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Brand management in convenience store business comparative analysis between VinMart + and FamilyMart in Vietnamese Market

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Abstract

In recent years, Vietnam's economy has made great progress. Capture this many convenient retail stores because the community is small but the largest coverage in Vietnam such as Vinmart and Familymart was born, a place to supply safe goods, food and utility services. for every family. Since then, the brand management of convenience stores is also focused a lot to be able to compete to find a position in the current large market. Through this article we will see the importance of brand management and its impact on the performance of each business.

Keywords: Brand management, convenience store, Vietnamese market

1. Introduction

Family mart is a convenience store system of Japan that follows a completely new retail model with over 30 years of operating experience. Starting with the first store in 1930 with the name "Family mart" was born with a sincere desire that the customers of the company system of franchised stores of Family mart will grow as a family and not stop making efforts to become a better living infrastructure provider and work hard to meet the diverse needs of our customers with the changing structure of society. At the same time, he is determined to adjust the business model to promote the profit characteristics of nearby stores.

VinMart is the retail chain brand of Vingroup, a leading multinational economic group in Vietnam and in the region. In the spirit of sustainable and professional development with the motto "For the quality of life of every home", VinMart system gives consumers a diverse choice of goods and services to meet the needs of shopping from affordable to high-end customers. Especially when shopping at VinMart, customers also receive many outstanding values through the form of attractive promotions, offers. With a long-term vision and a desire to sustainably develop supermarkets and convenience stores, consumers will have an interesting shopping experience with a wide choice of products. Currently Vinmart has stores in densely populated areas, convenient transportation, large area, and also offers a variety of industries including 100 supermarkets spread across Vietnam.

2. Theoretical framework

2.1. Branding

Branding is the process of including creating a name and image for your product in the minds of customers, primarily through highly consistent advertising campaigns. The branding aims to show a clear and differentiated market in order to attract attention as well as maintain relationships with customers. A brand is a definite entity that creates certain value commitments:

Reality (Entity): According to the online dictionary Meriam Webster, the entity is "something separate and distinct."

Identifiable: That is, by that way, you can easily distinguish an object from similar objects. Usually, it is an element, color or a symbol (symbol - logo) that you can see.

Specific Promises: This term may sound strange, but not necessarily naughty. A product or service is always associated with the requirements of the value it brings to the buyer. These requirements whether they are quality requests, punctual delivery, tax exemptions or a decent, gentle illness by a particular dentist are all commitments.

Value: In any way, whatever you buy must be something you care about. Logically, if you

are living in an apartment in New York, you can take advantage of the value of a plow, no matter how much power it has. However, you will realize the immense value of a laundress who will bring laundry to your home. The cleaner with a pledge to bring you clothes from 7 pm to 9 pm, after you get home from work, will definitely be more valuable than a Laundromat who only delivers goods during office hours.

Brand management is an interesting business area. The brand has its own life and reflects the attitude, competence and skills of brand managers. It seems that the brand is the crystallization of the best and the worst that we can offer to our customers and that is enough for any talented brand manager, or rather, anyone. In the company that affects the brand, have to think about it. Brand management has been used to refer to the design of a specific organizational structure and the work responsibilities stemming from it. The brand management structure is the result of large companies needing a logical method to manage their different types of products. Each brand or product circle has its own products, sales, and expenses. Therefore, each brand will have a main team to coordinate the work ^[5]. Brand management is a process that controls all issues related to the way brands speak, do and be perceived to show target customers what the company wants them to see about the brand, i.e. specify what the company wants the brand to represent and how it should be positioned so that it can be different and better than competing brands. This requires the integration of the media and the constant monitoring of the company's brand as well as its competitors. Brand management involves the strategic decisions that marketers must make over time. Strategic brand management aims to build, maintain and develop brand assets. One of the most difficult parts of brand management is creating a balance between the short-term results given by senior executives to satisfy shareholder demand with the brand's long-term growth ^[4].

