

A Competitiveness Analysis of a Selected Company

Erika Zámečnicková

Bachelor's Thesis
2025



Tomas Bata University in Zlín
Faculty of Humanities

Univerzita Tomáše Bati ve Zlíně

Fakulta humanitních studií

Ústav moderních jazyků a literatur

Akademický rok: 2024/2025

ZADÁNÍ BAKALÁŘSKÉ PRÁCE

(projektu, uměleckého díla, uměleckého výkonu)

Jméno a příjmení:	Erika Zámečnicková
Osobní číslo:	H21870
Studijní program:	B0231P090005 Anglický jazyk pro manažerskou praxi
Forma studia:	Prezenční
Téma práce:	Analýza konkurenceschopnosti vybrané společnosti

Zásady pro vypracování

Shromáždění odborné literatury k tématu práce
Studium literatury a formulace cílů práce
Shromáždění dat z vybrané společnosti
Analýza konkurenceschopnosti vybrané společnosti
Výsledky analýzy a tvorba doporučení pro zlepšení

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

Seznam doporučené literatury:

Bainess, Paul, Chriss Fill, and Kelly Page. 2013. *Essentials of Marketing*. Oxford: Oxford University Press.
Kotler, Philip, and Gary Armstrong. 2021. *Principles of Marketing*. 18th ed. Harlow: Pearson Education.
Kotler, Philip, and Kevin Lane Keller. 2016. *Marketing Management*. 15th ed. Boston: Pearson Education.
Lamb, Charles W., Joseph F. Hair, and Carl McDaniel. 2018. *MKTG12: Principles of Marketing*. 12th ed. Boston: Cengage Learning.
Pride, William M., and O.C. Ferrell. 2016. *Marketing*. Boston: Cengage Learning.

Vedoucí bakalářské práce: **Ing. Šárka Papadaki, Ph.D.**
Ústav podnikové ekonomiky

Datum zadání bakalářské práce: **2. ledna 2025**
Termín odevzdání bakalářské práce: **6. května 2025**

L.S.

Mgr. Libor Marek, Ph.D.
děkan

doc. Mgr. Roman Trušík, Ph.D.
ředitel ústavu

Ve Zlíně dne 7. února 2025

PROHLÁŠENÍ AUTORA BAKALÁŘSKÉ PRÁCE

Beru na vědomí, že

- odevzdáním bakalářské práce souhlasím se zveřejněním své práce podle zákona č. 111/1998 Sb., v platném znění bez ohledu na výsledek obhajoby;
- bakalářská práce bude uložena v elektronické podobě v univerzitním informačním systému a bude dostupná k nahlédnutí;
- jedno vyhotovení bakalářské práce v listinné podobě bude ponecháno Univerzitě Tomáše Bati ve Zlíně k uložení;
- 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;
- podle § 60 odst. 1 autorského zákona má Univerzita Tomáše Bati ve Zlíně právo na uzavření licenční smlouvy o užití školního díla v rozsahu § 12 odst. 4 autorského zákona;
- podle § 60 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;
- pokud je výstupem bakalářské práce jakýkoliv softwarový produkt, považují se za součást práce rovněž i zdrojové kódy, popř. soubory, ze kterých se projekt skládá; neodevzdání této součásti může být důvodem k neobhájení práce.

Prohlašuji, že

- jsem na bakalářské práci pracoval(a) samostatně a použitou literaturu jsem řádně citoval(a); v případě publikace výsledků budu uveden(a) jako spoluautor;
- odevzdaná verze bakalářské práce a verze elektronická nahraná do IS/STAG jsou obsahově totožné.

Ve Zlíně, dne

.....

podpis autora

ABSTRAKT

Tato bakalářská práce se zaměřuje na analýzu konkurenceschopnosti vybrané společnosti působící na trhu wellness služeb. Cílem práce je podrobně popsat a analyzovat současný stav konkurenčního postavení této společnosti. Teoretická část je zpracována na základě literatury ze sekundárních zdrojů z oblasti konkurenceschopnosti a strategických marketingových analýz. Závěr této části obsahuje formulovaná teoretická východiska relevantní pro následnou praktickou část.

Praktická část je zaměřena na provedení analýzy současného stavu konkurenčního postavení vybrané společnosti na trhu wellness služeb. Výsledky této analýzy slouží jako základ pro formulaci doporučení, která mají za cíl zlepšit současnou konkurenceschopnost společnosti na daném trhu. Tyto doporučení by měla přispět k efektivnějšímu postavení společnosti a k jejímu úspěchu v konkurenčním prostředí.

Klíčová slova: konkurence, konkurenceschopnost, konkurenční struktury, konkurenční strategie, marketingové prostředí, SWOT analýza

ABSTRACT

This bachelor's thesis focuses on the competitive analysis of a selected company operating in the market of wellness services. The aim of the thesis is to describe and analyse in detail the current state of the competitive position of this company. The theoretical part is based on literature from secondary sources in the field of competitiveness and strategic marketing analysis. The conclusion of this part contains a formulated theoretical background relevant to the subsequent practical part.

The practical part is focused on the analysis of the current state of the competitive position of the selected company in the market of wellness services. The results of this analysis serve as a basis for the formulation of recommendations aimed at improving the current competitive position of the company in the given market. These recommendations should contribute to a more effective position of the company and to its success in the competitive environment.

Keywords: competition, competitiveness, competitive structures, competitive strategies, marketing environment, SWOT analysis

ACKNOWLEDGEMENTS

I would like to express my gratitude to my supervisor, Ing. Šárka Papadaki, Ph.D., for her leadership and support during the process of writing my bachelor's thesis.

At the same time, I would like to extend my sincere appreciation to the company Saunový Ráj for their kind cooperation and for providing valuable information essential to the successful completion of this thesis.

Motto:

“Náš zákazník – náš pán.”

Tomáš Baťa

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	11
I THEORETICAL PART	12
1 COMPETITION.....	13
1.1 COMPETITOR	13
1.2 COMPETITIVE ADVANTAGE	13
1.3 COMPETITIVE STRUCTURES.....	14
1.3.1 Monopoly	14
1.3.2 Oligopoly.....	14
1.3.3 Monopolistic Competition	14
1.3.4 Pure Competition	15
1.4 COMPETITIVE STRATEGIES	15
1.4.1 Competitive strategy by Kotler	15
1.4.2 Competitive strategy by Ansoff	17
1.4.3 Competitive strategy by Porter.....	18
1.4.4 Red Ocean strategy	19
1.4.5 Blue Ocean strategy	19
2 ANALYSIS OF THE MARKETING ENVIRONMENT	20
2.1 MICROENVIRONMENT ANALYSIS	20
2.1.1 McKinsey 7S	20
2.1.2 7P Marketing mix.....	21
2.1.3 STP analysis	22
2.2 MESO-ENVIRONMENT ANALYSIS	23
2.2.1 Porter's Five Forces analysis	23
2.2.2 Benchmarking	25
2.3 MACROENVIRONMENT ANALYSIS	25
2.3.1 PESTLE analysis.....	25
2.4 SWOT ANALYSIS	27
3 SUMMARY OF THEORETICAL PART	29
II PRACTICAL PART	30
4 INTRODUCTION OF THE SELECTED COMPANY.....	31
4.1 MCKINSEY 7S ANALYSIS.....	31
4.1.1 Strategy	31
4.1.2 Structure	31
4.1.3 Systems	32
4.1.4 Style.....	32
4.1.5 Skills.....	33
4.1.6 Staff.....	33
4.1.7 Shared values	33

4.2	MARKETING MIX ANALYSIS	34
4.2.1	Product (service).....	34
4.2.2	Price.....	34
4.2.3	Place	35
4.2.4	Promotion	35
4.2.5	People	35
4.2.6	Processes	36
4.2.7	Physical evidence	36
4.3	STP ANALYSIS.....	37
4.3.1	Segmentation	37
4.3.2	Targeting	37
4.3.3	Positioning.....	38
4.4	ANALYSIS OF THE COMPETITIVE STRATEGIES	38
4.4.1	Analysis of the selected company by Porter	38
4.4.2	Analysis of the selected company by Kotler	38
4.4.3	Analysis of the selected company by Ansoff	39
5	THE MAIN COMPETITORS OF THE SELECTED COMPANY	40
5.1	SAUNOVÝ SVĚT TROPICANA	40
5.2	SAUNYX	40
5.3	SAUNIA – ORLICE PARK.....	41
5.4	SALORI	41
5.5	HOTEL JEZERKA	41
6	SELECTED STRATEGIC MARKETING ANALYSES	43
6.1	MESO-ENVIRONMENT ANALYSIS.....	43
6.1.1	Benchmarking	43
6.2	MACROENVIRONMENT ANALYSIS	49
6.2.1	PESTLE analysis.....	49
6.3	SWOT ANALYSIS	51
7	SUMMARY OF THE ANALYTICAL PART	53
8	RECOMMENDATIONS	55
8.1	CAPACITY.....	55
8.2	PRIVACY.....	56
8.3	OTHER RECOMMENDATIONS	56
	CONCLUSION.....	58
	BIBLIOGRAPHY	60
	LIST OF FIGURES	62
	LIST OF TABLES	63
	LIST OF ABBREVIATIONS	64

INTRODUCTION

The wellness and spa industry has grown considerably over the past few years, mainly due to the growing trend of wellness services. A significant role is also played by today's hectic environment, where many people seek relaxation and escape from reality in wellness services. With this trend, the number of competitors focusing on wellness services is also growing, differing from each other in the quality and variability of the services offered. To remain successful and retain customer loyalty, wellness centres must constantly adapt and improve their services, making competitiveness an important element for survival and growth in the wellness market.

This bachelor's thesis focuses on the competitiveness analysis of the selected company, namely Saunový Ráj, located in Holice. This centre is one of the oldest wellness centres in its region and has built a strong local customer base thanks to its pleasant atmosphere and quality services.

The thesis is divided into two main parts – theoretical and practical. The theoretical part defines basic concepts of competition and competitiveness and presents selected marketing and strategic models that are relevant to the practical part. The theory is based on secondary sources from expert literature and serves as the foundation for the practical research. The practical part examines the current competitive position of the selected company in comparison with its competitors. The selected wellness centre is introduced and analysed by selected analyses. Based on the analyses performed, several recommendations are presented to improve the company's position in the market.

The aim of this thesis is to provide a comprehensive overview of the company's competitiveness and identify opportunities for improving its market position and future growth. Ultimately, this bachelor's thesis contributes to a better understanding of how wellness companies can succeed and remain competitive in their industry.

I THEORETICAL PART

1 COMPETITION

Pride and Ferrell (2016, 64) define competition as the “occurrence of other organisations that market products that are similar to or can be substituted for a marketer's products in the same geographic area.” Competition is a key factor in marketing that requires companies to thoroughly analyse the strengths and weaknesses of their competitors. It means establishing marketing decisions on facts about how competitors operate and determining how best to respond to them. Instead of relying on general assumptions, companies should make informed decisions based on factual knowledge of competitors' activities (Burnett 2011, 17).

1.1 Competitor

In order to formulate successful marketing strategies, a company must thoroughly investigate its competitors. It should consistently evaluate its marketing approaches, products, pricing, distribution channels, and promotional activities in comparison to those of its close competitors. This enables the company to identify potential areas of competitive advantage and disadvantage. Competitor analysis involves initially identifying and evaluating competitors, followed by the strategic decision of targeting or avoiding specific competitors (Kotler and Armstrong 2021, 526).

