

# International Journal of Research in Marketing Management and Sales



E-ISSN: 2663-3337  
P-ISSN: 2663-3329  
IJRMMS 2019; 1(2): 100-105  
Received: 03-05-2019  
Accepted: 07-06-2019

**Dr. Nguyen Hoang Tien**  
Saigon International  
University, Vietnam

**Dr. Nguyen Van Thuy**  
Banking University in Ho Chi  
Minh City, Vietnam

**Dr. Phan Minh Duc**  
Da Lat University, Vietnam

## Vinamilk's brand management in the era of 4<sup>th</sup> Industrial revolution

**Dr. Nguyen Hoang Tien, Dr. Nguyen Van Thuy and Dr. Phan Minh Duc**

### Abstract

The objective of the topic is to learn and research on brand concepts, brand management, as well as evaluate the role and impact of Industry 4.0 to the brand management process of businesses today. Through different research and survey methods, it will be the basis for the team to evaluate the status of brand management of Vinamilk, thereby proposing different solutions to help improve the efficiency of brand management of Vinamilk in the period of Industrial Revolution 4.0.

**Keywords:** Industrial revolution 4.0, brand management, brand, advertisement

### 1. Introduction

A brand is a sign for consumers to choose goods and services of the business among numerous other similar goods on the market. Branding contributes to maintaining and expanding the market for businesses, improving trade civilization and combating unfair competition among businesses. People often regard the brand as a vital factor for Nowadays, branding is now the top concern and attention of enterprises, even for small and medium enterprises. In today's Industry 4.0, with the core is the development of modern technology that has completely changed brand management, built communication, sales and marketing strategies of businesses. The fact that enterprises that make good use of technology's strengths and digital transformation will be successful in gaining market share and will prevail in competition. Therefore, each business needs to change its mindset to follow this technology cycle to capture the situation and build a strong brand in the market.

Currently, the dairy market in Vietnam is assessed as a potential market in the long term and is increasingly fiercely competitive by domestic and foreign enterprises. And Vinamilk is the leading brand in the market with 58% market share of milk in Vietnam <sup>[1]</sup>. In order to maintain the competitive advantage and dominate the market and achieve the sustainable development goal, Vinamilk has continuously invested to improve production capacity, product quality, improve services and promote brand, expanding distribution and sales channels to better meet the needs of consumers and consumers appreciate about product quality and brand reputation. In addition, Vinamilk's research and application of theories on brand management and brand value in Vietnam market will help the company to better understand the brand and capture different ways to build, develop and protect the brand in the most effective way.

From the above perspectives, this article will enable us to learn more detail on issues of brand management of Vinamilk in this modern technology trend, as well as identifying the status of brand management of the company so that there are positive solutions in branding and expanding new market share. Vinamilk is in the period of advanced Industrial Revolution 4.0.

### 2. Theoretical Framework

#### 2.1. Theoretical issues related to the topic

##### 2.1.1. What is the brand?

According to the American Marketing Association, a brand is a name, a word, a sign, a symbol, a drawing, or a combination of all the above factors to identify a product or service of a seller (or group) and distinguish those products (services) from the goods or services of the seller from the goods or services of other sellers. A brand is a collection of signs to identify and distinguish products and businesses; is an image of a product or business in the

**Corresponding Author:**  
**Dr. Nguyen Hoang Tien**  
Saigon International  
University, Vietnam

minds of the public and customers [2]. Previously, a brand was understood as a trademark, including only tangible elements used to distinguish one goods from another. At present, the brand's opinion has changed a lot. Brand is a set of attributes that give customers the value and benefits they seek [3]. The brand has been broadly defined and the attribute here is not only a name, a logo, but also the quality of goods, services, behaviors, and trust that businesses have when providing to with their products and services to customers.

### 2.1.2. What is brand management?

Brand management was first launched by Neil H. McElroy of P&G Group. Brand management is understood as the application of marketing skills to a product, a product line or a specific brand in order to increase the perceived value of consumer products and thereby increase brand equity. Brand management is the way to build and implement marketing programs and activities to build, develop, measure and manage brand assets [4].

