability and Consistency*. Boca Raton: CRC Press.
- Lesáková, Dagmar et al. 2014. *Strategický marketing*. Bratislava: Sprint 2 s.r.o.
- Mediaguru. "Škoda uvedla kampaň na novinku Karoq." Accessed March 20, 2018. <https://www.mediaguru.cz/clanky/2017/09/skoda-vedla-kampan-na-novinku-karoq/>.
- Mind Tools Content Team. "The Ansoff Matrix." Accessed by July 17, 2018. https://www.mindtools.com/pages/article/newTMC_90.htm.
- Mind Tools Content Team. "Diversification." Accessed by July 17, 2018. https://www.mindtools.com/pages/article/newSTR_68.htm.

- Nenadál, Jaroslav, David Vykydal, and Petra Halfarová. 2011. *Benchmarking: Mýty a Skutečnost : Model efektivního učení se a zlepšování*. Praha: Management Press.
- Opel. "Financování Opel." Accessed April 5, 2018. <http://www.opel.cz/nabidka-a-sluzby/financovani-a-leasing/moznosti-financovani-a-leasingu.html>.
- Opel. "Nový Grandland X." Accessed March 29, 2018. http://www.opel.cz/content/dam/Opel/Europe/czech_republic/nscwebsite/cs/13_Tools/01_Pricelists/CZ_Grandland_X.pdf.
- Opel. 2015. "Opel Continues Successful Football Sponsoring." Accessed April 5, 2018. <http://media.opel.de/media/intl/en/opel/news.detail.html/content/Pages/news/intl/en/2015/opel/02-19-football-sponsoring.html>.
- Opel. "Technické údaje – Nový Grandland X." Accessed March 29, 2018. http://www.opel.cz/content/dam/Opel/Europe/czech_republic/nscwebsite/cs/13_Tools/technical-data/CZ_%20Grandland_X_Technicke_udaje.PDF.
- Opel. "The new Grandland X." Accessed March 29, 2018. https://www.opel.ie/content/dam/opel/ireland/brochure-library/brochures/passenger-cars/opel-grandland-x/OPEL_Grandland_X_2018_Ed1.pdf.
- Pestle Analysis. 2013. "Understanding Pest Analysis with Definitions and Examples." Accessed January 16, 2018. <http://pestleanalysis.com/pest-analysis/>.
- Pestle Analysis. "What is PESTLE Analysis? A Tool for Business Analysis." Accessed July 18, 2018. <http://pestleanalysis.com/what-is-pestle-analysis/>.
- Peugeot. "All new Peugeot 3008 SUV." Accessed March 27, 2018. <http://media.peugeot.com.au/file/87/0/peugeot-3008-suv-brochure.pdf>.
- Peugeot. "Financování." Accessed March 27, 2018. <http://www.peugeot.cz/sluzby-servis/financovani.html>.
- Peugeot. "Nová 3008 – ceník." Accessed March 27, 2018. <http://peugeot.ecpaper.cz/osobni/3008/3008-new/Peugeot-3008-new-cenik/#page=1>.
- Peugeot. "Partnerships." Accessed March 27, 2018. <http://www.peugeot.co.uk/partnerships/>.
- Peugeot. "SUV Peugeot." Accessed February 6, 2018. http://www.peugeot.cz/objevte-nasi-modelovo-radu/nase-suv.html?utm_source=ppc-adwords-vyhledavani&utm_medium=SEA_SDF&utm_campaign=2018_02_suv-

peugeot_promo_vn_range-
b2c_ap_cz_central&utm_content=text&utm_term=peugeot-suv.

Prokopec, Petr. 2017. “Nejprodávanější auta v ČR, květen 2017.” Accessed February 6, 2018. <http://www.autoforum.cz/zajimavosti/nejprodavanejsi-auta-v-cr-kveten-2017-skoda-ma-rekord-octavia-ale-neni-prvni/>.

Renault. “Akční nabídky.” Accessed April 5, 2018.
<https://www.renault.cz/servis/financovani/akcni-nabidky.html>.

Renault. “Motoristický sport vetkaný v naší historii.” Accessed April 5, 2018.
<https://www.renault.cz/renault-svet/renault-sport/renault-a-sportovni-automobil.html>.