1.2 Competitive Advantage

A competitive advantage comprises unique features of a company and its products and services, perceived by the target market as significant and superior to competitors. This recognition leads customers to prefer one company over others. Lamb, Hair, et al. (2019, 39) discuss several strategies for gaining a competitive advantage, primarily centred around cost, product differentiation, or niche strategies. Cost-competitive advantages include factors like experience curves, efficient labour, and government subsidies. Product or service differentiation exists when a company offers something uniquely valuable beyond low prices. Niche advantages result from targeting specific segments with distinct needs. The main aim is to ensure the sustainability of these competitive advantages (Lamb, Hair, et al. 2019, 39-41).

1.3 Competitive Structures

The strength of competition in a market can be influenced by the number of companies that control the supply and demand. If supply is dominated by just one or a few companies, the impact of competition on marketing strategies will differ compared to situations where many competitors are involved (Dibb, Simkin and Pride 2019, 94). According to Pride and Ferrell (2016, 66), there are four general types of competitive structures: monopoly, oligopoly, monopolistic competition, and pure competition. Each of these structures influences how businesses operate and compete within their markets.

1.3.1 Monopoly

A market structure is characterised by a single seller who is selling a product in the market. In this market, the seller faces no competition, as he has no close substitutes. Therefore, it can completely control the supply of the products and erect barriers to potential competitors. (Pride and Ferrell 2016, 66). Monopolies are rare nowadays, but they still exist in certain sectors, for example, in countries where railway systems and electricity suppliers operate as monopolies. However, maintaining such infrastructure requires a significant financial investment (Dibb, Simkin and Pride 2019, 94).

1.3.2 Oligopoly

A market structure where several sellers control the market. However, any of them has a dominant market position. Sometimes, certain barriers make it difficult for new subjects to enter the market and compete with oligopolies. In addition, some industries require special technical or marketing skills that prevent the entry of many potential competitors. Products in this structure can be homogeneous or differentiated (Pride and Ferrell 2016, 66).

1.3.3 Monopolistic Competition

This type of market structure combines features of both monopoly and perfect competition. There is a seller who faces many potential competitors and attempts to create a marketing strategy that differentiates his product from others in the market. An example of monopolistic competition is the insurance industry, which requires companies to market the benefits of their products (Pride and Ferrell 2016, 66).

1.3.4 Pure Competition

A market structure where there is a high number of sellers offering a homogenous product which cannot be differentiated and therefore, no one could significantly influence the price. There are no barriers, so any company can easily enter the market. Pure competition represents one extreme of the continuum, while monopoly stands at the opposite end. Most marketers operate in a competitive environment between these two extremes (Pride and Ferrell 2016, 66-67).

1.4 Competitive Strategies

An effective competitive strategy can help an organisation achieve its goals by being sustainable, differentiated from competitors and able to gain a competitive advantage. It should exploit the organisation's relationship with its environment, adapt to change and create strong relationships, for example with customers. In addition, the strategy should be based on a vision that enables expansion into better markets (Robert Dransfield 2001, 7).

1.4.1 Competitive strategy by Kotler

Every company maintains a competitive position that shows its market share. Consequently, the company adapts its competitive strategy in response to its market position. The approach by Kotler is based on four strategies. In these strategies, a company's market position is a key element. This refers to the company's current market share (Horáková 2014, 46). Figure 1 illustrates the hypothetical market share based on competitive strategies by Kotler.

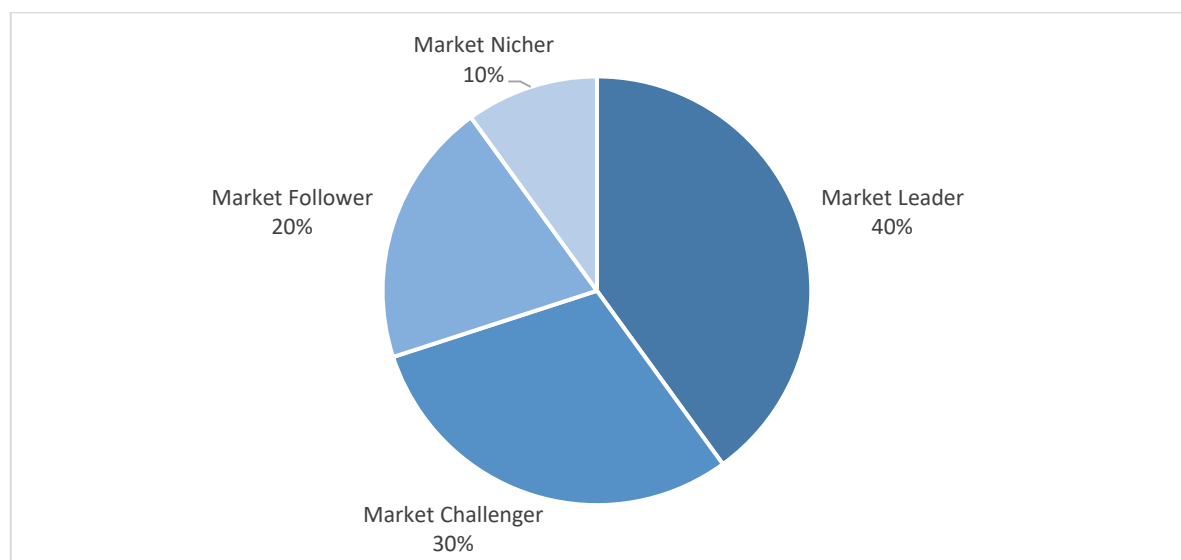


Figure 1 Competitive strategies

(source: adaptation from Kotler and Armstrong 2021)

Market Leader strategy

The market leader has the largest share in the market, obtaining 40% of the market and typically leads the other companies in initiating changes in prices, introducing new products, expanding distribution channels, and investing in promotion. To maintain its position in the market, the market leader must remain vigilant, as competitors may introduce powerful innovations, develop unique marketing strategies or make significant investments that challenge its dominance (Kotler and Armstrong 2021, 538).

Market Challenger strategy

Many market challengers have succeeded or even surpassed the market leader. Challengers with 30% of the market have high aspirations, while market leaders may fail in the ordinary course of business (Kotler and Armstrong, 2021, 540). They typically have a weaker position and smaller market share than a market leader. A market challenger seeks to increase its market share by targeting companies of similar size within the same market. Attacking the market leader can be highly profitable, but it also comes with substantial risks. The market challenger must carefully assess the current market situation before attacking a company or the market leader itself (Horáková 2014, 47).

Market Follower strategy

The company makes an effort to maintain its current position, and therefore, the market follower does not seek to gain more market share by attacking larger competitors. This offers several advantages to the follower. In contrast to the market leader, followers do not pay the costs associated with developing new products, and they can also learn from the leader's experience. Additionally, market followers can either copy or innovate the leader's existing products, often at lower costs. As a result, the final profit could equal that of the market leader (Kotler 2007, 580).

Market Nicher strategy

Companies that specialize in serving market niches can be found in almost every industry. Of all four strategies, they occupy the smallest market share, only 10%. These companies focus on small subsegments instead of larger segments, usually due to their limited resources. Market nichers companies have the potential to be highly profitable since they know their customers so well and can satisfy their needs more effectively than larger companies that sell products for the nichers segment only marginally. Consequently, these nichers can increase the price of the product by providing additional value, leading to higher profit margins compared to larger competitors (Kotler and Armstrong 2021, 542).

1.4.2 Competitive strategy by Ansoff

Ansoff's competitive strategy, also known as the Ansoff matrix, is based on market-product relations. It illustrates marketing goals, which are expressed by two main axes: the vertical axis shows new and existing markets, and the horizontal axis shows new and existing products. Ansoff's matrix is categorised into the following four quadrants: product development, market development, diversification, and market penetration within Ansoff's matrix (Doyle 2011, 21). This matrix is shown in Figure 2.



Figure 2 Ansoff matrix

(source: adaptation from Blažková, 2007, 133)

Market Development

According to Lamb, Hair, et al. (2019, 38), market development means “attracting new customers to existing products.” While developing new products may be easier than acquiring new customers, a company with significant product strengths can view this as a good opportunity for growth. An example of this can involve expanding into export markets or targeting a different customer segment (Robert Dransfield 2001, 57).

Market Penetration

This strategy involves increasing sales of the existing product to the same target audience. Achieving this can be accomplished through three main approaches: increasing market share at the expense of others, developing a competitive advantage, or growing the overall market size. (Robert Dransfield 2001, 56). By utilising aggressive advertising and offering discounts to existing customers, they effectively launched the product and increased its market presence (Lamb, Hair, et al. 2019, 38).

Diversification

According to Lamb, Hair, et al. (2019, 38), diversification is a strategy “for increasing sales by introducing new products into new markets.” This strategy can be risky, especially when a company enters into unfamiliar markets. On the other hand, it can be very profitable when a company enters markets with minimal or no competition (Robert Dransfield 2001, 57).

Product Development

In this approach, a company exploits its strong relationship with customers and uses its creative capabilities to develop new products suited to customers' needs (Robert Dransfield 2001, 56). This strategic expansion enables companies to not only satisfy different customer preferences but also to remain competitive in an evolving business environment.

1.4.3 Competitive strategy by Porter

Porter's competitive strategy aims to achieve a competitive advantage, either through cost leadership by achieving lower costs than competitors or differentiation by offering unique and distinctive products or services. Another approach involves targeting specific market segments to effectively meet their needs (Porter 1985, 35).

Cost Leadership

This strategy focuses on reducing production and distribution costs. As a result, companies can offer lower prices compared to their competitors. However, the company does not have to use the profits gained to reduce prices, but can reinvest them in innovation or marketing. It is also important to take into account that maintaining low costs is often unsustainable. Companies are therefore forced to change their strategy over time (Lesáková 2014, 142).

Differentiation

Companies that follow a differentiation strategy aim to offer products or services that differ from their competitors. Differentiation can be achieved from various aspects, including creative and innovative designs, distribution methods, pricing strategies, or customer service policies. This concept is further developed when marketers seek a differential advantage (Dibb, Simkin and Pride 2019, 56).

Focus

This strategy can be used when a company can differentiate itself by offering something valuable to customers. It is important to highlight an element that is important to the target customers and differentiate itself from the competition on this basis (Lesáková 2014, 147-148). According to Porter (1985, 15), there are two variants of this strategy: Cost focus and

Differentiation focus. A cost focus capitalises on segment cost differences, while a differentiation focus addresses the special needs of buyers in specific segments.

Table 1 illustrates the concept of the Three Generic Strategies. The fundamental idea of these strategies is that competitive advantage is central to any successful approach. To gain a competitive advantage, a company must decide what specific type of advantage it wants to achieve and the extent to which it will pursue it.

Competitive Advantage		
	Lower Cost	Differentiation
Broad Target	1. Cost Leadership	2. Differentiation
Narrow Target	3.a. Cost Focus	3.b. Differentiation Focus

Table 1 Three Generic Strategies

(source: adapted from Porter 1985, 12)

1.4.4 Red Ocean strategy

Red oceans represent all the industries that exist, known as market space. Companies try to outperform their competitors in order to gain a larger portion of the current demand. However, this approach often leads to increased competition and subsequent reductions in profits and growth as the market becomes saturated. Companies in red ocean strategies focus on either differentiation or low cost to gain competitive advantage within established industry structures (Kim, Mauborgne 2016, 12).