2.2. The role of brand

2.2.1. Brand for business

- Brand is the tool used to identify and differentiate products
- Brand helps to affirm the level of product and service quality with customers
- Brand brings products and services deeply into the minds of customers
- Brand strengthen loyalty, consolidating market share
- Brand helps businesses easily bring products and services into new markets
- Brand helps businesses strengthen their business advantages
- Brand increases profits for businesses
- Brand helps businesses communicate with customers without retailers
- Brand makes positive impact on those who have not yet been made a decision
- Brand creates a competitive advantage, more persistent before price competition, allowing higher prices
- Brand as a means of legally protecting the unique advantages and characteristics of the product or service.

2.2.2 Brand for customers

Brand has a strong impact on the customer's purchase decision process, especially it:

- Helps identify the origin of products
- Increases responsibility for product manufacturers
- Saves time and money on purchasing
- Ensures more quality of products and services
- Increases reliability and minimizes risk during purchase and use of the product
- Ensures uniformity of products
- Gives psychological rewards: self-affirmation, aesthetic appeal or corporate social responsibility

Branding for individuals or organizations shows first of all respect for the individual or the collective that each person is a member of. Then the process of creating channels of information and experience, including emotions, to be known to others exactly as soon as possible. Accuracy and consistency of information and experience are the prerequisites for a brand's long-lasting existence. Therefore, each individual or organization must have a serious and effective brand management tool or method ^[6].

2.3. Convenience store

Convenience store is a type of small-scale retail business with a range of everyday items such as groceries, snacks, confectionery, and soft drinks. thirst, tobacco products, over-the-counter medicines, toiletries, newspapers and magazines. In some jurisdictions, convenience stores are licensed to sell alcohol, usually beer and wine. They can also provide money transfer and bank transfer, along with the use of fax machines and / or photocopiers at the cost of a small copy. Convenience stores differ from department stores and supermarkets in that they are not in a rural place and are used as a convenient complement to larger stores. Convenience stores often charge significantly higher prices than regular grocery stores or supermarkets, as these stores order smaller quantities of inventory at a higher price per unit from the seller. wholesale. However, convenience stores compensate for this loss due to longer opening hours, more locations, and shorter ways to cashier.

A retail store or sometimes referred to as a shop, store, shop is a building (usually a house or a row of houses) used in the purchase and sale of goods on a small scale that directly serves the fish. direct consumption by on-the-spot procurement, agreement and payment, on-spot delivery of lightweight items at affordable prices (usually household and civil goods). Retail stores may include accompanying services such as door-to-door delivery and wrapping. The buyer may be an individual or a business (however, small-scale retail stores opened by individuals or households are not legal entities, so they do not have seals and cannot export). be billed). Retail stores can be located on densely populated streets, shopping streets or in small houses or in a shopping center. Shopping streets may be for pedestrians only. Procurement is often the act of buying products made to meet essential needs in personal life such as food and clothing, sometimes it is done as an entertainment activity. In commercial activities, a retailer usually buys goods and products in large quantities from manufacturers or importers, buys directly (directly in consolidation or purchasing) or through a wholesaler, and then sell in smaller quantities or to middlemen to sell to consumers, and thus stores are an important link and link in this consumption chain.

3. Research Results and Discussion

3.1. Brand management in convenience store business

3.1.1. Marketing research

Market research is one of the essential activities for all businesses, researching market needs, letting businesses know about consumer trends as well as customers' tastes about a product or service. This is a very important step to build a brand and also based on this primary information, the administrator will make the right decisions in the business. In this research of market demand, convenience stores have well grasped consumer demand and gradually gained a competitive advantage compared to traditional grocery stores and markets. The business model of these convenient models is buying from trading and then reselling to retail customers to make a profit. Although the profits are not too high, it creates a new shopping habit more convenient for consumers. Convenience in terms of geographical distance, about meeting essential needs for consumers.

3.1.2. Vision and brand mission

With the business philosophy of "changing consumer habits," convenience stores are gradually making creative efforts to bring all that consumers need for personal life into a small space, from food and drink to needles and thread; from brushes, toothpaste to stationery, phone memory cards and they must be arranged in an orderly and orderly manner. Customers can even pay some electricity, water, telephone, ticket, cash, recharge, etc. Besides, most convenience stores also exploit fast food, meat. Fresh fish ensure food safety and set aside part of the area to serve food on site. This is an advantage when many young people see the diversity of goods, services, convenience, fast instead of spending a lot of time waiting in line to pay at supermarkets, traditional markets, and grocery. While grocery stores merely buy and sell goods, convenience stores also enjoy food, they can sit for hours with computers connected to wifi with the mission of constantly improving the quality of services and products, the ability to serve the needs of customers, the profitability of the store but also towards the development of the community.