Renault. “Renault elektrifikuje motoristický sport.” Accessed April 5, 2018.
<https://www.renault.cz/renault-svet/renault-sport/fe-nova-vyzva.html>.

Renault. “Renault Kadjar.” Accessed March 28, 2018.
<https://www.cdn.renault.com/content/dam/Renault/UK/brand-and-editorial/Brochures/Vehicles/kadjar-brochure-q1.pdf>.

Renault. “Renault Kadjar ceník.” Accessed March 28, 2018.
<https://www.renault.cz/content/dam/Renault/CZ/pdf/pricelists/kadjar-price.pdf>.

Renault. “Renault Warranty Terms and Conditions.” Accessed March 28, 2018.
https://www.cdn.renault.com/content/dam/Renault/UK/brand-and-editorial/Aftersales/Warranty_UK_Vehicles_FROM_010911.pdf.

Renault Retail Group CZ. “O dealerství.” Accessed April 5, 2018.
<https://www.rpz.cz/renault/o-nas/o-dealerstvi/>.

Seat. “Modely.” Accessed February 6, 2018. <https://www.seat.cz/>.

Seat. “Partneři ve vybrané lokalitě.” Accessed March 27, 2018. <https://www.seat.cz/seat-prodejce>.

Seat. “Seat Ateca.” Accessed March 27, 2018.
<https://web1.seat.co.uk/sites/default/files/ateca-product-december-2017.pdf>.

Seat. “Seat Ateca – The ultimate SUV.” Accessed March 27, 2018.
<http://www.seat.com/carworlds/suv-ateca/overview.html>

- Seat. "SEAT otevřel nejnovější showroom v Průhonicích." Accessed March 27, 2018. <https://www.seat.cz/o-znacce-seat/novinky-a-udalosti/812-seat-otevrel-nejnovejsi-showroom-v-pruhonicich>.
- Svět motorů. 2017. "Katalog SUV." *Europrint*, November 27, 2017.
- Škoda Auto. "Autorizovaní partneři Škoda." Accessed March 12, 2018. <http://dealer.skoda-auto.cz/mini-apps/autorizovani-partneri-skoda/>.
- Škoda Auto. "Karoq." Accessed February 19, 2018. <http://www.skoda-auto.com/models/range/karoq>.
- Škoda Auto. "Škoda Auto Company." Accessed December 7, 2017. <http://www.skoda-auto.com/company/about>.
- Škoda Auto. "Škoda Auto ČR spouští na českém trhu online prodej." Accessed August 7, 2018. <http://www.skoda-auto.cz/novinky/novinky-detail/2017-12-20-on-line-prodej>.
- Škoda Auto. "Nová Škoda Karoq ceník." Accessed March 12, 2018. <http://az749841.vo.msecnd.net/sitescsz/alv1/11a87265-f2c1-4192-a6ed-93af55e69bfb/karoq-cenik.2bdef4210857a494933f7b6be655ae6f.pdf>.
- Škoda Auto. "Práce u nás." Accessed April 26, 2018. <https://www.skoda-kariera.cz/prace-u-nas>.
- Škoda Auto. "Škoda bez starostí." Accessed March 12, 2018. <http://www.skoda-auto.cz/financovani/skoda-bez-starosti>.
- Škoda Auto. "Škoda stromky." Accessed August 2, 2018. <http://www.skoda-auto.cz/o-nas/skoda-stromky>.
- Škoda Auto. "The all-new Škoda Karoq." Accessed March 12, 2018. <http://az749841.vo.msecnd.net/sitesencom/alv1/351dcf19-8dbd-4b30-bd08-c365b7dc5a28/KAROQ-Catalogue.c3e3ecb5847770a3268f6cb195806662.pdf>.
- Škoda Auto. "Úvěr od Škoda Financial Services." Accessed March 12, 2018. <http://www.skoda-auto.cz/financovani/uver-sfs>.
- Škoda Auto. "Životní prostředí." Accessed August 2, 2018. <http://www.skoda-auto.cz/o-nas/zivotni-prostredi>.

