

## **Some marketing strategy changes: A case of Vietnamese companies from 2000 until now**

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### **ABSTRACT**

To be successful in business, businesses need to have a thorough understanding of the market, grasp the needs and wants of customers, and understand the art of business behavior. For them, marketing is seen as a "weapon", one of the decisive factors for the survival and success of a company. In the face of economic integration, continuous and multidimensional rotation, high competitive rate, marketing helps businesses to survive in the long term and firmly in the market. The success of a business depends greatly on whether they provide the market with the products that the market needs, whether or not they are in line with consumers' wants and ability to buy. This study mentions the transformation of marketing forms in Vietnamese businesses from 2000 to now in order to consolidate orientation helps readers understand more about the marketing trend of businesses, thereby they can grasp the trend and then apply it to their company or business in Vietnam.

**Keywords:** strategy, change, trends, marketing, Vietnamese business

### **1. INTRODUCTION**

When the world economy entered a new era, both citizens and businesses have the same wonder what lies ahead. Not only is it changing, but the speed of it is also accelerating. Companies often do not realize that their market is gradually improving after only a short time, and that is also the most appropriate time for us to reassess our own 4Ps (Product, Price, Promotion and Place). Today's economic landscape is being shaped by two very powerful drivers, technology and globalization. It is those dynamics of technology and globalization that have become leverages, forcing domestic and foreign businesses to transform [1]. Those transformations are not only used in the field of investing in advanced technology in production, assembly, and manufacturing, but also improved and changed in marketing strategies [2]. Digitalization (digitalization) was born, information is encoded into "bits", ie the number 0 and number 1. Applications, social networks with tens of millions of people interacting every day such as Facebook, Instagram, Tiktok, Weibo, etc. from then on, were also born to dominate the traditional marketing forms. With outstanding advantages such as high level of access to consumers, saving PR costs, creating a wave of consumption effectively and quickly, etc. businesses in recent years have been aware of the wave. How many benefits does digital have and they are slowly transforming and having more tailored strategies to reach consumers [1].

### **2. RESEARCH CONTENT**

## 2.1 Literature Review

The father of modern marketing, Phillip Kotler (2002) writes that change is happening at an accelerating rate. Yesterday, and tomorrow will be different from today. Continuing with today's marketing strategy today will cause risks, but if we move to a new strategy, there are some good points [2]. Therefore, companies that want to reap the success of tomorrow will be forced to pay attention to three things including global forces that will continue to influence their business and personal lives; technology will constantly evolve and surprise people; businesses will continue to promote deregulation in the economic sector [1].

In order to survive and develop, not only foreign enterprises but domestic enterprises also consider marketing as one of the decisive factors to the survival of enterprises. For Vietnamese small and medium enterprises, marketing is seen as a sales support tool mainly to achieve sales targets in the year rather than a strategic direction [3]. The competitiveness of the business, the management ability and the expertise of the managers are limited, they do not have the confidence and expertise to evaluate trends, as well as the potential of the market to Being able to map out a long-term strategy for your business, the limited financial capacity is also one of the basic limitations of small and medium-sized enterprises in Vietnam. This shortcoming is the pressure to make Vietnamese businesses operate with the priority of being able to survive in the immediate period rather than aiming for long-term sustainable development in the future [4]. Therefore, in the context of increasingly fierce competition, if Vietnamese businesses want to stand firm in the domestic market and be able to compete with foreign competitors, appropriate marketing policies make the most sense. important and necessary in the business strategy of each business [2].

With the current context, with the business situation is not so good, many businesses have to cut their budget to maintain operations during the epidemic season. Accordingly, marketing activities also have a significant adjustment. Types of offline marketing will gradually be shifted to online or TV advertising. Events, shows, etc. are activities that will have to be cut [5]. With digital channels, although more focused, but not increasing, but there is a decreasing trend of online marketing activities, corresponding to a reduction in advertising budgets, especially in the tourism industry, retail, entertainment services. Industries are also more cautious about spending money on advertising with the fear of out of stock while production is sluggish [3].

Over the years, marketing strategies that are increasingly innovative, most typical and prominent for the present time are online marketing strategies. Businesses have long turned to a new type of marketing with high efficiency. Online marketing is not something new for businesses in general and tourism businesses in particular. In fact, online marketing was born before people came up with words to name them [1]. It is a combination of marketing activities and the use of advancements in technology to reach customers anywhere and anytime [6]. However, many businesses do not see the importance of online marketing and still do not fully own and exploit the uses of this activity optimally. Along with the explosion of the internet, online marketing has become an effective way to promote the images and services of Vietnam's tourism businesses to the world. If the effort to promote the positives and

overcome the remaining problems is done, the optimization of online marketing activities will contribute to the harmonization of the goal of developing tourism into a key economic sector. of the country [4].