1.4.5 Blue Ocean strategy

Blue oceans refer to all industries that do not exist, an unknown market space, demand creation and the opportunity for highly profitable growth. Most Blue oceans are created within red oceans by expanding existing industry boundaries. Kim and Mauborgne (2016, 12) argue that sustained success comes from identifying and developing markets that do not yet exist. This opens new demand and opportunities for highly profitable growth. Competition is irrelevant, as the parameters of engagement are to be defined.

2 ANALYSIS OF THE MARKETING ENVIRONMENT

According to Fotr, et al. (2020, 56), the marketing environment is divided into two components: macroenvironment and microenvironment. The macroenvironment comprises both the macroenvironment, which exists independently of a company's will, and the meso-environment, which a company can partially influence through marketing tools. On the other hand, the microenvironment is directly shaped by a company's activities.

2.1 Microenvironment analysis

The marketing microenvironment includes situations that the company can influence through its activities. The aim of microenvironment analysis is to identify the basic driving forces that impact the company's activities. The fundamental microenvironmental analyses include the 7S McKinsey and 7P Marketing mix (Jakubíková 2013, 83).

2.1.1 McKinsey 7S

This analytic method, which evaluates individual and essential parts of a company, is divided into soft skills and hard skills. Soft skills are namely style, skills, staff and shared values. These skills are easy to manage, control and change. Hard skills include strategy, structure and systems. These skills are difficult to manage, control or change. In summary, these skills carry the potential to make a company more successful (Kotler and Keller 2016, 76).

- **Strategy** - the process the company uses to achieve and accomplish its set goals
- **Structure** – defines the structure of a company within its organisational structure
- **Systems** – approaches used for evaluating employees' skills and experience
- **Style** – company employees share the same way of thinking and behaving
- **Skills** – employees have the necessary skills to carry out the company's strategy
- **Staff** – the company has hired skilled people, trained them effectively, and assigned them to the right jobs
- **Shared values** – employees share the same guiding values

This method operates on the assumption that all these parts are connected, and if there is a change in one of the parts, it will affect all the others (Kotler and Keller 2016, 76).

Figure 4 displays the McKinsey model.

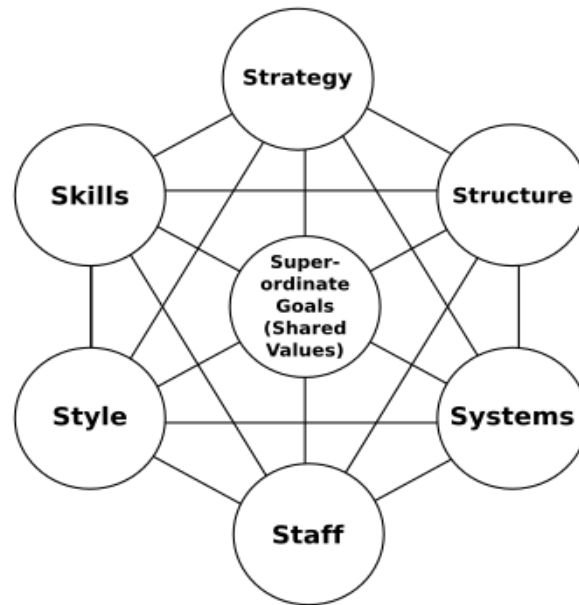


Figure 3 McKinsey 7S model

(source: Hayes 2014, 137)

2.1.2 7P Marketing mix

After determining the overall marketing strategy, the company can start planning the elements of the marketing mix - a set of tactical marketing tools that a company combines to create a desired response in a target market. The marketing mix presents a set of tactical tools for the company to create a strong position in the target markets. Marketing activities are classified into marketing-mix tools of four broad kinds, which are called the 4Ps of marketing: product, price, place, and promotion.

- **Product** - the mix of products and services that a company offers to a target market
- **Price** – the amount of money that customers must pay to acquire the product
- **Place** - the company's activities that make the product available to target customers
- **Promotion** - activities that communicate the benefits of a product and persuade target customers to buy it (Kotler and Armstrong 2021, 70).

Considering the wide scope, complexity and richness of marketing, as demonstrated by holistic marketing, these 4Ps are no longer sufficient. To illustrate how marketing needs to sell services differently, the following 3Ps have been incorporated into the marketing mix:

- **People** - emphasises the importance of employees to internal success and especially the importance of customer service, for example, how staff interact with customers and how satisfied customers are
- **Processes** – reflect creativity, structure, and service delivery, requiring consistent integration of innovative ideas and a customer-focused approach to ensure quality and satisfaction
- **Physical evidence** – refers to the tangible elements of services that are strategically important for creating customer perceptions, reinforcing quality standards and improving the overall experience

These revised 3Ps are fundamental to any service offering and support a closer connection between managers and the rest of the company (Baines, Fill, Page 2013, 14 - 15).

2.1.3 STP analysis

The aim of STP analysis is to identify distinct market segments, segmentation specific to particular target groups and then identify differentiating advantages that can be used for effective marketing. By using STP analysis, companies can present their marketing messages in a way that makes it easier for consumers to remember and understand their brand (Kotler and Keller, 2016, 297). In order to set the positioning strategy correctly, the company should think about the following questions: *"What is the position of the company currently in the consciousness of existing and future customers? What position does the company want?"* (Barčík 2013, 94). STP analysis consists of three basic elements:

- **Segmentation** – divides the market into smaller groups of similar customers based on shared needs and characteristics. Marketers use geographical, demographic, psychographic and behavioural factors to identify and target segments (Kotler and Keller 2016, 268).
- **Targeting** - involves evaluating the attractiveness of a segment and the selection of one or more segments that are important for determining which segments have the greatest potential for the company (Kozel, Mynářová, Svobodová 2011, 35).
- **Positioning** - refers to the place a product or service occupies in a customer's mind relative to competitors. Customers simplify their buying process by organising products and services into categories and positions according to features, price and other factors (Kotler and Armstrong 2021, 222).

2.2 Meso-environment analysis

The meso-environmental analysis deals with an analysis of the industry in which the company primarily operates, or into which it intends to expand. Industry analysis then addresses the basic characteristics of companies operating in a specific industry. Competitiveness is assessed using benchmarking attributes that relate to the company's operational sphere. In addition, the development of the industry itself is the subject of close monitoring. The basis for these analyses can be derived from statistical data. The main tools for analysing the meso-environment include Porter's Five Forces analysis and benchmarking. The company can influence this environment using its marketing tools (Fotr et al. 2020, 60).

2.2.1 Porter's Five Forces analysis

Michael Porter has identified the Five Forces that determine the fundamental, enduring appeal of a market or its specific segments. These forces include industry competitors, potential entrants, substitutes, buyers, and suppliers (Kotler and Keller 2016, 285).

The aim of this analysis is to identify the external influences that affect the company. Kotler and Keller (2016, 285-286) list the following factors that determine a company's competitiveness:

- **Threat of intense segment rivalry** - a segment is unattractive if it already contains many strong competitors. If the segment is steady or getting smaller, has high fixed costs or barriers to exit, or if competitors are deeply involved, this worsens the situation. This results in lots of price and advertising fights, and expensive new product launches.
- **Threat of new entrants** - the entry of new companies affects competition in an industry influenced by barriers that limit new entrants. The most attractive segment balances high entry barriers with low exit barriers, limiting new entrants and helping companies that have difficulty exiting. High barriers to entry and exit yield profits and risks, while low barriers stabilize but yield lower returns.
- **Threat of substitute products** - a segment loses appeal with product substitutes, that consist of the same attributes, meet similar needs, and operate the same way. Moreover, these substitutes limit prices and profits. If technology advances or competition increases in these substitute industries, prices and profits are expected to decline.

- **Threat of buyers' growing bargaining power** - a segment is unattractive when buyers gain significant bargaining power. When buyers become more concentrated, their bargaining power grows. Buyer influence grows through concentration, product importance, low switching costs, and upstream integration. Sellers can choose buyers who have the least bargaining power to protect themselves.
- **Threat of suppliers' growing bargaining power** - the attractiveness of the segment depends on supplier price control and supply constraints. Suppliers gain leverage through concentration, downstream integration, limited substitutes, vital inputs, and high switching costs. Supporting beneficial supplier relationships or diversifying supply sources serves as an effective defence. The power of suppliers varies depending on their distribution among competitors or companies (Kotler and Keller 2016, 285).

The intensity of these competitive forces in a given market predicts its profitability. If the competitive forces are weak, the profitability of the market will be high, and conversely, if the competitive forces are strong, the profitability of the market will be low (Karlíček 2018, 223).



Figure 4 Porter's Five Forces

(source: own elaboration)

2.2.2 Benchmarking

Dibb, Simkin and Pride (2019, 777) defined benchmarking as “the process of comparing the quality of an organisation's goods, services or processes with those of its best-performing competitors.” The purpose is to learn from positive experiences based on gathered information, subsequently propose improvements, and achieve performance improvement (Kozel, Mynářová, Svobodová 2011, 37). It represents the selection and comparison of suitable ideas and methods that apply to a given company, especially to increase efficiency, performance or quality. Benchmarking serves as an early warning system that focuses managers' attention on the objective necessity of changes (Jakubíková 2013, 153).

2.3 Macroenvironment analysis

The macroenvironment is defined by external factors that influence the microenvironment. These factors may not have an immediate impact, but they can shape the organisation's performance over time. Due to their unpredictability, they present a significant level of risk. To analyse these external factors effectively, the PESTLE analysis is commonly used (Baines, Fill, Page 2013, 37). According to Jakubíková (2013, 101), the purpose of macroenvironment analysis is to select only those factors that are most relevant for a given company. When analysing these factors, it is necessary to make maximum efforts to identify future developments and possible impacts on the company.

2.3.1 PESTLE analysis

This analysis examines six key external factors that can influence a company's operations and strategic decisions, including political, economic, socio-cultural, technological, legal, and ecological factors. By analysing these factors, companies can identify potential opportunities and risks in the market, allowing them to adapt and remain competitive. This analysis provides a comprehensive overview of external factors that may impact the company's long-term success (Baines, Fill, Page 2013, 37).

Political factors

When analysing the company environment, it is essential to consider the political environment that creates future laws and regulations. Unlike the legal environment, which focuses on established rules, the political environment involves interactions between businesses, society, and government before laws are accepted (Baines, Fill, Page 2013, 37).

These include aspects such as political and government stability, the influence of political parties, fiscal and social policy, laws, environmental protection, agreements on the avoidance of double taxation, etc. (Jakubíková 2013, 100).

Economic factors

Economic factors relate to forces that affect how consumers spend and their purchasing power. This ability varies depending on how well companies are doing economically. When the economy is not doing well, this can really affect the company, especially for products aimed at high-income consumers. It is important for marketers to know customers' psychology and the distribution of income, savings, debts, and credits (Kozel, Mynářová, Svobodová 2011, 26).

Socio-cultural factors

Social factors include attitudes, values and lifestyles, playing an important role in shaping consumer behaviour. These factors influence the products individuals choose to buy, the prices they are willing to pay, the impact of promotional efforts, and the preferences regarding how, where, and when they expect to make purchases (Lamb, Hair and McDaniel 2018, 50). Consumer behaviour and buying habits are significantly influenced by these factors, and therefore, it is essential that the development of a product or service is in line with these elements to ensure customer satisfaction in the industry. As many individuals are highly resistant to changes in socio-cultural environmental factors, addressing these aspects when introducing new products and services becomes essential (Perera 2017, 12).

