Overview of Branding For Vietnamese Textile Enterprises

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Abstract:
The objective of the article is to review and build the brand theoretical framework, factors affecting brand, the role of brand and branding strategy. Brand plays an extremely important role for businesses in the world and also for businesses in Vietnam. The author conducts an overall theoretical framework for branding for Vietnamese textile enterprises.

Keywords: Branding, Vietnamese Textile Enterprises

1. Introduction
Since Vietnam's accession to the WTO, the textile and garment industry has achieved much success in both domestic and international markets. The textile and garment industry now ranks second in terms of export turnover and job creation for 5% of the country's labor force. However, there are many challenges that are posing to Vietnam's textile and garment industry. For example, the industry's profit margin is only 3% of the export turnover, the added value is quite low because it mainly exports processed goods to foreign countries. To improve this situation, one of the key factors that businesses in the industry need to focus on is branding.

A brand is an intangible asset that brings many competitive advantages to businesses in a market economy. The brand not only helps businesses attract consumers to its products and services, but also contributes to creating loyalty with businesses and products, helping to increase profits, develop market share, expand. business.

Branding is essential in the fashion industry. Coach's branding strategy to compete with other competitors in the luxury fashion market helps Coach maintain brand value, develop business and expand scale, upgrade brand positioning, open wide consumption market around the world.

Vietnam's textile and apparel industry currently mainly focuses on labor-intensive stages such as cutting, sewing, not exploiting the stages to create more value-added products such as branding, designing, distributing products ... Therefore, although the textile and garment export turnover is high, the profit margin of the industry is still very low. The lesson from Coach is expected to open up for Vietnamese businesses new directions to develop in the future in a sustainable manner and create more added value.

2. Research overview
There are a number of studies abroad on branding, but mainly on marketing strategy and social media power to increase the popularity and attract customers of luxury fashion brands. For example, research by Angella J. Kim, University of Minnesota, USA. Another study by Eunju Ko, Yonsei University, South Korea and Carol M. Megehee, University of Coastal Carolina, USA studied customer behavior and the management of luxury brands before the attack of goods, counterfeit, fake. It is possible to generalize two main research directions of brands in the fashion field in the world. Firstly, it is an approach from the consumer perception of the brand of a product / business to analyze the factors that maintain loyalty or customer satisfaction with the brand (Akkucuk & Esmaeili , 2016). Researches in this direction mainly focus on factors such as brand equity, product attributes, product origin ... Secondly, the approach from the business towards analyzing business models. For example, the study of Moore and Birtwistle (2004) on Burberry brand model in the process of global integration. However, the recommendations from these studies are quite general and difficult to apply in specific conditions of Vietnam with the characteristics of an open and small-scale economy.
In Vietnam, researches on textile and apparel industry mainly point out some solutions to boost the export of Vietnamese textile and apparel goods to foreign countries of some large enterprises. For example, there was a study by Nguyen Ngoc Lan, University of Finance and Marketing, analyzing the garment export situation of Nha Be Garment Corporation in 2015 or the solution to promote textile exports to the EU market of Le Nga. 2011. In recent times, when Vietnam has been deeply integrated into the world economy, there have been some more extensive studies, such as Vu Hoang Manh Trung's study on "Promoting textile exports." Vietnam garment in the period of international integration" in 2015 or the proposal of Tran Hoai Viet in 2010 on" Vietnam's textile and garment industry on the way of integration ". These studies focus primarily on analyzing, evaluating and proposing solutions to improve textile and garment production capacity in terms of quality and quantity, with the ultimate goal of just exporting to foreign countries, with their main profits from outsourcing, are not concerned about having to build a brand for Vietnamese textile and apparel products in order to reach the final consumers and become widely known to the world. In addition, the study of luxury fashion brand's product lines has almost been untapped in Vietnam. Therefore, this study is expected to be a new study adding to the system of works in the field of brand fashion in Vietnam.

3. Theoretical framework

3.1. Trademark

Around the world, there are different approaches to branding.