- Škoda-storyboard. 2018. "10 questions and answers about electric cars." Accessed February 6, 2018. <https://www.skoda-storyboard.com/en/innovation/10-questions-answers-electric-cars/>.
- Škoda-storyboard. 2017. "Ice Hockey and Škoda go together." Accessed March 12, 2018. <https://www.skoda-storyboard.com/en/sports/hockey/ice-hockey-skoda-go-together/>.
- Škoda-storyboard. 2018. "Škoda Auto podporuje Zlín film festival." Accessed August 2, 2018. <https://www.skoda-storyboard.com/cs/tiskove-zpravy/skoda-auto-podporuje-zlin-film-festival/>.
- Škoda-storyboard. 2017. "Tour de France with Škoda Karoq." Accessed March 12, 2018. <https://www.skoda-storyboard.com/en/sports/cycling/tour-de-france-with-skoda-karoq>.
- Twitter. 2018. "Nuevo Opel GRANDLAND X." Accessed April 5, 2018. <https://twitter.com/exterior21/status/951732681435381760>.
- Twitter. 2016. "Showcase Outdoor." Accessed April 5, 2018. <https://twitter.com/hashtag/billsforlocals>.
- Volkswagen. "Brochure & Price list." Accessed by March 28, 2018. <https://www.volkswagen.co.uk/new/troc/which-model/brochures>.
- Volkswagen. "Modely SUV". Accessed February 6, 2018. <https://www.volkswagen.cz/modely/typy-karoserii/suv>.
- Volkswagen. "Ram meets T-Roc." Accessed March 20, 2018. https://www.volkswagen-media-services.com/en/detailpage/-/detail/Ram-meets-T-Roc/view/5901566/794616452c51be9bf72149d0c81dcc74?p_p_auth=NBSs838V.
- Volkswagen. "Seznam prodejců." Accessed March 30, 2018. <https://www.volkswagen.cz/koupit-volkswagen/autorizovani-partneri/seznam-prodejců>.
- Volkswagen financial services. "SEAT Financial Services." Accessed April 5, 2018. <https://www.vwfs.cz/financovani-znacek/seat-finance/#aktualni-akce>.
- Vybermiauto. "Konkurenti." Accessed April 9, 2018. <https://www.vybermiauto.cz/katalog/skoda/karoq/konkurenti>.

- West, Douglas C., John B. Ford, and Essam Ibrahim. 2015. *Strategic Marketing: Creating Competitive Advantage*. New York: Oxford University Press.
- WLTP facts. 2018. "What is WLTP and how will it work." Accessed February 6, 2018. <http://wltpfacts.eu/what-is-wltp-how-will-it-work/>.
- Youtube. "Opel Grandland X - Smart Innovation Commercial TV." Accessed by March 29, 2018. <https://www.youtube.com/watch?v=fXZQRmfjwYA>.
- Youtube. "Peugeot 3008 (Commercial)." Accessed March 26, 2018. <https://www.youtube.com/watch?v=FN8wSLgIwGs>.
- Youtube. "The new SEAT Ateca – Change your point of view." Accessed April 5, 2018. <https://www.youtube.com/watch?v=-i2hSkFPpXc&t=59s>.

LIST OF ABBREVIATIONS

%	Percentage
4x4	Four-wheel drive
4WD	Four-wheel drive
4MOTION	Four-wheel drive
ABS	Anti-lock Brake System
ACT	Active Cylinder Technology
AFS	Adaptive Frontlight System
AP	Automatic transmission
AUT6	6-speed Automatic Transmission
AutoSAP	Automotive Industry Association
BCG	Boston Consulting Group
BMT	Blue Motion Technology
CDTI	Common Rail Diesel Turbo Injection
CO ₂	Carbon Dioxide
CZK	Czech currency Česká koruna
dCi	Diesel Common-rail Injection
DSG	Direct-shift Gearbox
EAT6	6-speed Efficient Automatic Transmission
EAT8	8-speed Efficient Automatic Transmission
Eco	Ecomotive
EDC	Efficient Dual Clutch
EFQM	European Foundation for Quality
EU	European Union
ESP	Electronic Stability Program
EuroNCAP	The European New Car Assessment Programme
f.e.	For example
GDP	Gross Domestic Product
IIHF	International Ice Hockey Federation
Kg	Kilogram
Km	Kilometre
kW	Kilowatt
l	Liter