3.1.3. Brand promotion

In brand management activities, brand promotion occupies a very important position, it is an indispensable activity to introduce products and images of convenience stores, thereby persuading customers to use the products. The main trade promotion activities are: advertising, promotions, gratitude to customers.

3.2. Comparative analysis of VinMart and Family Mart VinMart

VinMart is a Vingroup retail group that has been on the market since the end of 2014, until now, VinMart + owns more than 1,700 stores nationwide, becoming the highest convenience store chain in Vietnam. The number of new stores opened in the period 2018-2019 more than tripled in the period of 2017-2018, planning to own 4,000 stores by 2020. Including two main chains:

Convenience store chain VinMart Plus provides safe food, goods and utilities for all families. Here, customers can also provide and easily buy diverse and fresh food items: vegetables of Dalat fruits, especially clean vegetables VinEco preserving the traditional flavor. Payment also takes

place conveniently and quickly using all types of bank cards. Chain of supermarkets VinMart has up to more than 40,000 different items belonging to the group of goods: cosmetics, food, household appliances, fashion apparel, housewares, toys, electrical appliances in which household products, cosmetics of VinMart Home receive the trust of customers.

- Strategy: VinMart pursues the model of mini supermarket, selling many fresh vegetables and meat.
- Target customers: VinMart is quite popular with consumers over the age of 30, - especially housewives.
- Promotion: Own a loyalty card VinID, help you earn points points. Moreover, fees such as cable TV, water, electricity, sim card... are all supported by VinMart +.
- Brand prestige: As a vingroup's retail corporation, it makes a strong impression on consumers, with the motto "good service to consumers' needs, bringing perfect quality to the product".
- Advertising: on media channels such as social networks: face book, zalo, roadshow sessions, product exhibitions, especially branch expansion...

3.2.1. Strengths

- High-quality and transparent goods of origin: large-scale, professional and large-scale manufacturing / processing investment, VinMart always offers a wide selection of goods and reasonable prices. Affordable prices, points and exciting promotions. Fresh goods are quite a lot of options and have on-site processing service.
- Long-term strategic vision of sustainable convenience store development, giving consumers new experiences when consuming products.
- Fully meet customer requirements; bring absolute convenience and safety when using the product; increase the values; improve consumers' lives in the context of modern markets; expand and develop the retail industry widely in Vietnam.
- Building a professional, dynamic, creative and humane working environment; create equal opportunities and opportunities for all employees; value workers as the most valuable asset.
- Having a team of professionally skilled staff attentive service to customers.
- Service delivery time is suitable for consumers.

3.2.2. Weaknesses

- Goods are not as diverse as expected.
- A lot of inconvenience from the vegetable stand has only one weighing counter, the counter is small so no items can be left out, the price or misplaced place or not always feel messy and temporary due to incomplete (many years ago not as perfect as Vinmart 3/2).
- If this is Vinmart in a shopping center, there is a limit not to use a trolley when going to the commercial center area, be portable
- Not open 24/24.
- Employees are mostly part-time so they are not professional.
- Boxes often throw around in the shopping area (many vinmart + equipment).
- Each store has a different amount of goods depending on the locality (for example, near the residential area with vegetables but in the city center, there are more

snacks), you can not guess whether VinMart + has the goods you need or not.

- The target group of VinMart + is older people such as housewives or office workers, so they do not attract young people like FamilyMart or Circle K because there is no diverse choice of snacks and drinking water

3.2.3. FamilyMart

In 2009, FamilyMart began to penetrate into Vietnam with the first store opened in December. Due to the difficulty of expanding the model, in June 2011, FamilyMart entered into a joint venture with a local company. Thanks to this cooperation, after only 1.5 years, FamilyMart has increased the number of stores in Vietnam to 42. The brand from the country of cherry blossom targets the number of stores to reach the 150 by the end of 2017 and 300 in 2018. FamilyMart even had the ambition to become the largest convenience store chain in Vietnam and owned 1,500 - 2,500 stores in 2023.

