

**MILK PRODUCTS FOR CHILDREN, CHILDREN INTEREST PROTECTION - AND
MARKETING MIX STRATEGY OF VINAMILK AND TH TRUE MILK FOR CHILDREN IN
VIETNAM MARKET**

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Abstract:

Our study shows that Marketing strategy 4P will enable us to meet clients (groups) demand by offering options (marketing) in 4 aspects (pricing, products, channels - distribution, place). Target customers help businesses increase business efficiency quickly. Vinamilk is one great example to use it.

We also see: Although starting late, it became a formidable opponent that made Vinamilk or Frieslandcampina both wary. TH True Milk's strategy is currently considered to be successful and superior to competitors in the industry, but that does not mean that the company stops and sleeps in victory. TH will increasingly have to improve and innovate its strategy to suit society and the long-term and comprehensive development of the business.

Fawi and Abdalla (2013) pointed in Sudan people consume dairy and milk products a lot with wide variations in preferences and their buying decision affected by multi factors. This will enable marketing strategies research leading to high sales.

Keywords: comparison; marketing 4P strategy; milk products for children; children interest protection JEL: M21, M10, N1

1. Introduction

In recent years, Vinamilk is a brand that can be considered as a brand in the Vietnamese dairy market with a long history, Nuti Food is considered to have a lot of potential in this field. But with Organic products is an identifying feature that makes TH True Milk different and their products have advantages that advertised through many conferences competing to other competitors in the sector. This is a special point and marks the company's leap. TH True Milk's marketing strategy "Join hands for Vietnamese stature" will be an impression in the hearts of customers - young generation in Vietnam.

In fact, Organizing conferences will help customers to test quality and nutrition of milk and dairy products.

Marketing mix is understood as a tool to achieve the goal of satisfying the maximum demand for one or more customer groups. Objectives have been selected through policies aimed at the ultimate and highest goal of profit maximization.

Authors present the paper in following structure: introduction go first and then, research issues, next is literature review and methodology. And then, methodology and data and section 4 presents main research findings/results. Section 5 gives us some discussion and conclusion covered.

Research question:

Question 1: HOW WE CAN DO COMPARING MARKETING MIX OF VINAMILK AND TH TRUE MILK IN VIETNAM?

Question 2: WHAT ARE ROLES OF PROTECTING CHILDREN INTEREST AS CONSUMERS?

2. Literature review

TH True Milk is the company that organize the 1st school program (milk) - for preschool and primary school ages in nationwide scope. From that it aims to improve Vietnamese people health, and physical strength. The program aims at a young Vietnamese generation that is physically healthy, mentally clear and intellectually developed. TH True Milk focuses on meaningful content, creates sympathy for customers, thereby positioning itself as a brand with healthy products.

Pham Van Tuan, Dinh Tran Ngoc Huy et al (2021) pointed marketing 4P has many meanings for many corps. Le, K., & Nguyen, M (2021) pointed it is meaningful for education as well and confirmed by (DTN Huy, 2015; DT Tinh, NT Thuy, DT Ngoc Huy, 2021).

We see below table:

Table 1- Previous studies

Authors	Year	Content, results
Bahman et al	2013	In order to absorb clients we need take advantage of marketing mix tool with big effect.
Fawi & Abdalla	2013	Their recommendations including milk and diary products sales can be increased by using marketing mix strategy by producers and professors and in which we can implement concepts of marketing to satisfy their needs/wants.
Dang Truc	2014	Vinamilk is a leader, pioneer and have the largest channels - distributing milk products in the country with big market share (yoghurt, liquid milk, condensed milk, etc.) The company owns most of farms and factories in Vietnam and use online system of selling.
Bang, N.V., & Tuan, N.A	2021	reveal that brand euiqty affected by multi factors such as awareness of brand, trust (brand), as well as brand association, etc. That are influenced by advertising.
TTH Ha, NB Khoa, DTN Huy, VK Nhan, DH Nhung, PT Anh, PK Duy	2019	Marketing affect corporate governance

(source: author synthesis)

Until now, many researches have been done in this field, however, they just stop at analyzing marketing strategy , not comparing.

3. Methodology and data

This research paper will use qualitative analysis: authors use synthesis and inductive methods, combined with dialectical materialism methods.

Beside, this paper also uses analytical and general data analysis method to measure and generate comments on the results, then suggest policies based on these analyses.

Authors also use comparison method.

4. Main results

4.1 - Children interest protection as consumers

According to law:

1. Right to life

Children have the right to have their lives protected, to be guaranteed the best living and development conditions.

2. Right to birth and nationality

Children have the right to have birth, death, full name and nationality; may determine their father, mother, ethnicity and gender according to the provisions of law.