Technological factors

The most dramatic force shaping people's lives is technology. Every new technology stimulates economic growth and creates significant long-term consequences that cannot always be well predicted. The perspective on technology is determined by whether greater admiration is held for its wonders or its blunders. Consistent engagement in continuous observation and comprehensive analysis of the technological environment is crucial for the company. Opting to oppose or disregard developments does not yield favourable outcomes (Kotler and Armstrong 2021, 100).

Legal factors

The legal environment influences all aspects of a company's operations. In most countries, laws and regulations adjust various areas, including fair competition, pricing transparency,

product safety, packaging and labelling standards, and restrictions on market dominance. Additionally, regulations often extend to advertising practices to ensure that business activities are ethical and lawfully compliant (Baines, Fill, Page 2013, 45).

Ecological factors

The importance of ecological factors and natural concerns in business has become crucial due to the increasing impact of global warming and sustainability issues. Some of the factors that should be considered are carbon footprint, pollution concern, emissions, energy efficiency and environmental impact of business activities. These ecological factors are important for manufacturing businesses dealing with chemical reactions, where adopting energy-efficient and eco-friendly production methods not only enhances competitiveness but also reduces costs, fines, and charges (Perera 2017, 15).

2.4 SWOT analysis

The simplest analysis leading to the identification of a company's strengths and weaknesses, as well as defining opportunities and threats coming from the external environment, is referred to as a SWOT analysis. This method is often the output of secondary analysis and serves as input for primary research (Kozel, Mynářová, Svobodová 2011, 45 - 46).

- **Strengths** - include internal capabilities, resources, and positive situational factors that can help a company meet the needs of its customers and achieve its goals. The company's strengths include, for example, a unique product or knowledge, strong leadership or high adaptability.
- **Weaknesses** - include internal constraints and negative situational factors that can disrupt company performance. An example of a company's weaknesses could be poor customer service, low efficiency and lack of product differentiation.
- **Opportunities** - favourable factors or trends in the external environment that a company can use to its advantage. The main opportunities are mainly entry and development of new markets, unfulfilled customer needs or new technologies.
- **Threats** - adverse external factors or trends that can have a negative impact on the company. A company should analyse its markets and marketing environment to find attractive opportunities and identify threats. Potential threats can be regulatory measures and barriers, the entry of new competitors with a better product or with lower costs.

By analysing strengths and weaknesses, the company can determine which opportunities it can best take advantage of. The goal is to combine the company's strengths with attractive opportunities in the environment while eliminating or overcoming weaknesses and minimising threats (Kotler and Armstrong 2021, 73).

3 SUMMARY OF THEORETICAL PART

Competitiveness is a key element of business success in all sectors because it enables companies to meet customer needs and thrive in challenging environments. To achieve this, it is essential to choose and implement effective competitive strategies.

The theoretical part of this bachelor's thesis examines the aspects of competitiveness in the marketing environment. In order to maintain or strengthen their position, companies must be able to effectively respond to environmental influences, seize opportunities and develop strategies that reflect their market potential. The concept of competitiveness is approached through selected strategic models. These include competitive strategies according to Kotler, Porter and Ansoff. These models can help companies choose appropriate growth directions and identify optimal ways to capture the market.

In addition to effective strategies, it is equally important for businesses to understand the different types of environments in which they operate, namely the macroenvironment, meso-environment, and microenvironment. The macroenvironment consists of external factors that are largely beyond the control of the company but still affect its operations. These are defined using PESTLE analysis, which examines political, economic, socio-cultural, technological, legal, and environmental factors. The meso-environment includes market conditions that a company can partially influence through marketing tools. Analyses used in the meso-environment include Porter's Five Forces Analysis, which examines the current market position and benchmarking to compare the company's performance with its competitors. The microenvironment refers to the company's internal environment over which it has full control. Analyses such as McKinsey's 7S model, the 7P marketing mix, and the STP (segmentation, targeting, positioning) model are used to evaluate the company's internal strategy and market focus.

All of the above theoretical models are necessary for the analysis of competitiveness, and selected ones are applied in the practical part of the thesis. The purpose of the practical part is to transfer this theory to the analysis of a real company and evaluate its position in the competitive wellness market. The theoretical part provided the basis for interpreting the collected data and drawing relevant conclusions, which serve as final recommendations on how to strengthen the competitive position of the selected company.

II PRACTICAL PART

4 INTRODUCTION OF THE SELECTED COMPANY

The name of the company that will be analysed in this practical part is Saunový Ráj. This wellness centre falls under the CZ NACE code 96040, which includes activities related to physical well-being. It was established in 2013 in the small town of Holice in the Pardubice Region. At the time of its establishment, the wellness centre faced no direct competition and attracted a wide range of customers. However, with the gradual emergence of several competing sauna facilities, Saunový Ráj is constantly striving to maintain its quality and its strong position in the market (Czech Statistical Office, 2025).

The name Saunový Ráj can be translated into English as Sauna Paradise, which perfectly describes the essence of the business. The sauna area offers six different types of saunas, a cooling zone with an ice pool, a shared whirlpool, an outdoor terrace and a relaxation area with light refreshments. In addition to the saunas themselves, customers can also use massage services or rent a private whirlpool. Saunový Ráj is particularly known for its expertly conducted sauna ceremonies and thematic sauna nights led by experienced sauna masters, making it a standout in the wellness industry. Customers can come to the wellness centre every day from 10 am to 9 pm. Reservations are available only for massages and private whirlpool, while entry to the wellness centre is on a first-come, first-served basis. Given its relatively small capacity of 52 customers, the wellness centre often reaches full occupancy during winter.

4.1 McKinsey 7S analysis

This analysis examines seven key internal elements that contribute to an organisation's success. The information provided is based on an interview with the owner of the company, insights from the company's website and the author's observation.

4.1.1 Strategy

The strategy of Saunový Ráj is to offer customers an extraordinary wellness spa centre for perfect relaxation, the environment of which affects all the senses and relaxes the body and mind. The key factor is the satisfaction of customers, who are regularly surveyed about their satisfaction with the services provided. Based on this, the company tries to improve and innovate its services. Employees also play an important role in the company, where great emphasis is placed on quality customer service.

4.1.2 Structure

The company operates as a small, family-owned business, which allows for flexible decision-making and close management supervision. The organisational structure is relatively flat, with the manager (owner) partially involved in daily operations. Employees work in specialised positions such as receptionists, cleaners, sauna masters and masseurs. In the event of technical faults, an external worker is called into the facility.

4.1.3 Systems

The operational systems at Saunový Ráj are designed to run smoothly and ensure a pleasant customer experience. The receptionists arrive an hour before opening time to prepare everything for the first customers. This preparation includes, in particular, turning on the saunas, setting up lighting and music. It is also necessary to replenish refreshments and handle all administration tasks, such as checking the massage schedule or informing customers via social media about events for the specific day. Once everything is ready, the receptionist can welcome the first customers. They can purchase a single entry for a minimum of two hours or use a loyalty card, which allows for shorter visits. If some customers visit the wellness centre for the first time, they will receive introductory information about the facility, including sauna etiquette, hygiene, and available services. Children under 15 years of age are permitted entry with a responsible person until 5 pm. Saunový Ráj has a reservation system that allows customers to book massages by phone or in person at the reception. Payments can be made in cash or with a debit or credit card. The wellness centre also accepts some benefit vouchers.

4.1.4 Style

The overall style of Saunový Ráj focuses on professionalism and a friendly atmosphere, reflecting its family character. The business strives to engage customers positively, ensuring that every visitor feels welcome from the moment they enter. Employees are encouraged to interact with customers in a friendly and attentive manner, inquiring about their satisfaction and potential service improvements. The wellness centre has a relatively large base of loyal customers, which contributes to a friendlier and inviting atmosphere. A calm and friendly workplace benefits both customers and employees, ensuring that everyone feels comfortable and satisfied with the overall service.

4.1.5 Skills

All employees of Saunový Ráj have the appropriate knowledge and qualifications. The sauna masters must have relevant experience in sauna use. If the company sees their potential, it will provide them with training from a professional sauna masters. For masseurs, it is important not only to complete the course but also to emphasise the correct technique and quality of the massage. Receptionists, on the other hand, must be familiar with the internal system and know about proper customer service. It is essential that they also have organisational skills and be responsive, especially during busy periods. Given the relatively small size of the company, adaptability and teamwork are essential qualities of employees.

4.1.6 Staff

Saunový Ráj operates as a family-owned wellness centre, which allows for a well-coordinated team. The manager (owner) of the company oversees all the employees and is responsible for handling supplier relationships and ensuring the facility runs smoothly. Most employees are receptionists, employed full-time, handling customer service while assisting with light cleaning duties. Their work is structured into 7-hour shifts, divided into morning and afternoon rotations. There are always two receptionists on each shift. For the main cleaning, the company employs two cleaners responsible for maintaining hygiene throughout the facility. Massage services are provided by freelance masseurs, who work based on pre-booked appointments. There is also a freelance technician who is available in the event of an accident. Saunový Ráj also has some part-time employees, especially sauna masters, who have irregular 3-hour evening shifts and some receptionists who assist during busy periods. This flexible staffing structure ensures that Saunový Ráj provides its customers with a seamless and relaxing experience.

4.1.7 Shared values

The core values of Saunový Ráj are well-being, relaxation and customer satisfaction. Great emphasis is placed on professionalism, hospitality and attention to detail. All employees have a customer-oriented attitude and ensure every customer has a pleasant and relaxing experience. Employees strive to provide a high standard of service by continuously improving their skills and knowledge of wellness practices. Based on employee interviews, they are highly motivated and recognise how important it is to make customers feel in a relaxing and pleasant environment. These shared values make Saunový Ráj trustworthy and popular in wellness resorts.

4.2 Marketing mix analysis

Marketing mix examines key elements that contribute to a business's success, including Product, Price, Place, Promotion, People, Processes, and Physical Evidence. This analysis evaluates how Saunový Ráj applies these principles to maintain its position in the wellness industry. The findings are based on insights from an interview with the owner of the company and the author's participant observation.

4.2.1 Product (service)

Saunový Ráj offers six saunas, including a salt, mint and herbal steam sauna, two Finnish saunas, and a honey sauna. In addition to the saunas, the facility includes a Kneip's path, a cooling zone with an ice pool, a whirlpool, a terrace with relaxing loungers and relaxation rooms. In the relaxation room, customers can order refreshments via tablet, including sandwiches, quiches, desserts, and a wide range of drinks. The price of admission also includes sauna ceremonies, led by experienced sauna masters, which occur several times a week. For those looking for more privacy, a private whirlpool for two is available for rent. Saunový Ráj also offers various types of massages. Vouchers for massages or for the wellness centre itself can be purchased in the online store or at the reception. For a better sauna experience, customers can buy additional wellness products at the reception, such as scrubs, towels, aromatic oils or sauna caps.

4.2.2 Price

Saunový Ráj offers various price options for its services to satisfy the different preferences and needs of its customers. To enter the sauna area, the customer can choose from several time options, with the shortest possible time being two hours, which costs 380 CZK for an adult. Children aged 2 to 14 have a 50% discount on the adult admission fee. Customers also have the opportunity to take advantage of loyalty cards, which allow them to receive a 10% bonus when depositing 3,000 CZK or more. Customers receive a free sarong upon entry, but towels are available for an additional charge of 20 CZK. Massage services are also available at a price range from 450 CZK to 1,890 CZK, depending on the type of massage and its length. Saunový Ráj also offers gift vouchers and special tickets for themed sauna nights, which occur once a month. The admission fee for the sauna night is 890 CZK and includes reserved entry, priority access to sauna ceremonies, and free water and fruit. (the wellness centre website, 2025).