From those views, it shows that marketing strategies over time are increasingly innovating, following technology trends. The development of marketing strategies in businesses need to be measured, have a clear strategy, in accordance with the development trends of society and the tastes of consumers.

## **2.2 Concept of marketing**

There are many organizations and individuals that give the correct judgment and definition about marketing. According to the American Marketing Association - AMA (2017) has defined: "Marketing is an overall system of organization activities designed to plan, price, promote and distribute products and services. ideas to meet the needs of the target market and achieve the goals of the organization [5].

As for billionaire Donald Trump (2006) said: "Marketing is aimed at people. It aims to understand the needs of the customer, then try to satisfy that demand at a price acceptable to both the buyer and the seller. Marketing involves identifying target customers [7]. It is a strategic choice of which group of customers our business will satisfy. Marketing is also about positioning. It aims to design a product or service that delivers the benefits the customer wants and the customer cannot find anywhere else but their own products, then build a reputation or a brand, on the basis of I do well [2]. Marketing also involves advertising, pricing, promotion, distribution, and many other marketing programs. In general, marketing focuses on the following three important elements: people, target customer selection and positioning, these are strategic elements in marketing. If we do not know who we sell to and what to sell, we will not know how to advertise, set prices, promote sales and distribute that product. At this point, let's pause for a moment and ask yourself the following three questions: what do customers want to get out of our product or service; Have we identified the right target audience yet; What benefits are unique to our products and services that cannot be found elsewhere [6].

In short, marketing is a form of human activity to satisfy their needs and wants through communication, a social management process through which different individuals and groups of people. receive what they need and want through the creation, provision and exchange of products of value with others [3].

## **2.3 Types of marketing strategies**

Types of marketing are divided into two main groups: traditional marketing and modern marketing. Traditional marketing is the "root cause" of modern marketing now and is the key to many innovations in the future. Traditional marketing is all about creating, communicating, distributing and exchanging certain products and services to consumers, customers, partners and society in general, without the need for digital or Internet [3]. This form of marketing can be understood in two ways: one is the activity of using traditional sales methods through long newspapers, T.V, leaflets, etc.; Secondly, businesses focus on the distribution and sale of products, meaning that the seller will produce the product and then use the marketing to sell. Returning to the period before 2009, traditional marketing was consistent with the

market stage of the seller (manufacturer), since social networks became popular, modern marketing was suitable for the human market stage. buy (consumer). The role and position of modern marketing is increasingly confirmed [4].

Objectives that businesses want to achieve in the market such as product volume and market share are called Marketing goals. The path a business intends to take to reach its goals is called marketing strategy, also known as marketing strategy. Marketing strategy is how a business performs to achieve its marketing goals (see more on strategies). Marketing strategy The marketing strategy basically solves the following problems: What is the market in which the business will compete (define the market). Who are the company's customers (identify the customer focus). How products and services of the company will be positioned [6]. Why do customers have to buy from the company that is not the competitor (oriented competitive strategy). The company will make improvements, changes related to products, prices, channels, media, etc. (marketing mix). Marketing Mix (4P) is often used to specifically implement a marketing strategy into each (segment) of the market through products, channels, media and pricing [5]. Specifically: product with general policies on product labeling, positioning, cancellation, repair, supplement, design, packaging, etc. place: general customer service level and channel policy; price with general pricing policies that should be followed for each product group for each market segment; promotion (also known as communication) goes with general policies on communication, activities with customers such as advertising, sales team, promotion, community relations, exhibitions, correspondence, customer service center, internet etc. From this 4P facility there are additional developers into 7P: adding physical evidence, process, people.

Marketing today plays a central role in translating customer information into new products and services and then positioning these products in the marketplace. New products and services are the companies' answer to changing customer preferences and also the driving force behind the competition [5]. Customers' needs change, and companies must innovate to please and fulfill their needs. Modern marketing therefore has the role of defining customer needs, establishing and leading the innovation process, then collaborating with other research and development activities to drive the realization process [4]. New products are also the most important factor affecting the success of a product, thereby helping businesses point out new trends, quickly become leverages, turn them into opportunities, strategic development and long-term growth of the company.

#### **2.4 The role of marketing strategies in business operations**

The scope of marketing uses is very wide in many areas such as: pricing, storage, packaging, branding, operations and sales management, credit, shipping, social responsibility, retail selection, consumer analysis, wholesale and retail operations, industrial buyer evaluation and selection, advertising, social relationships, corporate marketing research, planning and Product warranty [8]. That is why marketing plays a particularly important role in regulating and operating your business.