3. Right to health care

Children have the right to the best health care, priority access to and use of preventive services and medical examination and treatment.

4. Right to be cared for and nurtured

Children have the right to be cared for and nurtured for their comprehensive development.

5. Right to education, learning and gifted development

Children have the right to education and learning to develop comprehensively and bring out their best potential.

- Children have equal access to education and learning opportunities; develop talents, aptitudes, creativity and inventions.

4.2 - Analyzing roles of marketing 4P strategy of Vinamilk

We look at below table:

Table 2 - Marketing 4P of Vinamilk

<p>Product Vinamilk also pays great attention to the expansion and addition of new product categories. In 2009, this brand has developed and launched nearly 20 product categories with many different segments and categories in the market. These can be mentioned as Yoko's milk powder products, Organic milk powder and many focused plant-based products such as milk smoothies, nut milk or fruit juices...</p> <p>Along with those diverse products, product quality is also an indispensable leading factor. Vinamilk has successfully applied the Quality Management System according to the international standard ISO 9002 and is currently applying the Quality Management System according to the international standard 9001:2000. This has contributed to dispel the gap in the quality of domestic and foreign milk, and at the same time increased consumer confidence in domestic dairy products. Since then, Vinamilk has become a prestigious and top quality brand in the country in the dairy production and processing industry.</p>	<p>Price Competitor based pricing is preferred Beside, It is predicted that in the future, if domestic raw materials are abundant and quality is guaranteed, the company will reduce the source of imported input materials from abroad. Prices of products will be adjusted in accordance with the income of employees. There are often discounts and milk volume increases on anniversaries.</p>
<p>Promotion The firm use mass media: television, magazines, internet, posters.... and they change content (regularly) or use new advertising forms to attract the attention and interest of consumers. The firm also implement product trial programs in public places: supermarkets, schools Besides business, the company is also interested in social and charity activities such as study promotion fund, sponsorship and development -charity program</p> <p>"The program of 3 million glasses of milk for poor children is worth 10 billion VND" + Vinamilk spends 3.1 billion VND for the scholarship "Vinamilk nurtures young talents." + Activities to help the poor and disadvantaged children</p>	<p>Place Expanding the domestic market to consumers through 2 channels: consumers and retailers Traditional: consumer distributor. Modern : Supermarket and Metro Export market: The company is always looking for and expanding export markets to other countries in the region and the world in order to maintain and develop export revenue. Consolidate distribution system and quality in order to gain more market share in markets where Vinamilk has a low market share, especially in rural areas and small urban areas.</p>

worth 2.8 billion. + Besides, it also participates in flood and storm relief and other activities 1.6 billion VND	
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(source: author analysis)

We see:

Vinamilk's distribution system includes 4 main channels as follows:

The first channel is the supermarket channel. Vinamilk divides supermarket channels into two categories: Type 1 is large supermarkets such as Big C, Metro, and type 2 is small supermarkets such as Fivimart, Citi mart, Intimex.. These supermarkets are ordered directly. with a representative of a branch of Vinamilk.

The second channel is the key accounts channel. This channel includes restaurants, hotels, schools, agencies. These units can also directly order with representatives of Vinamilk's branches in large quantities.

The third channel is the traditional channel. The essence of this type of channel is actually VMS (Vertical Marketing System - a distribution channel with a focused program and professional management) in which the manufacturer is Vinamilk managing its distributors through the signing of contracts. binding contracts on the responsibilities, rights and obligations of both parties. Distributors are located throughout the provinces and cities across the country according to the market map outlined by Vinamilk.

The fourth channel is the foreign export market: The company is always looking for and expanding export markets to other countries in the region and the world in order to maintain and develop export revenue.

Figure 1- Vinamilk products for children



(source: author synthesis)

Dielac Grow Plus green box is rich in protein and energy. Whey protein source rich in Alpha-Lactal-bumin contains many essential amino acids and easily absorbed MCT fast-trans fats, thereby helping the baby gain weight well.

Supports brain development: Milk ingredients supplement important nutrients for the development of the baby's brain, vision and memory, such as DHA, ARA, Linoleic Acid, etc.

Strengthening resistance: the essential vitamins and minerals in Dielac Grow Plus milk powder help children strengthen their resistance and stay healthy.

Enhance digestion and absorption: Soluble fiber Inulin is extracted from plants, helping the digestive system stay healthy and absorb nutrients well.

4.3 - Comparing to marketing strategy of TH True Milk in below table:

Milk is an essential FMCG commodity for consumers, so it is necessary to ensure its presence everywhere in the country so that consumers can easily access it. Up to now, TH has had TH true mart chain stores spread across the country, each store has modern, beautifully decorated food preservation equipment and systems to help build a good image. in the mind of the customer.