4.2.3 Place

The selected wellness centre is located on the outskirts of Holice, in the Pardubice Region. The location is easily accessible, making it suitable for both residents and visitors from surrounding areas. Holice is a smaller town, but its proximity and road access from Pardubice and Hradec Králové ensure a constant flow of customers looking for quality wellness services. For customers arriving by car, there is a small parking lot directly at the property. In case of occupancy, customers can park in the adjacent parking lot for a small fee. The wellness centre is also accessible by public transport, with the nearest bus stop within walking distance. However, most customers commute to the wellness centre by car.

4.2.4 Promotion

Promotion plays a key role in maintaining the interest of regular customers and attracting new ones. The selected wellness centre relies primarily on its official website, where customers can find basic information including opening hours, a price list and an overview of available services. However, for up-to-date information, the wellness centre actively uses its Facebook page, which provides details about daily sauna ceremonies, special events and general news. Saunový Ráj also has its own Instagram account, but it is not as active there as on Facebook, which is also reflected in the low number of followers. In addition to these information sources, Saunový Ráj has its own mobile application that offers a list of upcoming sauna ceremonies several weeks in advance. The application also provides information on the current capacity of the wellness centre and available massage dates, allowing customers to plan their visits more efficiently.

4.2.5 People

The staff plays an important role at Saunový Ráj, as they are the ones who directly communicate with customers and influence their overall experience. The wellness centre places great emphasis on professionalism, friendliness and customer-oriented service to make visitors feel welcome from the very first moment. The staff includes receptionists, sauna therapists and masseurs. Receptionists are responsible for welcoming customers, making massage reservations, doing minor cleaning and preparing refreshments. The sauna masters perform sauna ceremonies to enhance the sauna experience, and the masseurs can provide a variety of massages for customers.

4.2.6 Processes

Saunový Ráj offers customers several ways to contact them, including phone, email and social media. The most reliable option is to call directly or come to the reception in person, ensuring quick responses to questions. Massage services or private wellness require a reservation in advance, which can be done by phone or at the reception. Upon arrival, customers pay for their chosen time in the wellness at the reception, either in cash, by credit card, benefit vouchers or a loyalty card. The customer will receive a locker number, sarong or towel from the receptionists. If it is their first time at Saunový Ráj, the receptionist will give them all the necessary instructions on the general operation of the wellness centre. When leaving the wellness centre, the customer then throws the sarong and towel into the laundry basket and hands in their locker number at the reception. The receptionist will check whether the customer has any additional charges, e.g. for refreshments or exceeded minutes, that need to be paid. After the financial settlement, the customer is asked about their satisfaction with the wellness services, as customer feedback plays an important role for Saunový Ráj.

4.2.7 Physical evidence

Since the selected wellness centre is located in an industrial area, the outdoor environment is not very welcoming. However, the indoor environment and the quality of services are more important for most customers than the first impression of the outdoor environment itself. The entire indoor environment is decorated in calm brown shades, which is underlined by subtle lighting in the form of LED strips. Thanks to this, the wellness area is not too illuminated and provides customers with some privacy. The relaxing and pleasant atmosphere of the entire facility is also completed by the relaxing music that plays in soft tones in the saunas. The changing room has lockable code lockers, a changing cabin and powerful hairdryers. Shared showers are stocked with soap, and the newly renovated toilets add to the overall comfort. The wellness area itself has well-placed individual zones, which provide customers with peaceful relaxation. The attention to detail enhances the luxurious and peaceful experience that Saunový Ráj aims to offer its customers.

4.3 STP analysis

The selected company will use the STP model to categorise its customers into segments based on their specific characteristics. The most profitable segments will be targeted to ensure business sustainability and customer satisfaction. Positioning strategies will be used to differentiate Saunový Ráj from competitors and strengthen brand perception in the wellness market. This analysis is based on the interview with the owner and participant observation by the author of this thesis.

4.3.1 Segmentation

Saunový Ráj serves a diverse clientele, but its customers can be segmented by various characteristics such as age, lifestyle and motivation to visit the wellness centre.

The first segment consists of regular customers who visit the wellness centre frequently, even several times a week. These are usually middle-aged people, especially men, but also couples who prefer wellness and relaxation in their daily lives. The second segment is made up of older customers, typically aged 50 and over, who visit the wellness centre mainly for relaxation and health benefits. The third segment includes younger customers, especially young couples who visit Saunový Ráj occasionally, either to relax after work or as part of their active lifestyle. In addition, there is a segment of families with children who visit the wellness centre mainly in the morning, and then a segment of private clients who use the private whirlpool for more intimate relaxation experiences.

4.3.2 Targeting

Saunový Ráj focuses primarily on attracting regular customers, as they represent the most stable source of income. This group is made up of mostly middle-aged men who are motivated to return through loyalty programmes, quality service and a pleasant atmosphere. Younger customers are also an important target group that the wellness centre would like to target more. The attractiveness of the wellness centre and wellness trends has a great influence on this generation. They are attracted to the wellness centre mainly through social media, promotions and themed sauna nights. Special offers and discounts for students could further strengthen their loyalty. The third target group is families with children, whom Saunový Ráj focuses on by regularly organising children's sauna sessions.

4.3.3 Positioning

Saunový Ráj operates in a very competitive wellness services market where differentiation is important to attract and retain customers. While some competitors focus on large-scale facilities and premium services, Saunový Ráj presents itself as a more intimate and affordable wellness centre with an emphasis on customer comfort and relaxation. Another key positioning factor is its themed sauna nights, led by qualified sauna masters, which provide customers with an extraordinary experience. Despite the wide range of services offered, the business offers very affordable prices to customers. While competitors often favour luxury and exclusivity, Saunový Ráj sets itself apart from the competition by maintaining its values and appealing to customers looking for a balance between quality service and affordable prices.

4.4 Analysis of the competitive strategies

The selected wellness centre will be analysed using the competitive strategies by Porter, Kotler and Ansoff, with insights from interviews with the owner of the company and direct observations. These analyses will provide a comprehensive understanding of the competitive environment, the company's strategic approach, and its potential for future growth.

4.4.1 Analysis of the selected company by Porter

According to Porter's Five Forces, the selected wellness centre faces moderate competition, with the threat of new entrants increasing in recent years. However, the wellness centre focuses on differentiation by offering unique, quality services such as professionally conducted sauna ceremonies and themed sauna nights. Unlike large commercial wellness centres, Saunový Ráj place emphasises a more friendly and intimate atmosphere. This strategy helps the company maintain a loyal customer base while differentiating itself from competitors who often offer more generic wellness experiences.

4.4.2 Analysis of the selected company by Kotler

From the perspective of Kotler's competitive strategies, Saunový Ráj can be classified as a Market Follower as it follows the trends set by market leaders and focuses on maintaining a strong position by offering competitive services without having to make decisions on innovation or pricing. While the company's pricing strategy is competitive, it is largely influenced by its competitors, and the company focuses on maintaining a loyal customer base rather than significant differentiation.

4.4.3 Analysis of the selected company by Ansoff

Based on Ansoff's Matrix, Saunový Ráj employs a market penetration strategy. The selected wellness centre focuses on strengthening its position in the existing market within its region by retaining existing customers and attracting new ones from its competitors. This strategy aims to increase the wellness centre's market share by offering quality services, competitive prices, and regular maintenance and improvements. It also allows the wellness centre to maintain a strong position in a competitive market while increasing its growth potential.

5 THE MAIN COMPETITORS OF THE SELECTED COMPANY

In this part of the thesis, selected competing companies will be introduced. Saunový Ráj faces competition from wellness centres located especially in Hradec Králové, including Saunový svět Tropicana, Saunyx, Saunia and Salori. The last competitor mentioned in this thesis is Hotel Jezerka near Seč, which, despite its greater distance, represents strong competition. These competitors have established themselves in the market by providing similar services.

5.1 Saunový svět Tropicana

Saunový svět Tropicana located in Hradec Králové is reminiscent of Saunový Ráj in its environment. This wellness centre offers nine different saunas, a cooling zone with a pool, relaxation rooms, whirlpools and an outdoor terrace. In the relaxation room, customers can order refreshments electronically via a tablet, just like in Saunový Ráj. In addition to the main wellness centre, there is also a private wellness zone with a whirlpool and an infrared sauna. In the winter months, the wellness centre offers sauna ceremonies once a week, which are not as popular as those of its competitors. The basic admission fee is 329 CZK for 1.5 hours, and the all-day admission fee is 549 CZK. Season tickets and gift vouchers are also available. The wellness centre has a capacity of up to 100 people and offers a large parking lot, which is available free of charge (wellness centre website 2025).

5.2 Saunyx

Saunyx is located on the roof of a factory with a view of Hradec Králové. It is 23 km from Saunový Ráj. Compared to the other competitors mentioned, Saunyx is one of the smallest. For the public, it offers an area with only three types of saunas. For private rental, it offers three different sections with a sauna and a whirlpool. Despite its small size, it is still a big competitor for other wellness centres in the area, including Saunový Ráj, mainly thanks to a qualified team of sauna masters, including those who have succeeded in the world championship. The basic admission fee is 260 CZK per hour, which is sufficient for many customers given the small number of saunas. For two hours, the price is 380 CZK, which is identical to Saunový Ráj. There is also a membership card on offer, with which customers get 10% cheaper admission. Compared to other wellness centres, Saunyx has significantly shortened opening hours. It is open every day from 5 p.m. to 10 p.m., except from July to September when the public part is closed (wellness centre website 2025).

5.3 Saunia – Orlice park

Saunia in Hradec Králové is a modern wellness centre in the OC Orlice shopping mall, located 21 km from Saunový Ráj. As a branch of a well-known franchise, it offers five different saunas and two relaxation rooms. The wellness centre itself is stylish and modernly furnished. Although it is located in a shopping mall, it provides customers with complete relaxation and plenty of privacy, even in well-separated showers. The wellness centre also includes a large relaxation room with a bar where customers can order bottomless sodas and light meals. Saunia offers a wide range of sauna ceremonies, with up to 10 ceremonies per day. The only thing missing for perfect relaxation is an outdoor terrace and a whirlpool. The admission fee is significantly more expensive than the competition, starting at 489 CZK for a basic 2-hour entry. However, loyalty card holders have admission 50 CZK cheaper. To attract new customers, Salori offers the first entry for free, subject to registration and a credit top-up of 300 CZK (wellness centre website 2025).

5.4 Salori

The wellness centre Salori is located outside Hradec Králové, 26 km from Saunový Ráj. It is one of the most modern and attractive wellness centres in the area, where customers can enjoy a unique experience. It offers a wide range of services, from massages to various courses or themed sauna evenings. What makes it different from its competitors is its fully outdoor complex, with six outdoor saunas, a cooling pond and a garden restaurant. In addition, Salori also offers the option of accommodation in their palatial rooms or in a private garden with its own whirlpool, sauna and outdoor pool. However, for all these services, the customer must pay significantly more than in other wellness centres. The cheapest possible admission fee is up to 4 hours for 980 CZK, which can be too much for many people. Due to its pricing, Salori does not have many regular customers compared to the competitors mentioned in this thesis. It mainly attracts customers from the wider area who occasionally indulge themselves in this experience (wellness centre website 2025).