### 2.1.3. What is the Industrial Revolution 4.0?

Industrial Revolution 4.0 is a trend of automation and data exchange in production technology. This is an unprecedented revolution in human history, with a fast pace of development, creating entirely new possibilities and profound impact on the world political, social and economic system. Occurs in 3 areas: biotechnology, digital and physics [5]. The essence of digital in this revolution will be artificial intelligence (AI), connected things (IoT) and big data. In the field of biotechnology, focus on research to make a leap in agriculture, fisheries, medicine, food processing, environmental protection, renewable energy, chemistry and materials. Finally, the physical field embraces new generation robots, 3D printers, new materials (Graphene, Skyrmions) and nanotechnology.

### 2.2. The role of 4.0 industrial revolution in brand management

Increasing the level of interaction with customers means the ability to connect everything in the Internet helps companies communicate with each other and helps customers to be comfortable and easy to find products, compared to Compare prices between points of sale without leaving home. Even connecting on the internet helps customers who just sit at home can buy products through intermediary sales channels, making it easy for the company to reach customers to contribute to get a better product. In collecting information from customers, technology plays a positive role as an important bridge between businesses and consumers. With social networking tools being used so much in Vietnam today, it only takes an extremely short period of time to collect customer data fully and with high accuracy.

### 2.3. Marketing strategy 4.0

With Industry 4.0, marketing activities are promoted. Compared to previous industrial solutions such as Industry 4.0 focusing only on production, 2.0 focused on customers, 3.0 focused on value, the 4.0 Industry focused on interactions with customers based on a universal platform. Connecting via the Internet. Focus on collecting ideas and committing to change. Being customer-centric, helping the

company to improve and help the company grow.

### 2.4. Branding 4.0

What makes the brand of the 4.0 era different from other marketing eras is that the brand is thought of as a thinker and an emotional person rather than something that adds value to products and services [6]. The branding of brands, companies, large corporations in the world has changed significantly over the period of industrialization. If the previous Industrial Revolution only focused on the product, the Industry 4.0 4.0 focused on socialization and interaction. The building of brand is based on social platform, taking the company as a core to connect with each other. Get customers' opinions from which to build new products, giving customers the feeling that their products are made, thereby boosting consumer demand. Sustainable brands in today's rapidly changing world are challenging missions. When it comes to Branding 4.0, people-centric brand management not only has the ability to turn value into market value, but also gain trust and friendships with consumers, contributing to changing consumer perception. Industry 4.0 comes with the development of high-tech devices such as phones and laptops, from which everyone's internet connection becomes extremely easy. The era of all things connects so businesses can easily promote their brands on the Internet. In addition to current communication methods, businesses in the 4.0 era must also take advantage of social networks like Facebook to promote their brands more effectively. Good examples are celebrities who receive money and talk about the brand for hours on their profile. They use their influence to influence the livestream followers, stimulate demand for the product.

## 3. Research Methodology

### 3.1. Document research method

We collect information on the market situation, building strategies and case management in the 4.0 technology era through documents such as: books, online newspapers and websites. In addition, the team also conducted related researches published by various departments of the company such as: statistics on current business performance, development programs. Brand building to get more specific data about the current activities of Vinamilk. The research from all sources of reference is very important, so it is necessary to select content and data suitable to the topic.

### 3.2. Survey method

We also conducted surveys to collect opinions of consumers of Vinamilk's milk brands and their brand awareness among dairy brands. As well as a survey on the situation of application of information technology in the administrative procedure of Vinamilk's milk brands. As a result, the research content includes:

- Step 1: learn about the status of brand management at Vietnam Dairy Products Joint Stock Company Vinamilk.
- Step 2: analyze brand management activities that the company has done in the past time.
- Step 3: Propose solutions to improve brand management efficiency for the company in the era of Industrial Revolution 4.0.

## 4. Research Results and Discussions

### 4.1. About Vinamilk - the leading dairy company in Vietnam

Vinamilk is one of the big enterprises in Vietnam. The full name of this company is Vietnam Dairy Products Joint Stock Company. In 1976, Vinamilk was established and now has more than 40 years of operation. With the efforts of both the employees and the Board of Directors, Vinamilk constantly strives to create a quality Vietnamese milk flow in order to provide adequate nutrition and enhance the stature of the Vietnamese generation. With more than 220,000 points of sale in 63 provinces and cities, this is one of the figures proving the growth of this business after many difficulties. Moreover, Vinamilk products are also sold in more than 43 countries around the world, including many countries with high product standards such as Germany, Canada, USA and France <sup>[7]</sup>.