Firstly, if we approach the direction of analyzing the relationship between products and brands, it can be divided into two main views: traditional and synthetic views.

Traditional view, for example according to the American Marketing Association, "A brand is a name, words, symbols, symbols, design drawings, designs ... or a combination of the above factors to The purpose is to identify a product or service of a manufacturer and to distinguish it from competitors' products (Bennett 1995, page 27). So in this traditional view, a brand is only a component of a product, with the main function of distinguishing its product from competitors' products, considering the brand as an object. tangible substances, which are easily identifiable through specific symbols and words.

But by the end of the 20th century, there were many changes in brand attitudes. Many researchers believe that this view cannot explain the role of brands in the fiercely competitive world economy. From that, forming an integrated perspective on the brand. This point of view states that "a brand is not just a name or a symbol, it is much more complex." It is a set of attributes that provide the target customer with the values they require ”(Davis 2002). Thus, in this view, the product is a part of the brand, mainly providing benefits and functional value to serve consumer needs. Product views are part of a brand that is increasingly accepted by researchers and practitioners (eg Aaker 1996). The reason is that consumers have two needs that need to be met: the first is the functional need and the second is the psychological need. So the product itself can only meet the needs for functional benefits, and the brand itself can satisfy both. (Hankinson & Cowking 1996). Moreover, according to the concept of Stephen King - WPP Group once stated “Products are what are manufactured in the factory, the brand is what the customer buys. Products can be imitated by competitors but the brand is the company's own property. Products can quickly become outdated but brands, if successful, will never be outdated ”(Aaker 1991, page 1). Therefore, the brand has gradually replaced the product in the marketing activities of the business. Thus, in this new view, the brand is invisible, cannot be seen and held, but can only be visualized in the mind.

Secondly, the approach is to analyze brand development orientation based on business interests or customers' perceptions. There are 2 different points of view here. But first, it is necessary to analyze the purpose of brand development, there are many different purposes, but the main focus is to create brand equity. There are many different definitions of this value, but it can be briefly understood that "brand value includes the added value added to the brand's products" (Farquhar 1989: page 7). “This part of value is seen as a link between what
happened to the brand in the past and will happen in the future” (Keller, 2003), or “brand value is a storehouse of profits and future cash flows come from past marketing investments for brands” (Ambler, 2003).

The first view is inclined to the financial value of the brand generated in the business operation, which brings profits to the business, so that the brand development should be oriented in the interests of the business. Firm based brand equity” (According to Farquhar et al 1991; Haigh 1999). However, this concept is not consistent with the trend of competition in the market because it is quickly realized that the financial value of brand equity is the result of the customer's acceptance of the brand. Customers who love and support the brand will receive the value of this intangible asset.

Therefore, the second concept is that brand development should be based on the consumer perception of "Consumer based brand equity" (Aaker 1991; Yoo and Donthu 2001; Keller 1993; Pappu et al., 2005). This new concept is more in line with the trend of development and fierce competition in the market, because it enhances the perception and taste of customers for the brand and that is the decisive factor for the development of market share. as well as profitability for a brand.

In Vietnam, many businesses are still unclear about the use of two terms brand or brand because of the inconsistency in the translation of the two concepts existing in English, which are “trademark” and "brand" - The two objects are considered to have a close relationship with the brand. According to Vietnam's Intellectual Property Law No. 50/2005 / QH11 states, "A protected trademark if it satisfies the following conditions is called a trademark:

- A sign is visible in the form of letters, words, drawings, images, including holograms or a combination thereof, expressed in one or more colors;
- Ability to distinguish the goods or services of the trademark owner from the goods and services of another subject.

However, these two conditions are not enough to turn a brand into a true brand, if it does not meet such factors as quality of goods and services, how to treat customers and with the community, the true effects and utilities brought about by the company's goods and services, the customers' awareness of their products and brand loyalty….