5.5 Hotel Jezerka

Hotel Jezerka is the furthest competitor of Saunový Ráj. Despite being almost 50 km away, it is one of its main competitors. Hotel Jezerka is a four-star hotel complex with an outdoor and indoor pool, congress halls and a restaurant, located in a quiet natural area by the Seč dam. It also includes a wellness centre, which is in an adjacent connected building. The

wellness centre is characterised by being one of the most modern in the Czech Republic. It has eighteen sections, including three private sections for rent, making it one of the largest wellness centres among the mentioned competitors. There is a bar with refreshments, an outdoor terrace with a cooling pool and a whirlpool, and a Kneipp path. Various massages and cosmetics are also on offer. The wellness centre is open to both accommodated guests and the public. However, accommodated guests have a more favourable admission fee. The wellness centre offers only a 90-minute entry. If this time is exceeded, individual minutes are then added. The cheapest admission fee for the public is 350 CZK, which is only valid from Monday to Friday. On weekends, the admission fee increases to 480 CZK. With this pricing strategy, the wellness centre aims to spread traffic across individual days and times more effectively. Unlike the mentioned competitors, this wellness centre is only accessible to people over 15 years of age. Moreover, the wellness centre has shorter opening hours compared to its competitors. From May to September, it is open from 1 p.m. to 10 p.m. and from 10 a.m. in other months (wellness centre website 2025).

6 SELECTED STRATEGIC MARKETING ANALYSES

This chapter focuses on analysing the chosen company using the PESTLE analysis for its macroenvironment. Additionally, the meso-environment will be examined through benchmarking analysis. The insights and data from the entire analytical section of the thesis will then be integrated into a SWOT analysis. Using these frameworks, the aim is to gain a comprehensive understanding of the selected company's business environment and identify potential opportunities for growth and improvement.

6.1 Meso-environment analysis

The meso-environment of the selected company represents the competitive environment and external forces that directly affect its operations. Benchmarking analysis will be conducted to assess these factors. These analyses are based on interviews with the owner and internal company documents.

6.1.1 Benchmarking

The selected company will be analysed through benchmarking, comparing it with competitors selected based on various criteria. The identified competitors include Saunový svět Tropicana, Saunyx, Saunia, Salori and Hotel Jezerka.

There are several criteria that have been established to compare the selected company with its competitors. Each criterion is assigned a specific weight, and the companies will be evaluated on a scale from 1 to 5, with 1 representing the lowest evaluation and 5 the highest. A rating of 0 is given if the service was not offered at all. The selected criteria will be described below and presented in Table 4 Benchmarking.

Portfolio of services

This criterion examines the variety of additional wellness services provided by individual competitors. This includes massage, whirlpool, themed sauna events, accommodation options and private wellness. The presence or absence of these services in selected wellness centres is summarised in Table 2.

Table 2 Comparison of wellness services

	Massages	Whirlpool	Sauna events	Accommodation	Private wellness
Saunový Ráj	YES	YES	YES	NO	YES
Tropicana	YES	YES	NO	NO	YES
Saunyx	NO	NO	YES	NO	YES
Saunia	NO	NO	YES	NO	NO
Salori	YES	NO	YES	YES	YES
Hotel Jezerka	YES	YES	NO	YES	YES

(source: own elaboration)

Table 2 shows that Saunia, despite its popularity, does not offer enough additional services that may be important for some customers. These findings will be considered in Table 4 Benchmarking.

Prices

Table 3 compares the lowest prices offered by the selected wellness centre and its competitors. Saunia and Hotel Jezerka have variable pricing based on the time of day and day of the week. This strategy is effective in attracting customers during off-peak hours. Salori offers its cheapest 4-hour entry, which may be a disadvantage for customers seeking a shorter and cheaper visit. On the other hand, Saunyx offers the shortest possible stay and at the same time the cheapest price option, although it offers the smallest selection of saunas.

Table 3 Comparison of prices

	Basic admission fee	Full-day admission	Extra time to change clothes
Saunový Ráj	380 CZK / 2 hours	750 CZK	+ 15 minutes
Tropicana	329 CZK / 1.5 hours	549 CZK	+ 15 minutes
Saunyx	260 CZK / 1 hour	460 CZK	+ 15 minutes
Saunia	489 CZK / 2 hours	619 CZK	Not available
Salori	980 CZK / 4 hours	1.700 CZK	Not available
Hotel Jezerka	350 CZK / 1.5 hours	800 CZK	+ 10 minutes

(source: own elaboration)

Table 3 shows that Salori has significantly more expensive admission fees compared to the other selected wellness centres. While Saunový Ráj with Tropicana belong to the most affordable wellness centres. However, all of them differ significantly in terms of services, atmosphere and target customer group.

Location

The accessibility of the wellness centre plays an important role in the customer's choice. Saunový Ráj is located on the outskirts of the town of Holice, in a location that is very accessible to customers from surrounding towns, such as Vysoké Mýto or Choceň. Competitors from larger cities such as Hradec Králové can attract more customers due to better accessibility. On the other hand, there are customers for whom the quality of services is more important than accessibility. Therefore, they often prefer more remote and quiet places, such as Hotel Jezerka, for better relaxation.

Table 4 will assess not only the distance and accessibility from Saunový Ráj to its competitors but also the location characteristics. This includes whether the wellness centre is located in a busy city centre, where space for an outdoor area may be limited, as in the case of Saunia and Saunyx, or outside the city where is a large outdoor area and a quiet environment but worse transport accessibility, as in the case of Salori or Hotel Jezerka.

To better understand where the selected wellness centre is located in relation to the competition, Figure 5 presents a map indicating their geographic location.

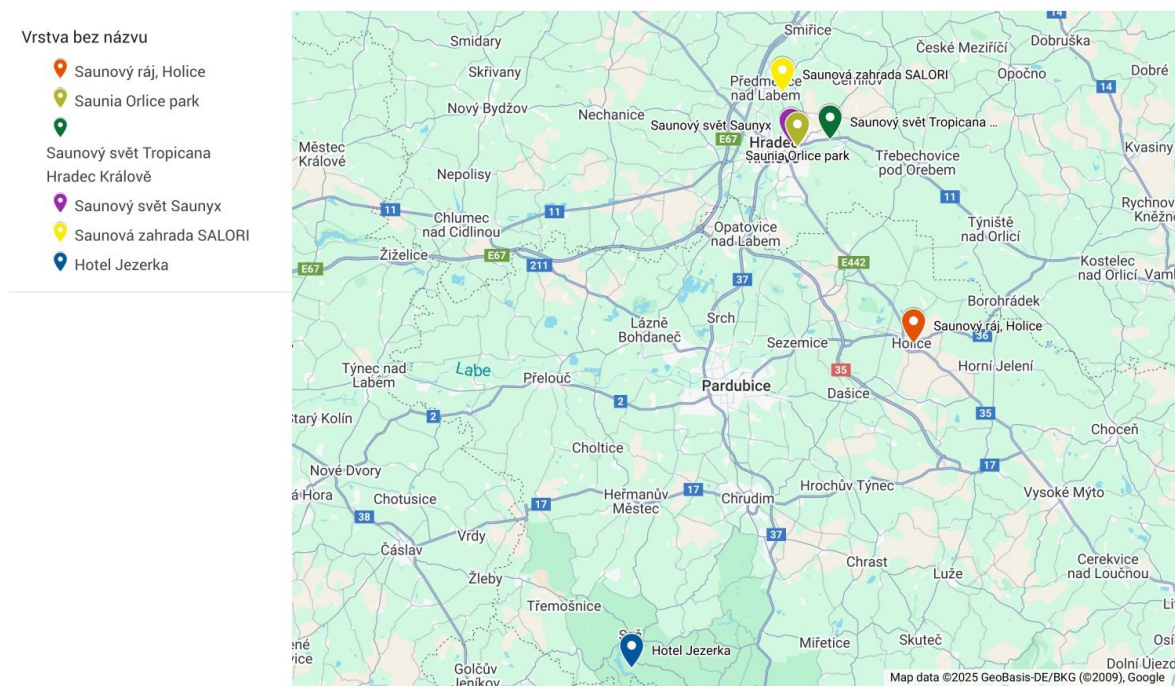


Figure 5 Geographical location of the selected wellness centre and its competitors

(source: own elaboration)

Capacity

This criterion assesses how effectively a given wellness centre can manage customer service when operating at full capacity. It also considers whether facilities like showers and changing rooms are appropriately sized to comfortably accommodate all customers or whether the number of parking spaces is sufficient for the wellness centre's capacity. Saunový Ráj has a significantly limited capacity compared to its competitors, which often leads to reaching its maximum capacity during the high season. This limitation results in frequent overcrowding of the facility and waiting times at the entrance, reducing customer comfort and overall experience. Table 4 assesses how effectively individual wellness centres manage their capacity, whether they tend to be overcrowded, or if their space remains unused.

Hygiene

Maintaining high hygiene standards is important for customer satisfaction and health safety. Saunový Ráj prides itself on cleanliness and regularly maintains its facilities, as do most of its competitors. However, larger commercial wellness centres such as Saunia often have more problems with maintaining these standards due to their space and higher number of customers compared to smaller wellness centres. Regardless of size, all wellness centres struggle to keep facilities spotless during peak hours. Customers tend to judge cleanliness

primarily in showers and restrooms, though proper hygiene goes far beyond that. For example, maintaining the correct pH levels in pools and whirlpools. This is supported by asking customers to follow basic hygiene guidelines, such as proper usage of sarongs in wet saunas and showering before entering the pool.

Sauna ceremonies

Sauna ceremonies are a great addition to the overall relaxation in the sauna. For many customers, sauna ceremonies are an essential part of the services offered. However, not all wellness centres offer them. The quality of the ceremonies also plays an important role, which requires qualified and well-trained sauna masters. High-quality and thematic sauna ceremonies are an important additional service for wellness centres, which can significantly increase visitor numbers and awareness of a given wellness centre. Table 4 will evaluate not only the availability and frequency of sauna ceremonies at each wellness centre but also their quality and the overall experience they bring to customers.

Sales promotion

Sales promotion helps attract new customers and retain existing ones. Saunový Ráj uses limited promotional offers, while competitors such as Saunia often implement promotions, for example, in the form of competitions on social media for free admissions. Table 4 compares different sales promotion strategies of individual wellness centres and evaluates how they present themselves on social media, focusing on how effectively they reach their audience and promote their services.

Website

The websites of the selected wellness centre and its competitors are generally clear and provide all the necessary information about their services. Some websites are clearly arranged, while others are less so. However, some websites lack additional information about the current number of customers or additional services included in the price of admission. These factors will also be taken into account in the Benchmarking Table 4.

Reviews and ratings

Customer reviews and ratings, especially on platforms like Google, influence a wellness centre's reputation. Saunový Ráj has mostly positive reviews and, together with Salori, has the best score compared to its competitors, at 4.7 stars. On the other hand, Tropicana has the lowest score, with an average of 4.2 stars (Google Maps, 2025).

