

Identifying Effective Strategies to Promote Vietnamese Fashion Brands in an Internationally Dominated Market

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Abstract : It is hard to search for best practices in promotion for local fashion brands in Vietnam as the industry is still very young. Local fashion start-ups have grown quickly in the last five years, thanks in part to the internet and social media. However, local designer/owners can face a huge challenge when competing with international brands in the Vietnamese market - and few local case studies are available for guidance. In response, this paper studied how local small- to medium-sized enterprises (SMEs) promote to their target customers in order to compete with international brands. Knowledge of both successful and unsuccessful approaches generated by this study is intended to both contribute to the academic literature on local fashion in Vietnam as well as to help local designers to learn from and improve their brand-building strategy. The primary study featured qualitative data collection via semi-structured depth interviews. Transcription and data analysis were conducted manually in order to identify success factors that local brands should consider as part of their promotion strategy. Purposive sampling of SMEs identified five designers in Ho Chi Minh City (the biggest city in Vietnam) and three designers in Hanoi (the second biggest) as interviewees. Participant attributes included: born in the 1980s or 1990s; familiar with internet and social media; designer/owner of a successful local fashion brand in the key middle market and/or mass market segments (which are crucial to the growth of local brands). A secondary study was conducted using social listening software to gather further qualitative data on what were considered to be successful or unsuccessful approaches to local fashion brand promotion on social media. Both the primary and secondary studies indicated that local designers had maximized their promotion budget by using owned media and earned media instead of paid media. Findings from the qualitative interviews indicate that internet and social media have been used as effective promotion platforms by local fashion start-ups. Facebook and Instagram were the most popular social networks used by the SMEs interviewed, and these social platforms were believed to offer a more affordable promotional strategy than traditional media such as TV and/or print advertising. Online stores were considered an important factor in helping the SMEs to reach customers beyond the physical store. Furthermore, a successful online store allowed some SMEs to reduce their business rental costs by maintaining their physical store in a cheaper, less central city area as opposed to a more traditional city center store location. In addition, the small comparative size of the SMEs allowed them to be more attentive to their customers, leading to higher customer satisfaction and rate of return. In conclusion, this study found that these kinds of cost savings helped the SMEs interviewed to focus their scarce resources on producing unique, high-quality collections in order to differentiate themselves from international brands. Facebook and Instagram were the main platforms used for promotion and brand-building. The main challenge to this promotion strategy identified by the SMEs interviewed was to continue to find innovative ways to maximize the impact of a limited marketing budget.

Keywords : Vietnam, SMEs, fashion brands, promotion, marketing, social listening

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