In terms of sales and output, Vinamilk is the leading milk producer in Vietnam. Vinamilk's product portfolio includes: main products are liquid milk and powdered milk; Additional value products such as condensed milk, yoghurt and drink yoghurt, ice cream and cheese. Currently, the Company focuses its business activities on a rapidly growing market in Vietnam and also exports to foreign markets. In order to do that, Vinamilk constantly introduces new business strategies through each stage and diversifies in products, models and packaging.

Vinamilk's portfolio of dairy products is very diverse in categories with over 200 types of milk products and dairy products: Condensed milk, powdered milk, nutritious powder, fresh milk, ice cream, yogurt, cheese. And other products such as soy milk, fruit juice, cakes, instant coffee, bottled water, tea, instant chocolate. With a wide range of products, Vinamilk has fully met customer needs and contributed to dispersing risks for the company.

In addition, Vinamilk also constantly innovates technology, enhances the management and product quality. In 1999, Vinamilk successfully applied the Quality Management System according to the international standard ISO 9002 and is currently applying the Quality Management System according to international standards 9001: 2000. This has partly dispelled the quality gap with imported milk and increased the trust and prestige of the company in the competitive market. Currently, Vinamilk's products are of high quality and received by international organizations. Products such as condensed condensed milk, soy milk, yogurt and dielac powdered milk have been exported to the USA, Australia, South Africa, the Middle East and many Asian countries. Consumers always attach great importance to product quality and all Vinamilk's products have been tested by international organizations, so it is easy to receive the attention of customers <sup>[8]</sup>.

Vinamilk's products are mainly consumed in Vietnam market and also exported to foreign markets such as Australia, Cambodia, Philippines and USA. After more than 40 years of launching consumers, till now Vinamilk has built 14 production plants, 2 logistics factories, 3 sales office branches, a dairy factory in Cambodia (Angkormilk) and an representative office in Thailand. Constantly striving to improve, Vinamilk has won many prestigious awards during its operation such as Labor Medal Grade III (1985, 2005), Class II (1991), Class I (1996); ranked 4th in the top 10 of 1,000 leading brands in Asia voted by Campaign Asia-Pacific magazine in 2016 <sup>[9]</sup>.

### 4.2. Thực trạng QTTH của Vinamilk

#### 4.2.1. Brand management of Vinamilk in Industrial Revolution era 4.0

The marketing and administration department is responsible for the brand development process of Vinamilk, combining mixed promotion tools to promote brand to consumers such as advertising, promotion, direct marketing... e-commerce websites, media in order to bring brand closer to consumers in the era of strong and ongoing Industry 4.0.

#### 4.2.2. Advertisement

With the purpose of promoting its brand and products extensively to the majority of consumers, Vinamilk uses all forms of ads through mass media such as television, radio, newspapers, external advertising golf tape, catalogs, especially social networking sites, websites... Vinamilk focuses on ads and constantly renovates advertising content and forms to attract consumers' attention and attention, using images of healthy, funny and active dairy cows with green, grassy, sunny, close to nature fields.

Vinamilk realized that its main target audience is Internet users nationwide and 75% of them are mothers, so it has implemented a video marketing strategy from converting to online videos published on Youtube channel. Vinamilk became the first consumer company in Southeast Asia to receive a gold button and more than one million registered on Youtube. Vinamilk decided to develop attractive, family-oriented video content using 3H strategy - "Hero, Hub, Help" - a new approach for Vietnamese brands <sup>[10]</sup>.

- Hero: In order to attract better online customers, Vinamilk has prioritized investment and created videos to timely record popular cultural moments with the presence of famous artists. To ensure good visibility, each Hero content video is accompanied by a ads media to promote such as youtube mastheads (large ads at the top of the youtube home page) and TrueView video ads.
- Hub: To keep the audience coming back more, Vinamilk has developed periodic series such as children's music videos with organic farm images to help maintain the interest of mother and child. Based on the assumption that Hub content will attract a higher percentage of subscribers who have participated, Vinamilk spends less advertising spend on promoting these series.
- Help: Vinamilk also produces content offering tips and parenting tips. By strategizing in YouTube ad spending and optimizing video titles, thumbnails, metadata and playlists to help increase organic views, Vinamilk's YouTube subscriber base has grown rapidly.