Table 4 Benchmarking

Criteria	Weight	Saunový Ráj	Tropicana	Saunyx	Saunia	Salori	Hotel Jezerka
Portfolio of services	0.2	4	3	2	1	4	4
		0.8	0.6	0.4	0.2	0.8	0.8
Prices	0.2	5	4	4	2	2	3
		1	0.8	0.8	0.4	0.4	0.6
Location	0.15	3	3	2	2	5	3
		0.45	0.45	0.3	0.3	0.75	0.45
Capacity	0.05	1	2	2	4	5	4
		0.05	0.1	0.1	0.2	0.25	0.02
Hygiene	0.1	5	3	4	4	5	5
		0.5	0.3	0.4	0.4	0.5	0.5
Sauna ceremonies	0.05	5	1	5	3	5	0
		0.25	0.05	0.25	0.15	0.25	0
Sales Promotion	0.1	3	2	4	5	5	4
		0.3	0.2	0.4	0.5	0.5	0.4
Website	0.05	4	2	4	5	5	4
		0.2	0.1	0.2	0.25	0.25	0.2
Reviews and ratings	0.1	4.7	4.2	4.6	4.5	4.7	4.5
		0.47	0.42	0.46	0.45	0.47	0.45
Total	1	4.02	3.02	3.31	2.85	4.17	3.42
Position	-	2.	5.	4.	6.	1.	3.

(source: own elaboration)

The benchmarking analysis revealed that the selected wellness centre Saunový Ráj ranked second among the selected competitors behind Salori, which remains the most attractive choice despite its higher prices. On the other hand, Saunia shares the lowest rating. The analysis shows that the selected wellness centre has a very good position among its competitors, but still has room for improvement.

6.2 Macroenvironment analysis

The macroenvironment consists of external factors that affect a company but are beyond its direct control. It is essential for Saunový Ráj to understand these factors, adapt to changing conditions and remain competitive. To assess the external factors influencing the company, the PESTLE analysis will be conducted.

6.2.1 PESTLE analysis

The PESTLE analysis examines political, economic, socio-cultural, technological, legal and environmental factors that can affect a company's performance. Implementing this analysis on the selected company can identify opportunities and threats resulting from the macroenvironment.

Political factors

The political environment can offer wellness centres various opportunities through subsidies to promote a healthy lifestyle, if they comply with certain regulations. These are primarily health and safety regulations, including hygiene standards, fire safety and employment laws. In addition, legislative changes can affect the working conditions of employees. Unforeseen political decisions can also occur, which can often negatively affect the operation of wellness centres. An example is the COVID-19 pandemic, when the government banned the operation of wellness facilities for several months in 2020 and 2021. Although it is impossible to avoid such adverse situations, it is essential for a wellness centre to monitor political factors and adapt to legislative changes.

Economic factors

The economic situation affects both the company's operating costs and customer demand. The Czech economy is expected to grow by 2.7% in 2025, with inflation stabilising at 2.2%. Real wages are expected to continue to grow, with the minimum wage set to increase by 10.1% to CZK 20,800 (Svaz průmyslu a dopravy České republiky 2025). These economic assumptions suggest that consumers will have higher disposable income, which could lead to increased spending on leisure activities such as wellness services. However, the expected wage increase may mean higher employee wage costs for the wellness centre. On the other hand, the increase in wages may lead to greater demand for more expensive wellness services, which presents an opportunity for Saunový Ráj to increase the price of its services or expand its offering.

Socio-cultural factors

Sauna has become a popular form of recovery in recent years, especially among athletes who benefit from it for muscle regeneration, but also as a form of relaxation for the general population who seek wellness services as a form of relaxation. Wellness services are also gaining popularity due to the influence of social networks and lifestyle trends, which influence and attract the younger generation. However, the older generation is more likely to visit Saunový Ráj, both from the surrounding area and from more distant places, such as Moravia or even Poland. Demographic trends, such as the ageing of the population, also provide an opportunity to offer services specifically to older customers, who can use the sauna for relaxation and health benefits.

Technological factors

Technological advances have the potential to improve operational efficiency and customer experience. At Saunový Ráj, considerable attention is paid to technical equipment. Whether it is the colourful lighting in the saunas, the sound equipment or the ordering system for refreshments via tablet. Saunový Ráj has a clear, sophisticated website with an online store. In addition, it also has its own application with a schedule of sauna ceremonies and massages and current capacity. Moreover, focusing on digital marketing strategies, including social media and search engine optimisation, would attract more customers.

Legal factors

All wellness centres must comply with labour laws and strict health and safety regulations to ensure a safe environment for customers. To increase customer safety, Saunový Ráj has installed a security camera in the changing room to prevent thefts, which have occurred in the past. However, placing a camera in areas where customers expect privacy can raise significant legal concerns. According to the Czech Ministry of the Interior, the operation of CCTV systems in such sensitive areas should be approached with caution to avoid violating the right to privacy. In order to meet legal requirements, the wellness centre must ensure that the CCTV system is justified and proportionate and that appropriate safeguards are in place. This includes informing customers about the monitoring and securing of recorded footage from unauthorised access. Customers can obtain this information from the receptionists and an information sign at the entrance to the changing room. (Ministerstvo vnitra České republiky 2009).

Ecological factors

The operation of a wellness centre is highly energy-intensive, which presents a sustainability challenge. It is therefore advisable to look for ecological alternatives. One of the key green initiatives of Saunový Ráj is the installation of several solar panels on the roof, which generate a significant portion of the electricity needed, mainly for heating the saunas. This investment reduces dependence on conventional energy sources, reduces operating costs and minimises the company's carbon footprint. Thanks to the “*Nová zelená úsporám*” project, the company also received a subsidy from the state for this investment. Another ecological activity of Saunový Ráj is the bins for sorted waste, namely for BIO, plastic, paper and mixed. Customers use the plastic bin the most, as the wellness centre offers most cold drinks in plastic packaging (interview with the owner).

6.3 SWOT analysis

The SWOT analysis of the selected wellness centre is based on data gathered through various research methods, including interviews with the owner of the company and direct observations. The SWOT analysis of the selected wellness centre is represented in Table 5.

Table 5 SWOT analysis of the selected wellness centre

Strengths	Weaknesses
• Pleasant environment • Affordable prices • High-quality services • Regular special sauna events • Constant innovation and maintenance	• Insufficient capacity • Small parking lot • Lack of privacy • Short voucher validity period
Opportunities	Threats
• Improvement of promotional strategies • Innovations and area expansion • Increase in wellness trends • Economic growth	• Increase in strong competitors • Many wellness centres close together • Seasonal fluctuations • Increase in operating costs and inflation rate

(source: own elaboration)

The **strengths** of the selected wellness centre include a pleasant and cosy, relaxing environment that provides a better experience for customers. Affordable prices are also an important factor, making Saunový Ráj more accessible to a wide range of customers while maintaining quality services. The selected wellness centre is known for its special thematic sauna events that attract sauna enthusiasts. Moreover, regular innovation and maintenance keep the wellness centre clean and welcoming.

The selected wellness centre also faces several **weaknesses** that can negatively affect customer satisfaction. One of the most significant weaknesses is the lack of capacity, which often leads to overcrowding, especially in high season. It usually happens that customers have to wait in queues at the reception until a place becomes available. The lack of capacity is also related to the parking area, which is designed for only twelve cars. Other customers have to park in a nearby paid parking lot or along the street, as the outdoor areas of Saunový Ráj do not allow for the possible expansion of parking spaces. In addition, there is a lack of privacy, as changing rooms and showers are shared between men and women, which can discourage some customers. The last major weakness is the short validity period of vouchers, which customers often note in Google reviews.

In terms of **opportunities**, innovation and expansion of facilities, especially changing rooms and showers, would increase privacy, overall capacity of the wellness centre, and prevent overcrowding. Improving promotional strategies through social media and online marketing could help attract new customers, especially the younger generation. Raising awareness about wellness could also attract new customers. In addition, economic growth could lead to higher disposable incomes, and people could indulge in these wellness services more often.

The **threats** that Saunový Ráj faces are mainly the increase of strong competition, especially in larger cities such as Hradec Králové, which could distract both potential customers and regular ones. Given the high density of wellness centres in the region, differentiation is therefore important to maintain a competitive advantage. One of the last threats mentioned is the profitability of the company, which may be affected by rising operating costs, including energy expenses and employee wages. Profitability can also be affected by seasonal fluctuations, particularly in the warmer months when the number of customers is significantly lower.

7 SUMMARY OF THE ANALYTICAL PART

The microenvironment of Saunový Ráj was analysed using the McKinsey 7S framework, 7P marketing mix and STP analysis. The findings indicate that although the selected wellness centre has a stable foundation, expanding its service offering and better promotion could attract new customers while retaining the existing ones.

Kotler's competitive analysis identified Saunový Ráj as a Market Follower that primarily follows wellness trends. Porter's analysis revealed differentiation as a key focus, with unique sauna ceremonies and a well-maintained environment as the main differentiators. Using the Ansoff model, it was found that Saunový Ráj uses a market penetration strategy and relies on existing services in an established market.

The macro environment was examined using a PESTLE analysis, which showed that unexpected political decisions, such as strict regulations, can negatively affect both the business and its customers. Economic factors, such as rising operating costs, also affect the business. Fluctuating disposable income can affect the level of attendance. As for socio-cultural factors, it turned out that the growing trend makes wellness more attractive to a wider range of society. Technological progress and the possibilities of digital marketing remain unused to a certain extent, which represents an area for growth. Legal aspects, including new labour and safety regulations, also affect operations. Environmental factors result in a significantly high energy consumption, which the selected wellness centre significantly mitigates with installed solar panels.

The meso-environmental analysis was examined using benchmarking analysis, where Saunový Ráj was compared with its competitors based on several criteria. After applying all criteria, Saunový Ráj ranked second among its competitors, leading to a high market position. Competitor Salori has a competitive advantage due to a more attractive environment, better promotional activities and additional services.

The last analysis performed was a SWOT analysis, which highlighted several strengths of the selected wellness centre, including high-quality and affordable services, unique sauna ceremonies, cleanliness and a cosy environment. However, weaknesses that negatively affect customer satisfaction and competitiveness were also identified. These include insufficient capacity, lack of privacy, limited parking space, or short voucher validity period. Opportunities exist in promotional strategies, facility modernisation and innovation and taking advantage on the growing wellness trend. On the other hand, the increasing number of competitors, rising costs and seasonal fluctuations represent potential threats.

All analyses conducted have shown that the selected wellness centre has a strong competitive position in the wellness industry, primarily due to its well-maintained facilities, unique sauna ceremonies, and competitive prices.

8 RECOMMENDATIONS

Based on the results of the practical part, several recommendations can be proposed. Among the most important weaknesses of the selected wellness centre are insufficient capacity and privacy, which are addressed in separate subchapters with several recommendations for improvement. The third subchapter presents additional, smaller yet significant recommendations that could have a positive impact on the customer experience. These recommendations could improve the competitiveness of the selected company and its competitive position on the market.

8.1 Capacity

The most fundamental issue is the insufficient capacity of the wellness centre, leading to frequent overcrowding, which significantly reduces the comfort of customers. When the wellness centre was established, the expected number of customers was around 25 people per day. Based on this, the company also adapted all the spaces. Over time, the number of customers gradually increased. Currently, the wellness centre is visited by up to 250 customers per day, with a maximum capacity of 52 customers. This high demand is a positive indicator of business success. However, the facility is not equipped to handle such a large number of customers, resulting in queues and frequent complaints in customer reviews. Since expanding the facility is not a suitable option due to space constraints, alternative solutions should be considered.

One alternative is to reduce the maximum capacity, which will prevent an overcrowded facility and dissatisfied customers. Still, on the other hand, it will have a negative impact on the company's profit.