In the global economy, competition is fierce. Marketing plays an important role in establishing the relationship between the customer and the organizations supplying the market. It helps to satisfy

customers with business products through the process of marketing research, investigation, and survey, and then based on those survey studies to build and test products based on demand and wishes of customers [5]. At the same time, thanks to the communication function performed through advertising, PR, etc. marketing also plays the role of providing information to customers, is the basis of customer selection, as well as criteria for sales. product development. The marketing department's process of understanding customer needs and customer care also plays a role in customer satisfaction [9].

To take a concrete example, in order to achieve the target of 200,000 tourists in 2005, after surveying the market, the desired needs of tourists, tourism businesses will introduce customers to New products suitable for the business segment of the business travel market, combining sightseeing, visiting relatives and attending trade fairs [7]. For the segment of tourists wishing to go on tours near a low budget or those who want to travel to many places on a limited budget, travel businesses will launch a unique product such as Singapore, Kuala Lumpur and Jakarta costs three days to Singapore a week, by combining with low-cost airlines and hotels that serve only the recently developed sleep needs [2]. Thereby, it is clear that the role of marketing is not only in an investigative advertising segment, but it is also attached to and goes through the business process.

Marketing also plays a role in building brand image, business, bringing prestige and competitive strength. When marketing meets the needs of customers and follows the market, marketing brings profits to the business, increases revenue, so it plays a key role in determining the success of a business [4]. Marketing strongly imposes on consumers' beliefs and lifestyles through market surveys, research, and surveys. Therefore, business people thereby find ways to satisfy the desired needs of the consumers, creating products and services at prices that consumers can afford.

## **2.5 Previous marketing strategies of Vietnamese businesses from 2000 to 2009**

If we talk about marketing strategies of Vietnamese businesses, we have to start from the early 2000s. This is the period when the mass media in Vietnam begins to develop, types of media. Gradually gaining popularity, that is also the time when Vietnamese businesses pay attention to the application of marketing strategies for their businesses [3]. At this stage, the concept of marketing 4.0 has not appeared yet, 100% of Vietnamese enterprises apply traditional marketing strategies such as using traditional sales methods through newspapers, TV, leaflets, etc. or focus on the distribution and sale of products, meaning that the seller will produce the product and then use the marketing to sell [7].

Since marketing involves so many different strategies, nearly every company that sells products or services uses one or more of the traditional types of marketing as part of an overall advertising strategy. At the time, traditional marketing had good reasons for small business owners to rely on, and those reasons were more related to the benefit that the medium offered was the number of people who continued to be attracted to them [8]. The printed form, for example, when the era of the paper press took the throne, newspapers and magazines were seen as trustworthy, often resulting in a strong loyalty among longtime readers. Print also offers the advantages of providing your target audience at an affordable price [2]. Then came the development of digital television. TV broadcasting has the ability to

reach a large audience for a long time the main advantage of TV and radio. But achieving that reach can be elusive for many small business owners who often can't afford to buy radio and television stations. Local radio may be less expensive, but the number of viewers is lower. In the form of direct mail, savvy marketers also know that ongoing research shows that people prefer to go through direct mail and depend on it to make buying decisions [1]. Then came the phone, around the time it became popular with its primary function of just listening and calling, it is said to have undergone more transformation than any other medium. It didn't take long for an invention that revolutionized communication between two or more people in 20 days to become a favorite tool for telemarketers and sellers. At this stage traditional marketing still works for businesses of all sizes.

## 2.6 Changes in marketing strategies from 2009 to the present of Vietnamese enterprises

From 2009 onwards, globalization along with the explosion of the Internet, followed by applications such as Facebook, Youtube, Instagram, etc. created a fierce wave called "social network". According to a new survey of 100 people on social media usage (Figure 1), it found that 100% of people use social media and more than 80% of them do. social networks with a frequency of 4 hours or more.

## 2.7 Research methodology and results

The paper is completed with the support of the respondents who are mostly students and some teachers at universities. Also, by reading related research works, the purpose of the topic has been made clearer.