### 3.2. The role of the brand

The role of a brand in the business

For business activities of the enterprise:

Help businesses meet identification purposes to simplify product management for companies, help businesses inventory, calculate and make other records. Allowing enterprises to legally protect the characteristics or specific characteristics of their products or brands is a commitment of a product's quality standard or grade, satisfying customers' wishes. Customers easily accept new products of the same brand due to their trust in that brand. Contribute to building customer loyalty for the brand, thereby allowing businesses to forecast and control the market situation.

For the development of competitive advantage in the market:

The company will have an advantage in reducing marketing advertising costs thanks to its popularity and popularity as well as the ownership of a large number of loyal customers. As a big and reputable brand, the company will have a higher opportunity and position in negotiating and negotiating with suppliers as well as distributors. The company can also easily expand its brand as their brand is verified to be highly reliable. Affect customers well in making decisions to buy products of their brands that are not of competitors. Help protect the
company from a price competition due to the price that the company sets for products that are acceptable to consumers and are less compared to other brands when making buying decisions.

Help create barriers for other companies to enter the market, even if the production process and product design are copied, the impression in the minds of customers over time is not easy. What was copied.

The role of the brand to consumers

Indicate the manufacturer of the product and allow consumers to attribute the responsibility to a specific manufacturer or distributor.

Help customers easily recognize the brand they support, allowing consumers to save money on searching products.

Stimulus - makes buying decision process fast, becomes a means of simplifying and reducing risks for consumers' product choice decisions.

Well-known brands help consumers affirm their success and position in society when owning such branded products.

3.3. Factors affecting branding

The macro or external environment has an objective influence on the branding strategy of the business, especially those doing business worldwide. In order to have a comprehensive view, businesses often use PEST analysis according to four factors: Politics (P), Economics (E), Social Culture (S), and Technology Environment (T).

Political Factors

Political factors such as institutional stability, political environment ... Countries / regions with high political stability will create good conditions for business activities. In contrast, unstable, conflicting institutions will adversely affect business activities in its territory.

The creation of a healthy or unhealthy business environment depends entirely on legal factors and economic state management. The state's legal policies related to the system of legal documents such as investment law, enterprise law, labor law, competition law, commercial law ... and the process of implementing the policies State law books. The policies of the State affecting businesses such as tax policies, policies regulating competition, sanctions against violations of law ...

Economics Factors

Businesses need to pay attention to economic factors in both the short and long term and the government's intervention in the economy such as:

Status of the economy: Any economy has a cycle, in each certain stage of the economic cycle, businesses will make appropriate decisions for themselves.

Factors affecting the economy, for example: Interest rates, inflation, along with future economic prospects. For example: Growth rate, GDP increase, GDP ratio on investment capital ...

Economic policies of the Government. For example: Basic wage law, economic development strategies of the Government, preferential policies for industries: Tax reduction, allowances ...

Social and Social Factors

Each country or territory has its own cultural values and social factors, and these factors are the characteristics of consumers in those areas.
In addition to culture, social characteristics also make businesses interested in market research, social factors will divide the community into groups of customers, each group has characteristics, psychology of life, income, living conditions ... are different.

Technological Factors

The whole world is still in the revolution of technology, a series of new technologies are born and integrated into products and services. This factor can be analyzed based on the following factors:

Investment by the Government and enterprises in research and development (R&D).

Technology speed, cycle, backward technology rate

Influence of information technology, Internet on business activities, reducing communication costs and increasing remote work rates, facial recognition support software, anti-counterfeiting, anti-theft ...

Industry environment

Analyzing the industry environment helps businesses to recognize their position in the business and how the pressures around directly affect the brand development strategy in particular and the whole enterprise in general. Michael Porter's 5 competitive pressure model is applied when analyzing this environment, including 5 elements as follows:

Analyze current competitors

Competition among enterprises in a manufacturing industry usually includes the main contents such as: industry competition structure, actual situation of the industry structure and barriers to withdraw.

Competitive structure of the industry: depends on the decentralized or concentrated industry. The dispersed industry includes many small and medium-sized enterprises, none of which dominates the industry. In contrast, the centralized industry is dominated by a number of large and sometimes monopoly enterprises.