LCVs	Light Commercial Vehicles
LED	Light-Emitting Diode
MAN6	6-speed Manual Transmission
NEDC	New European Driving Cycle
O-T	Opportunities and Threats
R&D	Research and Development
S&S	Stop&Start functionality
SUV	Sport Utility Vehicle
S-W	Strengths and Weaknesses
TCe	Turbo Control Efficiency
THP	Turbo High Pressure
TDI	Turbocharged Direct Injection
TPCA	Toyota Peugeot Citroën Automobile
TSI	Twincharged Stratified Injection
WLTP	the Worldwide Harmonized Light Vehicle Test Procedure

LIST OF FIGURES

<i>Figure 1 BCG Matrix (Martin 2017)</i>	14
<i>Figure 2 Ansoff Matrix (Mind Tools Content Team)</i>	15
<i>Figure 3 Opportunity Matrix (Kotler and Keller 2016, 72)</i>	19
<i>Figure 4 Threat Matrix (Kotler and Keller 2016, 72)</i>	20
<i>Figure 5 Model of Benchmarking EFQM (Nenadál, Vykydal, and Halfarová 2011, 31)</i>	29

LIST OF TABLES

<i>Table 1 Information about Karoq (EuroNCAP 2017)</i>	32
<i>Table 2 Karoq's technical data (Škoda Auto)</i>	34
<i>Table 3 Information about Opel Grandland X (EuroNCAP 2017)</i>	37
<i>Table 4 Grandland's technical data (Opel)</i>	38
<i>Table 5 Features of Grandland X (own processing)</i>	39
<i>Table 6 Information about Renault Kadjar (EuroNCAP 2015)</i>	40
<i>Table 7 Kadjar's technical data (Renault)</i>	41
<i>Table 8 Features of Renault Kadjar (own processing)</i>	42
<i>Table 9 Information about Volkswagen T-Roc (EuroNCAP 2017)</i>	42
<i>Table 10 T-Roc's technical data (Volkswagen)</i>	43
<i>Table 11 Features of Volkswagen T-Roc (own processing)</i>	45
<i>Table 12 Information about Peugeot 3008 (EuroNCAP 2016)</i>	45
<i>Table 13 Peugeot's technical data (Peugeot)</i>	47
<i>Table 14 Features of Peugeot 3008 (own processing)</i>	48
<i>Table 15 Information about Seat Ateca (EuroNCAP 2016)</i>	48
<i>Table 17 Ateca's technical data (Seat)</i>	50
<i>Table 18 Features of Seat Ateca (own processing)</i>	51
<i>Table 19 Benchmarking (own processing)</i>	52
<i>Table 20 S-W Analysis of Škoda Karoq (own processing)</i>	54
<i>Table 21 Old and a new test for measuring fuel consumption or CO₂ emissions (WLTPfacts 2018)</i>	55
<i>Table 22 Total results 2016 (own translation)</i>	56
<i>Table 23 Total results 2017 (own translation)</i>	56
<i>Table 24 Total change 2017/2016 (own translation)</i>	56
<i>Table 25 O-T Analysis of Karoq (own processing)</i>	60

LIST OF PICTURES

<i>Picture 1 Company's Logo (Škoda Auto)</i>	31
<i>Picture 2 Photo of Škoda Karoq (EuroNCAP 2017)</i>	32
<i>Picture 3 A Map of Škoda Dealers and Partners in the Czech Republic (Škoda Auto)</i>	36
<i>Picture 4 Photo of Opel Grandland X (EuroNCAP 2017)</i>	37
<i>Picture 5 Photo of Renault Kadjar (EuroNCAP 2015)</i>	40
<i>Picture 6 Photo of Volkswagen T-Roc (EuroNCAP 2017)</i>	42
<i>Picture 7 Photo of Peugeot 3008 (EuroNCAP 2016)</i>	45
<i>Picture 8 Photo of Seat Ateca (EuroNCAP 2016)</i>	48
<i>Picture 9 The strategy of Green Future (Škoda Auto)</i>	59