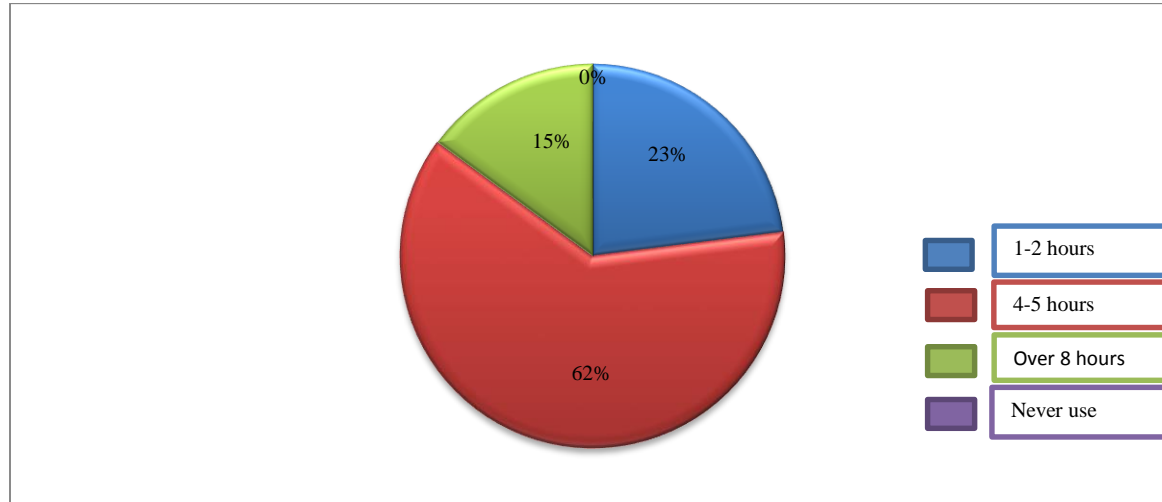


Figure 1. The time using social media per a day

With hundreds of millions of people interacting every day, entrepreneurs around the world have to reconsider the steps in their marketing strategy. Thereby, domestic and foreign enterprises gradually transformed not only in PR and advertising but also in the core of business operations (Table 1).

Table 1. Business enterprises in the transition period

Before	Present
Everything is done inside the company	Buying more from outside (move outside to work)
Improving your product yourself	Improving products by other people's standards
Doing by myself	Combining with other companies
Operated through functional parts	Managing business processes through affiliated industry groups
Focusing on the domestic market	Focusing on global and regional market
Product-centric	Market and customer-centricity
Make standard products	Making products that are innovative or adaptable to customers' requirements
Focusing on the product	Focusing on the value chain
Mass marketing	Targeted marketing
Finding a strength for sustainable competition	Constantly creating new advantages
Developing new products slowly and carefully	Promoting the development cycle of new products
Using multiple vendors	Using few vendors
Top-down management	Managing up and down horizontally
Working inside the market	Working inside the market

First, with the trend of global development, Vietnamese businesses also seize opportunities to quickly change their business strategies. For example, Biti's Hunter - AIDA, everyone has known the comeback of Biti's brand in 2017 through events, media campaigns and outstanding viral videos of this brand that make revenue. Biti's really exploded, creating a resounding step in the Vietnamese shoe market. In order to achieve this success, Biti's has applied AIDA's communication formula methodically and attractively in its popular marketing strategies. In the first step of their attention/ awareness, Biti's Hunter has focused on promoting new images, brands, and products through Viral video and influencer marketing. The famous Vietnamese singer Son Tung MTP's Lac Troi MV and the singer Soobin Hoang Son's "Go to Return" MV are also associated with this campaign and cause fever for the online community and fans for a long time.

Second relates to people's interest. Biti's was very agile when using the KOL channel as the way stars, celebrities, celebrities, to promote the next campaign, stimulating the love and love of customers for the product [3].

Third is to arise customers' desires, that is, a series of PR articles has been launched by Biti's to stimulate demand and desire to use products. In particular, PR articles on major newspaper sites also hit the Vietnamese's loyalty to Vietnamese brands. The last step, call to action, is to motivate customers

who are wondering or have a need to buy but have not taken action. Biti's Hunter has motivated them with discounts, combining with eCommerce websites to launch discount codes at certain time frames [7]. Through that change, Biti's Hunter brand gradually revived and achieved remarkable success in its business, creating a strong foothold when it comes to domestic shoe brands.

### 3. CONCLUSION

After studying the current marketing strategy issues, we are able to grasp, prepare and be willing to change to help businesses rise to the top in the branding race and reach consumers. If companies focus only on costs, they will never grow, that is, if they want to grow and attract talent, they should create career advancement opportunities, and satisfy competent employees. If the competition is more effective, it is necessary to understand clearly the advantages and changing trends in this globalization context in general and in Vietnam in specific. The main responsibility of marketing is to deliver profitable growth for the company. Marketing must identify, evaluate and select market opportunities and formulate strategies to gain outstanding positions if they do not want to be left behind or eclipsed in target markets.

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