#### 4.2.3. Promotion

Vinamilk has launched its promotions to widely advertise on the company's official media channels, website, facebook, youtube channel. The promotion programs of Vinamilk implemented in recent years:

- Promotion for products of Ridielac Alpha & Ridielac Star weaning powder for babies over 6 months old (Vegetable Pork, Vegetable Cow, Cereal Shrimp, Cereal Pork and Carrot Pork).
- Customers accumulating 400g aluminum foil film or 250g paper box with promotion stamps in exchange for beautiful gifts, customers who buy a 180ml bottle of Vinamilk Milk,

- 100ml or 200ml Vinamilk DHA sterilized milk will be allowed to get a scratch card and get a chance to immediately win 3 computers, 200 gaming machines, 300 mountain bikes. In addition, the program also organized exchange of milk cover for gifts.
- Discount, incentives for customers who are members of Vinamilk, exchange gifts when collecting a lot of gift stamps, give 15% of the volume but the price does not change with powdered milk, but down 6USD and get 1 box Carrot 200g when buying a carton of Vinamilk powdered milk.

#### 4.2.4. Direct marketing

Vinamilk conducts direct marketing through activities including phone calls, email for sales, product quotes to distributors and consumers. Use online customer care service to answer questions, support customers to use the product, giving customers a sense of care and care. Vinamilk always captures information about all customer feedback to promptly provide solutions to meet risks.

Vinamilk has also started to access the Internet market with its online dairy business strategy in the era of strong industrialization 4.0. This is the first time Vinamilk has brought milk to sell online and launched its own website.

Vinamilk is also the first Vietnamese enterprise in the FMCG industry (fast-consumption) to officially develop an additional e-commerce business channel. Vietnamese consumers' time has now been reduced by just one mouse click. Consumers just swipe on the product catalog, with clicks being the best nutritional products for families that have been shipped right away. With orders with values more than 12 USD customers will get free delivery to home with many attractive promotions. Not only focusing on traditional marketing channels, digital marketing activities are continuously promoted through Vinamilk's own channels such as:

- <https://www.vinamilk.com.vn/>
- <https://www.youtube.com/user/vinamilk>
- <https://www.facebook.com/vinamilkbiquyetngonkhoethiennhien/>
- <https://www.facebook.com/vinamilkbabycare/>

#### 4.2.5. Public relations

Vinamilk always focuses on social responsibility, ensuring that all activities are always in line with the business philosophy, providing the community with high quality and nutritional products. Vinamilk is one of the brands always associated with community values with many large and small funds initiated by Vinamilk such as:

- The scholarship fund named "Vinamilk cultivate Vietnamese young talents" for poor students who overcome difficulties and give gifts to them on holidays.
- As the main sponsor of the "Rising Vietnam" Milk Fund, Vinamilk will contribute an amount of 400000USD to the Milk Fund.
- The program "One million green trees fund for Vietnam" is a joint activity between the Vietnam Environment Administration (VEA) and Vinamilk, launched in 2012. The organization has planted 17,000 trees of all kinds in the region with the participation of thousands of local youth union members. According to Vinamilk's representative, in 2012, this business will contribute to the Fund of 1 million green trees for

Vietnam.

- National Fund for Malnutrition Prevention
- Scholarship fund, reward fund for excellent students and union officials.
- Balloon air drop program on the occasion of 30 years of establishment to raise funds to help poor children, orphans, and disabled children took place within three months with a journey across Vietnam and the amount of donation up to 2.8 million USD.
- Supporting the people in the Central region who suffered damage from the storm with the amount of 20000 USD.
- In addition, Vinamilk has been taking care of 20 Vietnamese heroic mothers in Ben Tre and Quang Nam provinces since 1997 and up to now there are 13 mothers. Vinamilk also sponsored the National Youth and Children's Cup named "Vinamilk Cup" to create a playground for children to participate in the play to improve their spiritual health and solidarity. It can be said that Vinamilk is at the forefront of building and developing its brand image associated with community values.