The demand situation of an industry is a decisive factor in the fierce competition within the industry. Increasing demand creates favorable conditions for businesses to expand their operations, and reduced demand increases the fierce competition for current businesses. And if barriers to retreat are high, businesses will not be able to retreat due to cost factors.

Analyze potential competitors

Potential competitors are businesses that are not currently competing in the same manufacturing industry, but are capable of competing if they choose and decide to enter the industry. This is a threat to existing businesses and the level of competition will become more intense. Therefore, existing businesses in the same industry will create barriers to entry, usually it includes:

Absolute advantages in cost: technology, raw materials, human resources ...

Differentiate products, customer loyalty

Use scale advantage to reduce product unit cost. Maintain and strengthen distribution channels.

Supplier analysis

Suppliers can be considered as a threatening pressure when they have the ability to increase input prices or reduce the quality of products and services they provide. Thereby reducing the supply to ensure that the inputs are sufficient in quantity and of the right quality.

Customer analysis
Buyers are seen as a competitive threat when they force businesses to lower prices or demand high quality and better service. Conversely, when the buyer is weak, it will give businesses the opportunity to increase selling prices to earn more profits. The customer here can be understood as the final consumer, distributor or industrial buyer.

Analysis of substitutes

A substitute product is another that can satisfy the needs of consumers. Today, businesses' products compete with each other through the creation of new values, added value, perceived value rather than its inherent useful value, and buyers also spend money to buy those values.

Environment within the enterprise:

The basic tool for analyzing the environment within the business is SWOT analysis. The basic task of the SWOT analysis step is "to know we know us", from which we can "hundred battles and a hundred wins". SWOT analysis allows analyzing the various factors that affect brand competitiveness.

In the topic, the research will provide a SWOT analysis model with 4 factors: Strengths, Strengths, Opportunities and Threats (Challenges) for strategic analysis. In particular, the two factors Strengths and Weaknesses are intrinsic factors within the company, they can completely control and control themselves, the other two are Opportunities and Challenges. external activities, cannot control nor turn, can only depend on the situation and internal forces that seize opportunities, minimize challenges and risks.

Strengths include advantages that a company has over competitors such as corporate culture, soft skills, financial ability, superior technology, creativity, innovation or brand reputation. lifetime, accounting for a large market share in key markets.

Weaknesses of enterprises are manifested in shortcomings or limitations of resources such as weakness or lack of skills, weak finance, obsolete products, lack of competitiveness, or poor product distribution network. effective....

The opportunities may include economic development, high income, increased demand, potential for brand development, market expansion, market gaps, beneficial legal policies supported by the government, etc.

The risks may be narrowed markets, fierce competition, reduced demand, increased supply, unpopular government policies, unfavorable government conditions, unhealthy competition, etc.

Classification of branding and development strategies

Each business has different internal conditions and environmental impacts, so branding and branding strategies are also different, especially in conjunction with other public business strategies. Company to achieve the highest efficiency. Within the scope of the essay, the author only presents the theory of some strategies that Coach used to build and develop his brand on the world fashion market.

Mixed marketing strategy (4P)

In order to build and develop a strong brand, businesses need to meet the needs of the target customers well, linking the ability to supply products with market demand. In order to do that, businesses need to set up a policy to synthesize many elements in a unified program by a mixed marketing strategy consisting of 4 elements: product (Product), price (Price), distribution (Place) and promotion (Promotion).

Product: is the most basic tool in mixed marketing. Products are understood as tangible goods and services traded by enterprises in the market. Product-related factors include: product quality, design, features, brand, packaging and service behavior.
Price: is the amount that customers have to pay for the product. With an appropriate pricing policy, customers will feel the proportion between the amount they pay and the value the product brings. Depending on the goals that the enterprise is pursuing, one or several price policies may be used simultaneously.

Distribution: is the different activities that businesses conduct to bring products to market so that customers can access and buy those products. Distribution includes activities of identifying distribution channels, selecting intermediaries of consumption, determining the current market share of products, the ability to dominate the future market, and arranging a suitable sales force, suitable to each market area, control of goods reserve ...