Table 3 - TH True Milk marketing mix

<p>Product from the 2013-2014 school year, TH Group has pioneered in research, clinical testing of school milk methodically on 3,600 students and launched TH school MILK product. The product is supplemented with micronutrients based on scientific calculations (Calcium, Iron, Zinc, Magnesium, Iodine, Folic Acid and a mixture of Vitamins A, C, D & group B...) to help promote height, Enhance eyesight and concentration ability, suitable for school age. So, When it comes to TH, consumers not only remember fresh milk but also are impressed by many of its other products such as: pasteurized fresh milk, pasteurized fresh milk (TH True milk and TH True milk Organic), milk fresh baby formula (TOPKID), natural yogurt (TH True yogurt), purified water (TH True water), nut milk (TH True Nut), healthy drinks (TH True malt and TH True) herbal), ice cream (TH True ice-cream), butter (TH True butter),....</p>	<p>Price TH True Milk chooses the price strategy of "skimming the delicious part" to turn the brand into a high-end brand. TH positions products at a higher price point than other brands with the same product and distribution channel. TH True Milk's price strategy does not reduce the brand's revenue, but on the contrary, it also becomes a launching pad to bring a new brand up to par with long-standing names.</p>
<p>Promotion Advertisement Besides meaningful messages, the implementation of advertising campaigns is also a marketing strategy of TH True Milk. TH True Milk implement advertising programs: Broadcast TVC on TV channels VTV3, VTV1, VTV6, HTV7, SCTV2,...with pictures of clean fresh milk production process. Newspapers: such as Women, Tuoi Tre, Marketing Saigon, Saigon Entrepreneurs, New Hanoi, etc. To approach Targeting audience including women and entrepreneurs Outdoor billboards, banners, buses, ... Next, Trade marketing Or Point of sale marketing, is one of the oldest marketing methods, used by both small and large businesses to advertise their products/services. Trade marketing is also an intermediary between Sales and Marketing. This department is responsible for implementing all organizational activities, line strategies</p>	<p>Place TH TrueMart retail systems are usually decorated with two main colors, blue and white, LCD screens continuously display TVCs advertising products. The sales staff dressed up as dairy workers on the farm. In supermarkets, right next to Vinamilk's stall, Dutch Lady is always TH True Milk's stall with outstanding and eye-catching shelf decoration. At the small and grocery stores, TH True Milk provides them with advertising banners, assisting them in displaying their products. Milk belongs to FMCG products, so the common point is to distribute it to as many places as possible and appear in front of customers for as long as possible. TH products at: Supermarkets and large retail chains Wholesale and retail agents Distributing to hotels, restaurants, unions, schools</p>

and brands in the distribution channel at the point of sale. In which, through optimizing the experience of shoppers (Buyer) and retailers (Retailer) to achieve profits and sales.

In addition, TH True Milk is also known as a philanthropic brand when it is known as the owner of the fund "For Vietnamese stature", more than 200 billion VND contributed to this fund, helping the company gain many prestigious names. language. Therefore, the company's sales have since been improved, the market share of the dairy industry in Vietnam has gradually been re-established, no longer the unique position of Vinamilk.

(source: author analysis)

Figure 2 - Product category of TH True milk



(source: author synthesis)

Pasteurized fresh milk is made from 100% pure fresh cow's milk

Pasteurized fresh milk with sugar

Low-sugar pasteurized fresh milk

Pasteurized milk with chocolate flavor

Pasteurized fresh milk with strawberry flavor

Fresh milk helps supplement calcium, phytosterols

5. Discussion and conclusion

According to a recent study, the "consumer confidence index" increased strongly, which greatly affects the purchasing behavior of consumers. Healthy products, especially complementary products like milk, will be the things people trust to use.

Proactively receiving customer opinions will be extremely valuable to help milk companies have a more accurate and correct view of the market, through which they can have strategies to satisfy customers' wishes.

For the Vietnamese market, TH true milk's competitor is the big man Vinamilk, the brand that has dominated the dairy market for a long time, TH is the brand that comes later and is able to break into the market and create success. The company needs a pricing strategy to make a difference. With TH True Milk's initial strategy of providing high-end product lines, TH chose a skimming strategy (pricing the product as high as possible) along with focusing on people's psychology and consumers with the mindset "high price, good quality".

Finally, the study will direct future researches, for instance, we could analyze competitive strategy of these firms on overseas.

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Conflicts of interest

There is no conflict of interest

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Exhibit

Exhibit 1 – GDP growth rate past 10 years (2007-2018) in Vietnam