#### 4.3.1. Solutions to improve the efficiency of brand management of Vinamilk in the period of Industrial Revolution 4.0

##### 4.3.2. Improve the brand system

- Reviewing resources, strengthening internal resources and being ready to convert on the direction of building brand advertising on the basis of application of technology 4.0 will be a guideline of Vinamilk in the long-term strategy in the future to strengthen branding and implementing sustainable brand development goals.
- Vinamilk needs to expand and diversify products, improve design designs more to meet different needs of customers, promote the brand image of various types of milk widely on social networks. From there, the opportunity to bring the Vinamilk brand to spread more widely.
- Regularly train the staff of marketing and brand management, improve their IT level to be able to grasp the market trends, improve the brand construction work and developing Vinamilk's brand image to be stronger on domestic and foreign markets.

##### 4.3.3. Perfecting the advertising

- Expand the scope of ads on Vinamilk's e-commerce channels so that customers can easily access promotional videos. The increased reach is proportional to the number of visitors who have viewed an advertisement of vinamilk products, as well as viewed by many potential customers, which can lead to Vinamilk brand becoming increasingly expanded.
- The company needs to expand its advertising and marketing of brand products in the Northern region, small urban areas and rural areas. Focus on focusing on the mid-range and high-end products segment with many values increase in urban areas; continue to penetrate and cover rural areas with popular product lines.

##### 4.3.4. Perfecting direct marketing

- The company provides catalogs for customers to introduce the company's image, new products and

existing products.

- Direct mail marketing of the company needs to be done continuously. Always collect feedback on the quality of products and services of the company over time, as well as research the needs of customers about the products to provide to meet customer needs.
- Attract customers to access the website. Maintain a web address in your online mailers, business cards and signature at the end of any online mail or any places your potential customers and partners may be interested in.
- Print the website address and company logo on all employee uniforms, on all products given to customers to increase customer awareness of products and brand of Vinamilk.
- Conduct regular online surveys and surveys to understand customers' interests, needs and opinions about the company's website so that Vinamilk can develop appropriate change strategies to improve the quality of customer service.

#### 4.3.5. Complete the PR work

- Regularly training and developing the PR department, building a professional, qualified, highly qualified PR department, ensuring good PR implementation.
- Strengthening cooperative relations with donors, their participation contributes to calling for more funding or attracting more contributors. On the one hand Vinamilk need to support necessary and meaningful activities, on the other hand to reinforce the public brand image.
- Strengthening cooperation with the mass media (radio, newspapers). Sponsor many television programs to create good relationships with the press so that they can publish many articles to create good public opinion before the company launches new products to the market, creating a good public brand image in general.

## 5. Conclusion and Recommendation

### 5.1. Conclusion

Brand is not something created in a short time, but a long process of determination. In fact, in Vietnam, currently in the trend of Industry 4.0, which is happening strongly, enterprises have more opportunities as well as challenges to face in their corporate governance. With the expectation from the beginning, when implementing this topic, to find a solution to help Vietnamese businesses, especially Vinamilk, continue to improve and enhance brand management in the era of Industrial Revolution 4.0; The research team answered the research question by looking at the realities of mathematical representation according to the trend of technology application, promoting marketing on online media. Through that, the research team has come up with practical solutions for brand managers at the company to help Vinamilk's management and development strategy to be more successful in the ongoing Industry 4.0 trend stronger than ever. With the contributions of the project and the solutions mentioned above, the group hopes that Vinamilk will increasingly have reasonable brand development strategies, strengthen and build a strong brand system to best meet the needs of Vietnamese consumers.

### 5.2. Recommendation

#### 5.2.1 Recommendations for Vietnam Dairy Products Joint Stock Company - Vinamilk

Firstly, Vinamilk needs to continue to understand the needs

of the market, research to improve product quality and launch new product lines to best meet the needs of customers. This has contributed to diversifying the product line, while meeting the tastes of consumers and strengthening good brand image in the hearts of consumers. Secondly, Vinamilk should implement brand promotion strategies with new and exciting ads programs with unique content for children on youtube kids, as this is an entertainment website exclusively for Children should reach out to children and parents very effectively.

Thirdly, Vinamilk needs to continue promoting its brand image more, through online marketing and communication activities so that Vinamilk brand will always be remembered by consumers when using the internet.

#### 5.2.2 Recommendations for Vietnamese businesses

In addition to the practical management contributions specific to Vietnam Dairy Products Joint Stock Company - Vinamilk, the research paper also provides general practical management contributions to the marketing managers and marketing managers. Research in the decision to implement the strategy to expand the business of your business to be more successful in the current Industry 4.0 era.