APPENDICES

P I Interview I. in Czech

P II Interview I. in English

P III. Interview II. in Czech

P IV Interview II. in English

APPENDIX P I: INTERVIEW I. IN CZECH

Výběr Škody Karoq

Muž

21 let

1. Proč jste si vybrali Škodu Karoq? Např.: Doporučení od známých, předchozí zkušenost s vozem Škoda, recenze na internetu.
Předchozí zkušenost s vozem Škoda. V 18 jsem si koupil Škodu Octavii. S vozem jsem byl spokojený, ale chyběla mi velká porce novinek, ať už moderních asistentů nebo i různých multimediálních vymožeností ve voze. Po čase už i auto stárlo a investice do vozu by byla velká, proto jsem ho prodal.
2. Viděli jste někde nějakou propagaci Škody Karoq? Např.: reklama, billboard, lední hokej.
Co se týká propagace, určitě jsem viděl reklamu na billboardech i v TV. Sledoval jsem i premiéru ve Švédsku, jelikož jsem auto objednával a ještě prakticky nebyla možnost se povozit.
3. Pořídili jste si Škodu Karoq přes operativní leasing či úvěr? Proč ano nebo ne.
Škodu Karoq jsem si pořídil formou operativního leasingu z důvodu velkého nájezdu 45 000 km/rok.
4. Co říkáte na základní cenu?
Základní cena mě nějak neovlivnila, jelikož základní cena = pouze základ, to snad ani dnes nikdo nechce.
5. Co si myslíte o vyšší ceně?
Tím, že mám auto na operativní leasing, neřeším vyšší cenu, auto patří do segmentu vyšší střední třídy, tudíž ta cenovka je podle mě adekvátní – nejde prostě srovnat Yeti a Karoq, protože je to od základů úplně jiné auto.
6. Jakou verzi Škody Karoq máte?
Style
7. Byla pro Vás při výběru auta podstatná velikost kufru?
Velikost kufru pro mě nebyla podstatná, protože jsem si doobjednal VarioFlex. Stále jsme jen dva, tudíž pokud vozím kola, lyže, tak mám pouze sedadla dvě. jiné auto.

8. Jaký motor jste si zvolili a proč?

Mám 2.0 TDI – 110 kW v kombinaci s 7stupňovým DSG.

9. Jakou máte průměrnou spotřebu?

Dlouhodobý průměr mám ustálený na 5,7 litru, což bylo hlavně díky zimě. Aktuálně se spotřeba pohybuje mezi 5 – 5,5 litru. jiné auto.

10. Víte jaké má Váš Karoq CO2 emise?

Tak to absolutně netuším, okolo 130g?

11. Ocenili byste více energeticky šetrný motor? Proč ano nebo proč ne.

Energeticky šetrný motor? Co si pod tím mám představit? Podle mě Škoda již vyrábí motory šetrné vůči ekologii, což je všeobecně vidět i na downsizingu, kde i Karoq dostává od základu 1.0 TSI. jiné auto.

12. Využíváte bezpečnostní či komfortní asistenční systémy?

Využívám bezpečnostní, především Front Assist a adaptivní tempomat.

13. Je něco, co se Vám nelíbí a změnili byste to?

Více balíčků k výbavě, nemusí být 1000 dílů na doobjednání. Myslím, že by to zrychlilo podle mého i výrobu.

APPENDIX P II: INTERVIEW I. IN ENGLISH

The Choice of Škoda Karoq

Man

21 years

1. Why did you choose a Škoda Karoq? F.e.: Recommendation from friends, previous experience with a Škoda model or reviews.

The previous experience with the Škoda model influenced me the most. I owned Škoda Octavia when I was eighteen years old. With that car I was really satisfied, but I missed some news, from modern driver assistants to some other multimedia stuff. The car was old and investment was big. In that case I decided to sell the car. protože je to od základů úplně jiné auto.

2. Did you see any type of a promotion? F.e.: advertising, billboard, ice hockey.

With regard to promotion I certainly saw the advertising on billboards and also in television. I saw even its premiere day in Sweden, because when I ordered the car there was no chance to test it. jiné auto.

3. Did you use an operative lease or a credit? Why yes or no.

I used the operative lease to get the Škoda Karoq because of maximum mileage, which is 45 000km per a year.

4. What did you say about a basic price of the car?

I was not influenced by a basic price, because the basic price is only for a basic vision of the car and nowadays it is not wanted by anyone I guess.