Promotion: including the various activities that businesses carry out to inform and promote their products to the target market. This is a very important tool, helping customers understand the value of the product, creating an impression in consumers and persuading customers to choose to buy one company's product and reject the product of another.

Low cost strategy and product differentiation

The differentiation and low cost strategy is the value innovation created when the organization impacts both the cost structure and the value delivered to buyers. Cost savings are achieved by eliminating or reducing competitive factors in the industry while taking advantage of economies of scale. Value brought to buyers increases due to different factors or advantages in product quality.

Brand repositioning strategy

This strategy is used by companies to adapt to competition and drastic economic and social changes. This change is even more necessary when there are competing factors that lead to risks in market share, customers, brands, revenue, profits and many other "potential dangers". Typically, businesses use this strategy in the face of the following situations:

Customers feel bad about products, businesses, or when the brand image becomes normal, faint and lifeless.

In order to serve the business strategy in the new situation or when businesses want to change the target customer group to enter a new phase.

Diversification strategies are involved

Relevant diversification is the diversification into new business that is related to existing business activities by the similarity of production, marketing, technology or target customers. There are 2 types of concentric diversification and horizontal diversification.

Concentric diversification seeks to grow by moving towards new markets with new products or services that are related to existing technology, marketing or products and services.

Horizontal diversification is a strategy of seeking to grow by targeting the market that consumes existing customers with new products or services that are technologically unrelated.

Vertical integration strategy

Vertical integration is how companies choose to compete in stages of the chain from raw materials to customers. There are two forms of vertical integration: if the company is producing inputs for itself, it is Vertical Integration backwards, and if distributing its own outputs, it is Vertical Integration.

Transnational strategy

The transnational strategy is thought to reflect directly the process of globalization of business in the world. From the viewpoint of implementing a transnational strategy, the environment today is the environment of the generation of consumers, industries and markets that have a close relationship and interaction. This environment

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requires international business enterprises to develop ways of doing business that both exploit location benefits and differences between countries, while harnessing the core competencies of the business, while ensuring the adaptability and localization of products required by each market.

4. Conclusion

The introduction of luxury brands and brands is consistent with this trend for the following reasons:

- Firstly, famous brands are always leading the market and consumer tastes. Therefore, the products of that brand are always new and quickly become "hot trends" in the fashion world. When owning these products, consumers can prove their stylish level of fashion.

- Second, branded goods are the result of intellectual and creative crystallization, with limited editions of quantity sold, of course, the price of "branded goods" is not an affordable price but all anyone with any income can afford it. With quite expensive price, the "invisible" brand has proved the overall high income and class of its owner.

Thus, it can be seen that strong brands play a very important role in both domestic and international fashion markets. Therefore, building a valuable brand is a platform for products to enter the market and be widely accepted by consumers, thereby easily profitable for businesses.

Lessons learned for Vietnamese businesses:

- Raising the awareness of branding for leaders.
- Developing good input supply chains and the linkages between supporting industries.
- Training and educating personnel in the design industry
- Building a brand to better serve the domestic market, then developing to neighboring countries in the region.

In the above lessons, raising the awareness of branding for business leaders, especially small and medium enterprises, is most important. The reason is because when the mindset is changed, when they really understand the importance and benefits of branding, then they can have long-term strategies and allocate appropriate capital to nurture, those strategies in a sustainable manner. The fact shows that Vietnam still has many small and medium textile enterprises operating scatteredly, lacking of cohesion and concentration to form a solid and collective strength to enhance their trade position. quality for suppliers as well as competitive position in the market. Therefore, the government's role in the construction of industrial clusters, including the textile industry and other supporting industries, is crucial for promoting Vietnam's more sustainable textile and apparel industry.

Currently, the economic situation and the lives of consumers in the world have changed a lot. Economic development, high income, people's lives changed from eating well to becoming good food and nice clothes. A large part of the high-income people and the literary and artistic community have risen to become the upper class in society. It is these changes that human needs gradually reach the highest level in Maslow's demand pyramid, which is the need to Respect and Express oneself.

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