Another alternative option could be the introduction of a time-based price list, similar to those used by competitors like Saunia or Hotel Jezerka. By applying this price model, admission fees could vary throughout the day, with lower rates in the morning and higher rates in the evening. This would help regulate customer flow and reduce overcrowding during peak hours. In addition to the time-based price list, implementing a seasonal pricing strategy with reduced admission fees during the off-season in the summer or higher rates during the peak season in winter could optimise the company's revenue and balance customer flow throughout the year.

8.2 Privacy

Shared changing rooms and showers for men and women are a significant source of discomfort and lack of privacy for many customers. Even with limited space, the management of the selected wellness centre is considering dividing the existing shared showers into male and female sections. There are also plans to expand the changing rooms. However, this will require a complete reconstruction, with significant financial costs. On the other hand, it can significantly improve customer comfort.

Since this reconstruction is planned for about 10 years, Saunový Ráj could mitigate this problem by organizing women-only days. After its first successful Ladies' Night, which attracted great demand, Saunový Ráj could take the opportunity to target women more often with similar events in the future.

8.3 Other recommendations

- **Voucher validity**

One of the problems often mentioned in customer reviews of Saunový Ráj is the relatively short validity period of the gift vouchers, which is six months. While this validity period may seem reasonable from a business perspective, many customers find it restrictive, especially due to seasonal restrictions or unforeseen circumstances such as illness. These factors can delay their visit and cause the voucher to expire, leading to dissatisfaction and even a negative perception of customer service. Extending the voucher validity period to twelve months would give customers more flexibility. It is change that does not require large costs and can help improve customer satisfaction.

- **Online card payment option for the online store**

The online store of Saunový Ráj currently allows customers to pay for gift vouchers only by bank transfer or in person at the reception. These options may not suit the majority of modern consumers who expect fast, secure and convenient online payments via credit or debit cards. Introducing online card payments in an online store is a crucial step towards modernising the shopping process. The implementation of this system requires an initial investment of up to 10,000 CZK, depending on the provider. The provider then charges around 2% for each transaction. However, these costs are manageable for the selected company, in exchange for a significant increase in convenience for both customers and the company's management.

- **Free towel**

Most competitors of Saunový Ráj offer free towel service. It is a service that aligns with industry standards and increases overall customer satisfaction and comfort. Currently, customers are required to bring their own towels or rent them for an additional fee, which may create a negative impression on some customers. To implement this service, the wellness centre would need to purchase another industrial washer and dryer, which would require financial costs of up to half a million Czech crowns. The costs also include the purchase of at least 100 towels, assuming that the purchase price of a towel is 150 CZK. To manage costs, this service could be integrated into a slightly modified price list.

- **Social media**

Although Saunový Ráj maintains an active social media presence, its current content strategy does not sufficiently align with the latest trends, which limits the ability to engage and attract a younger generation to the wellness centre. In today's digital environment, visually appealing content that resonates with the younger generation's lifestyle and preferences is the trend. To achieve this, Saunový Ráj should consider incorporating short videos (Reels) focusing on behind-the-scenes content, wellness tips, or sauna ceremony promotions. Interactive Instagram stories (polls, Q&A) and sharing thematic content related to sauna ceremonies or seasonal events can increase follower engagement as well.

CONCLUSION

The competitive environment in the wellness industry is constantly evolving, not only in large cities but also in more remote areas. The growing interest in wellness services presents an opportunity to attract a wide range of customers. However, a company must constantly maintain its competitiveness in order to be successful in the market.

The main aim of this bachelor's thesis was to evaluate the competitiveness of the selected company, Saunový Ráj, in comparison with its competitors in the region. The theoretical part describes the concept of competitiveness and provides an overview of the competitive strategies of Porter, Kotler and Ansoff. There was also a focus on marketing environment analysis, which was a key to the identification of threats and opportunities in a competitive market. Tools such as PESTLE analysis, Porter's Five Forces, McKinsey 7S, marketing mix (7P), STP analysis and SWOT analysis were used to examine the macro, meso and microenvironment of the company.

The practical part applied some of these tools to the real environment of the selected company. The microenvironment of the selected wellness centre was examined using McKinsey 7S analysis, where seven key internal factors that contribute to the company's success were evaluated. Furthermore, a 7P marketing mix analysis and STP analysis were performed, which categorised its customers into different segments. Finally, competitive analyses were performed according to Porter, Kotler and Ansoff. The meso-environment was examined using benchmarking, where the selected wellness centre was compared with its competitors, based on several criteria. PESTLE analysis was used to assess the macroenvironment. Finally, the strengths and weaknesses of the selected wellness centre were identified, along with opportunities and threats, through SWOT analysis.

Based on the results of the analyses, several recommendations were proposed to improve the competitiveness of the selected wellness centre. The main problem identified was insufficient capacity, affecting not only the number of visitors, but also the comfort of customers in the changing rooms, showers and the sauna itself. Although spatial expansion is not currently feasible, limiting the number of customers or introducing a time-based pricing model could help reduce overcrowding. Another significant problem related to overcrowding is insufficient privacy. Dividing the showers into men's and women's could significantly prevent this problem. Saunový Ráj could also consider organising more wellness events for women only.

Other recommendations for improvement were identified that are easier to implement for the selected wellness centre. These include extending the validity of vouchers, introducing online card payments for the online store, or providing customers with free towels. It was also recommended to improve social networks, which currently lack trendy and attractive content and therefore do not have such an extensive reach and large number of followers.

This bachelor's thesis could be useful for the selected company, as there is currently no existing analysis on this topic. The proposed recommendations are realistic and could lead to improvements in the competitiveness of the selected company. Many of the mentioned recommendations do not require large financial costs, such as extending the validity of vouchers. However, some improvements, such as dividing showers for better privacy, require a larger financial investment, which must be carefully considered by the company.

BIBLIOGRAPHY

Books

- Bainess, Paul, Chriss Fill, and Kelly Page. 2013. *Essentials of Marketing*. Oxford: Oxford University Press.
- Barčík, Tomáš. 2013. *Strategický marketing*. 1st ed. Prague: Institute of Law and Legal Science.
- Burnett, John. 2011. *Introducing Marketing*. A Global Text.
- Dibb, Sally, Lyndon Simkin, William M. Pride, and O. C. Ferrell. 2019. *Marketing Concepts and Strategies*. 8th ed. Andover: Cengage Learning.
- Doyle, Charles. 2011. *A Dictionary of Marketing*. Oxford: Oxford University Press.
- Fotr, Jiří, Emil Vacík, Ivan Souček, Miroslav Špaček, and Stanislav Hájek. 2020. *Tvorba strategie a strategické plánování*. 2nd ed. Prague: Grada Publishing.
- Hayes, John. 2014. *The Theory and Practice of Change Management*. 4th ed. UK: Macmillan Education.
- Horáková, Helena. 2014. *Marketingové strategie*. Prague: Idea Service.
- Jakubíková, Dagmar. 2013. *Strategický marketing: strategie a trendy*. 2nd ed. Prague: Grada.
- Karlíček, Miroslav. 2018. *Základy marketingu*. 2nd ed. Prague: Grada.
- Kim, W. Chang, and Renée Mauborgne. 2016. *Blue Ocean Strategy*. USA: Harvard Business School Publishing Corporation.
- Kotler, Philip. 2007. *Moderní Marketing*. Prague: Grada.
- Kotler, Philip, and Gary Armstrong. 2021. *Principles of Marketing*. 18th ed. Harlow: Pearson Education.
- Kotler, Philip, and Kevin Lane Keller. 2016. *Marketing Management*. 15th ed. Boston: Pearson Education.
- Kozel, Roman, Lenka Mynářová and Hana Svobodová. 2011. *Moderní metody a techniky marketingového výzkumu*. Praha: Grada Publishing.
- Lamb, Charles W., Joseph F. Hair, and Carl McDaniel. 2018. *MKTG12: Principles of Marketing*. 12th ed. Boston: Cengage Learning.
- Lamb, Charles W., Joseph F. Hair, and Carl McDaniel. 2019. *MKTG*. 4th ed. Nelson Education Ltd.
- Lesáková, Dagmar. 2014. *Strategický marketing*. 1st ed. Bratislava: Sprint 2
- Perera, Rashain. 2017. *The PESTLE analysis*. 2nd ed. Avissawella: Nerdynaut.

Pride, William M., and O.C. Ferrell. 2016. *Marketing*. Boston: Cengage Learning.

Internet sources

Saunový ráj Holice. 2025. "Saunový ráj." Accessed January 30, 2025.

<https://saunovyraj.cz/>

Saunový svět Tropicana Hradec Králové. 2025. "Saunový svět Tropicana." Accessed January 30, 2025. <https://saunatropicana.cz/>

Saunyx Hradec Králové. 2025. "Saunyx." Accessed January 30, 2025. <https://saunyx.cz/>

Saunia. 2025. "Saunový svět v Orlice Park Hradec Králové." Accessed January 30, 2025. <https://www.saunia.cz/orlice-park-hradec-kralove/>

Salori. 2025. "Saunová zahrada." Accessed January 30, 2025. <https://www.salori.cz/>

Hotel Jezerka. 2025. "Wellness & SPA." Accessed January 30, 2025.

<https://www.jezerka.cz/wellness-spa>

Facebook. 2025. "Saunový Ráj." Accessed January 30, 2025.

<https://www.facebook.com/saunovyraj>

Instagram. 2025. "Saunový Ráj." Accessed January 30, 2025.

<https://www.instagram.com/saunovyraj?igsh=NHk1OG1qb2NsZ3h1>

Český statistický úřad. 2025. "Klasifikace ekonomických činností (CZ-NACE) platná od 1. 1. 2025" Accessed March 24, 2025. <https://csu.gov.cz/klasifikace-ekonomickych-cinnosti-cz-nace-platna-od-1-1-2025>

Svaz průmyslu a dopravy České republiky. 2025. "Zhodnocení roku 2024 a výhled na českou ekonomiku 2025" Accessed March 24, 2025. <https://www.spcr.cz/pro-media/tiskove-zpravy/17081-ceska-ekonomika-2025-otazky-a-odpovedi>

Ministerstvo vnitra České republiky. 2009. "Kamerové sledování veřejných prostranství a institucí" Accessed March 31, 2025. <https://mv.gov.cz/clanek/kamerove-sledovani-verejnych-prostranstvi-a-instituci.aspx>

Internal sources

Interview with the owner.

Interview with the staff members.

LIST OF FIGURES

Figure 1 Competitive strategies	15
Figure 2 Ansoff matrix.....	17
Figure 3 Porter's Five Forces	24
Figure 4 McKinsey 7S model	21
Figure 5 Geographical location of the selected wellness centre and its competitors.....	46

LIST OF TABLES

Table 1 Three Generic Strategies.....	19
Table 2 Comparison of wellness services	44
Table 3 Comparison of prices	45
Table 4 Benchmarking.....	48
Table 5 SWOT analysis of the selected wellness centre	51

LIST OF ABBREVIATIONS

a.m.	ante meridiem
CCTV	Closed-Circuit Television
CZK	Czech crown
e.g.	for example
km	kilometre
PESTLE	Political, Economic, Social, Technological, Legal and Ecological factors
pH	potential of Hydrogen
p.m.	post meridiem
STP	Segmentation, Targeting, Positioning
SWOT	Strengths, Weaknesses, Opportunities and Threats
Q&A	Question and Answer
7P	Product, Price, Place, Promotion, People, Processes and Physical evidence
7S	Strategy, Structure, Systems, Style, Skills, Staff, Shared values