Firstly, the marketing managers and marketing managers in businesses should consider the relevance of perceptions in expanding and building a brand image in the strategy of promoting their products on the media. informed. Because in the period of Industry 4.0, which is strong, businesses compete with novel advertising and communication strategies to attract the attention of customers, but businesses should consider in the matter of selection. Online ads content is best suited to make the most of the online community's impression.

Second, businesses need to take different measures to improve their awareness, as well as to deepen consumer brand awareness. This is the goal of all businesses and to do this, ads on TV is simply not enough. Businesses need to promote their brands through various channels such as online ads, public relations, actions to show their social responsibility...

Third, with well-known enterprises, it is necessary to continue to maintain and constantly improve product quality. For businesses that have not built a strong brand, first of all, consumers must see their brand of good quality. Because when the quality is really good, the brand will last and expand the brand to be successful.

#### 5.2.3 Proposals to the Government and authorities

Firstly, the Government needs to improve the legal system, policies and action programs on governance. It is necessary to have a consistent policy and policy of the State in supporting brand development of enterprises, especially for small and medium enterprises. The State needs to develop long-term and coherent policies and programs to assist businesses in brand management and strong branding for key local industries, creating opportunities for Small businesses reach out and benefit.

Secondly, the authorities need to strengthen the role of helping to build brands from associations. Associations, associations need to promote close links with local government agencies to promptly capture information on laws, state policies, national action programs on the application of industrial property 4.0 and coordinate the implementation of support programs for corporate

governance and branding in the ongoing Industrial Revolution 4.0 era.

Thirdly, the authorities need to gather experts with experience in the field of management and branding in the ongoing Industry 4.0. Experts need to introduce and provide information, knowledge and specific conduct necessary for businesses. Grasp the situation of enterprises, reflect the aspirations and recommendations of enterprises to the authorities at all levels in order to provide timely and appropriate assistance.

Fourthly, the authorities need to organize seminars, forums to provide information and knowledge for businesses in accessing 4.0 technology and applying science and technology in the case management. businesses.

## 6. References

1. <https://vietnambiz.vn/vinamilk-dang-chiem-bao-nhieu-thi-phan-nganh-sua-20190316164857864.htm> - How much market share does Vinamilk have ?, accessed at 20:45p, day 10/20/2019.
2. Nguyen Quoc Thinh. Brand and Manager, National Political Publishing House, 2004, [2.1 page 22].
3. According to Ambler Style - Spierings - former director of Royal Friesland Food of the Netherlands, to succeed Andrew Ferrier as CEO of Fonterra from September 26, 2011. He has a Bachelor of Arts in Food Technology. / Biotechnology and Master of Business Administration - <https://www.wikipedia.org/>, accessed at 23h47p, November 2, 2019.
4. Le Anh Cuong. Branding & reputation management brand, Labor-Social Publishing House, 2009, [3.2 page 45].
5. <http://hvcsnd.edu.vn/nghien-cuu-trao-doi/dai-hoc-40/cuoc-cach-mang-cong-nghiep-4-0-la-gi-4319> - Revolution What is Industry 4.0?, accessed at 19h20p, October 19, 2019.
6. <http://doanhnhansaigon.vn> - Branding 4.0, accessed at 10:05 pm, October 20, 2019.
7. <https://www.dmagroup.vn/y-nghia-logo-vinamilk-cong-ty-sua-hang-dau-viet-nam/> - Meaning of the Vinamilk logo, accessed at 22h50, October 25 / 2019.
8. Solution of market development of Vinamilk -
9. [<https://tailieu.vn/doc/giai-phap-phat-trien-thi-truong-cua-vinamilk-472041.html>]
10. <https://www.vinamilk.com.vn/en/thanh-tich-noi-bat>] - Outstanding achievements, accessed at 23h50p, October 25, 2019.
11. <https://vn.trangcongnghe.com/tin-tuc-cong-nghe/thuong-mai-dien-tu/161148-en-sao-vinamilk-luon-la-thuong-hieu-rat-thanh-cong-tren-kenh-digital.html> - why Vinamilk is always a very successful brand on Digital channel, accessed at 00h20p, October 26, 2019.