5. What do you think about the higher price?

Because I have the car through the operative lease I do not care about the price. The car belongs to a higher middle class and in this case the price is appropriate. There is no chance to compare Yeti and Karoq because it is completely different car. ů úplně jiné auto.

6. What version of the car do you have?

Style

7. Did you choose your car according to a size of a luggage compartment?

The size of the luggage compartment was not important for me. I ordered a VarioFlex system. There is only me and my girlfriend and in this case I do not need back seats. So there is a place for bicycles or ski.

8. What engine did you choose?

I have 2.0TDI 110 kW with 7-speed DSG.

9. What is your average consumption?

A long-term average is 5,7l/100km and it was caused by a winter. The current consumption is between 5 - 5,5l/100km.

10. Do you know your Karoq's CO2 emissions?

I have really no idea, maybe about 130g?

11. Do you appreciate more energy efficient engine? Why yes or no.

I do not know what I should imagine. These days I think Škoda actually produces energy efficient engines and it is visible on a downsizing, where even Karoq in the basic version has the engine 1.0 TSI.

12. Do you use driver safety and comfort assistance systems? Tell which ones.

I use safety assistants systems, predominantly Front Assist and Adaptive cruise control.

13. Is there something you do not like on the car and want to change?

There should be more accessories in the certain version. There does not have to be thousands of them to order. In my opinion it can make a manufacturing much faster.

APPENDIX P III: INTERVIEW II. IN CZECH**Výběr Škody Karoq**

Žena

36 let

-
1. Proč jste si vybrali Škodu Karoq? Např.: Doporučení od známých, předchozí zkušenost s vozem Škoda, recenze na internetu.
Předchozí zkušenost se značkou Škoda + recenze v časopise
 2. Viděli jste někde nějakou propagaci Škody Karoq? Např.: reklama, billboard, lední hokej.
Časopis + billboard
 3. Pořídili jste si Škodu Karoq přes operativní leasing či úvěr? Proč ano nebo ne.
Úvěr
 4. Co říkáte na základní cenu?
Moc peněz
 5. Co si myslíte o vyšší ceně?
Myslím, že je to kvůli nové technologii ve vozidle.
 6. Jakou verzi Škody Karoq máte? Style
 7. Byla pro Vás při výběru auta podstatná velikost kufru?
Ano. Velikost kufru pro mě byla velmi důležitá.
 8. Jaký motor jste si zvolili? 2l/110 kW
 9. Jakou máte průměrnou spotřebu?
9l/100km
 10. Víte jaké má Váš Karoq CO₂ emise?
Dle TP 2016/646W, euro 6 – jinak ne
 11. Ocenili byste více energeticky šetrný motor? Proč ano nebo proč ne.
Nedokážu odpovědět, protože mě to nezajímá.
 12. Využíváte bezpečnostní či komfortní asistenční systémy?
Ano. ESP, adaptivní tempomat, ABS, Parkovací asistent,..
 13. Je něco, co se Vám nelíbí a změnili byste to? Ne

APPENDIX P IV: INTERVIEW II. IN ENGLISH**The choice of Škoda Karoq**

Woman

36 years

1. Why did you choose a Škoda Karoq? F.e.: Recommendation from friends, previous experience with a Škoda model or reviews.
The previous experience with the Škoda model + review in a magazine
2. Did you see any type of a promotion? F.e.: advertising, billboard, ice hockey.
Magazine + billboard
3. Did you use an operative lease or a credit? Why yes or no.
Credit
4. What did you say about a basic price of the car?
Too much money
5. What do you think about the higher price?
I think that it is because of new technology in the car.
6. What version of the car do you have?
Style
7. Did you choose your car according to a size of a luggage compartment?
Yes. The size of the luggage compartment was really important for me.
8. What engine did you choose?
2l/110 kW
9. What is your average consumption? 9l/100km
10. Do you know your Karoq's CO2 emissions?
According to 2016/646W, euro 6 – otherwise not
11. Do you appreciate more energy efficient engine? Why yes or no.
I cannot answer because I do not care about that.
12. Do you use driver safety and comfort assistance systems? Tell which ones.
I use ESP, Adaptive Cruise Control, ABP, Park assistant and others.
13. Is there something you do not like on the car and want to change? No