- Strategy: the trend of developing into a "hybrid" model in providing a variety of department stores and fast food cafes. Family Mart focuses on price strategy, launching many promotions.
- Target customers: more popular with young people from 16 - 23 years old. (Students and office workers need a comfortable space to eat, to study and to relax with full amenities such as free wifi, air conditioning).
- Promotion: extremely attractive privilege when registering a membership card (accumulate points to enjoy the privilege when buying items or how much bonuses compared to the bill).
- Advertising: posting on fanpage, launching new products, minigames on face book, spicy festival program.
- Brand prestige: inherited prestige from Japanese brands and expanded the markets "Taiwan, Thailand, China, USA, enhanced prestige compared to other stores.

3.2.4. Strengths

- Having a strong capital source and a confirmed and sustainable brand in the retail sector.
- Invest less capital because convenience stores only need small space.
- Open 24 hours a week, serving diverse needs of consumers.
- The system is modern and fast.
- Competitive prices due to less investment and lower costs.
- Thoughtful and fast, the way of service is more thoughtful to customers.

3.2.5. Weaknesses

- Due to the narrow area, diversifying products is difficult.
- The prices of convenience stores are always higher than markets or groceries due to the added cost of utilities.
- Investing more than grocery stores, training workers, customer care, modern equipment also costs a lot of costs.

Depending on the development strategy of Vinmart and FamilyMart, step by step make these brands become the leading convenience stores in Vietnam and No. 1 is Vinmart with a high and distributed number of stores across the

country. These two brands affirmed that they would develop more and more prominently, meet customer needs in a better way, constantly improve and compete to become the most prominent convenience store in the region.

3.3. Research results and analysis

Brand plays an increasingly important role in the trend of competition and development in the trend of economic integration. The brand leads the organization strategy, which is an important catalyst for the successful implementation of an organization's business goals. Brand management in business is an indispensable part of the business through the brand we know the prestige and capacity of the business.

Vietnam is a developing country, people are focusing on daily meals, so that they can ensure health, hygiene, fresh food, buy food quickly, and control food safety and hygiene. Because of that reason, convenience stores are the first choice for consumers, which is the hottest business field today. According to forecasts of the Commercial Research Institute, in the period of 2017-2020, Vietnam's retail trade growth rate will reach 11.9% per year, with a market size of about 179 billion USD by 2020. These figures show that the retail market in general is very potential. Especially, the convenience store model is forecasted to be a trend in the near future. FamilyMart and the upcoming 7 Eleven is about to make a landing that has changed the face of the Vietnamese market a lot.

Convenience store business is a chain of retail stores. It is not necessary to be as big as large supermarkets, and small and medium convenience stores (from 50m² or more) will be easily renting premises everywhere, whether in wide alley or street frontage, does not need to have a huge amount of capital and still be open. Provide a full range of products for the majority of people or some key customers to be able to serve the best. A clear and consistent identity of signs, store logos, staff uniforms, cardboard the main color, layout also cost an amount but it is worth the efficiency to bring back if you want to make a distinctive mark or open the chain located in densely populated areas, convenient transportation; large area; Provide a variety of industries. There are more than 40,000 items of food, cosmetics, household appliances, electrical appliances, fashion, toys to meet the needs of local customers and tourism products ensure quality and safety, ranging from food, cosmetics, household appliances to fashion, toys..

Outstanding services: Easy online shopping or in stores, payment fast, safe and secure information.

Super shipping: Same day delivery for most items.

Replicating selling points incessantly: still based on users' habit of prioritizing utility, geographic location is considered the most important factor. In the same neighborhood, every convenience store can be found every 500 meters. The focus of coverage in each area will help the brand easily win the trust of customers, making them a preferred choice of store. Besides, the convenience stores can appear anywhere such as near the school gate, near the market, in densely populated areas and especially very easily replicated.

Operating 24/24: is a very strong point that convenience stores are doing. The extension of time to serve customers is always a plus to directly meet the needs of the people at all times.

Facilities: the name of the convenience store clearly says its function is convenience. There customers can find what they

need and the tools to respond immediately to what they want at that moment. Like buying a cup of noodles at a supermarket, users will have to go home to boil boiling water, mix seasonings and wait for the noodles to cook. But at convenience stores, boiling water is usually available, users can simply put in the cup of noodles and enjoy, eat the leftovers in the trash can go out to play. The investment in microwaves, ice cream machines, seats, even food cooked immediately after payment is served at the table are plus points to convenience stores that are becoming more and more popular amongst the consumers.

With today's society, convenience stores are indispensable to provide Vietnamese consumers with convenient shopping experiences with a wide selection of products, peace of mind about quality, fully meeting the requirements of customers and meet the shopping needs of each home, bringing convenience, quality assurance when using products, increasing values, improving the quality of life of consumers in the current market context. To expand, expand and expand the retail industry in Vietnam.

4. Conclusion and Recommendation

4.1. Conclusion

Today, the world economy in general and our country in particular has developed very strongly. Since then, business forms have become more modern and complex. Convenience store businesses are also one of the modern businesses of today. Typically the famous brand of convenience stores in our country recently such as Vinmart and Familymart. Understand business opportunities in the new economy, to bring the brand of the enterprise to be popularized widely. Enterprises now always focus on brand management in brand promotion of enterprises. Businesses are always exploring and developing brand management activities in order to contribute to bringing the company to the development momentum in today's increasingly competitive economy.

Each typical convenience store business is Vinmart and Familymart. Although both businesses operate a type of convenience store, the brand management of both businesses is completely different. The brand management departments of both businesses always focus on brand management activities, thereby offering completely different branding strategies. Each party has a branding strategy that the other side lacks. Therefore, the competitiveness of both businesses is equal and both Vinmart and Familymart businesses have become the two leading convenience store brands in Vietnam. They have covered their brands from big cities to rural areas. The above evidence has shown that the ability to manage brands of both businesses is extremely large. Therefore, showing the importance of brand management in the convenience store business is extremely large and it is impossible to underestimate brand management in all forms of business, not just the store business. convenient.

4.2. Recommendations

In order to perform well the brand management in convenience store business, not only Vinmart and Familymart, businesses should focus on brand management.

4.3. For Vinmart

- Diversifying products by cooperating with famous brands now contributes to a variety of products for

Vinmart.

- Investing in more counters weighing fresh products, training quality staff to minimize the errors that affect the service quality of Vinmart.
- Always focus on the food hygiene and safety and store hygiene to create a sense of safety for customers when coming to the store.
- Diversify products at any Vinmart store so that when customers need something, they can still buy at any Vinmart store.
- Diverse items for all ages attract customers not only the elderly.
- Professional training for employees when selling and handling internal affairs to minimize the risk of occurrence.

4.4. For FamilyMart

- More diverse items suitable for many ages to meet the needs of today's large market.
- Discounts on current items by reducing utility costs to be able to compete with strong rivals.
- Saving investment and training costs but keeping the quality of training and customer service.

4.5. For general convenience store chains

- Improve the capacity of employees by organizing training courses for new employees as well as improving the skills of existing employees to maximize the efficiency of work and service of staff
- Encourage employees to work in the form of cash rewards or motivate them with compliments.
- Diversify the store's products to meet the needs of customers promptly.
- Make good promotions to attract new customers as well as retain traditional customers.
- Expanding shops in densely populated areas for customers to buy products.

4.6. For the authorities and the government

- Encourage and support convenience store chains to expand their scale and make the country become more modern.
- Encourage people to use convenience store products because it ensures food safety and hygiene.
- Regularly inspect food safety in convenience stores to ensure food safety and hygiene for people.
- Supporting farmers with clean food to provide convenience stores with outlets for products.

In summary, the most important and necessary for both is to improve brand management knowledge by focusing on training employees, sending employees to attend quality brand management training courses. high quality. From there, improve the working capacity in brand management of employees. Effectiveness in promoting the brand as well as financially will show us that clearly.

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