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Marketing Mix Policy at Moc Chau Dairy Breed Joint Stock Company

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Abstract: Research and evaluate the current state of the marketing – mix at Moc Chau dairy breed joint stock company. The author collected from researching marketing policy at Moc Chau dairy breed joint stock company, using secondary documents as research materials, such as the company's annual report in 2019, 2020, 2021, and 2022. Using qualitative research (synthesis method; Interpretive method) and quantitative research method (comparison and evaluation method), the author analysed the current state of marketing activities of Moc Chau dairy breed joint stock company. Based on research, the author offers some discussions and assessments about the critical role of marketing activities of enterprises and marketing solution recommendations aimed at sustainable development for the Moc Chau dairy breed joint stock company.

Keywords: Dairy Companies, Dairy Enterprises, Marketing-mix Policies.

INTRODUCTION

The current marketing-mix policy is significant for the success and sustainable development of the company. Most companies now pay great attention to marketing policy research to help companies create competitive advantages and expand product markets. Especially after the recent Covid-19 pandemic, the business situation of many companies fell into a severe crisis, causing many companies to dissolve or merge.

In this context, marketing policy research is a practical and fundamental solution to help companies regain their position in the market in the face of the impact of the global business environment, technology, consumer tastes and other factors. The study of marketing policies - mixes following consumer behaviour and the company's development goals is a critical factor in determining the success of today's companies.

Currently, Vietnam's population is close to 100 million people. About 85% of the population is in the age group that needs to consume dairy products. According to research, the average person consumes about 300ml of milk daily. The demand for dairy products in urban areas is seven times higher than in rural areas. Thus, in addition to meeting the actual needs of consumers, the marketing policy research - mix also has to find and create hidden customer needs. According to research data, as of 2021, Moc Chau milk accounts for 2.7% of the country's dairy market share compared to Vinamilk at 43.3% and TH True milk at 15.8%. In order to maintain its position and expand its market share, the company needs to put much more effort into researching marketing and mix policies.

The majority of successful Vietnamese enterprises so far have developed and matured in the context of fierce market competition without a particular principle from the market. The place is full of competitors: foreign companies, multinational corporations with many years of experience, abundant capital, and a great cast of qualified personnel. It is easy to see that for businesses to have their position in the market requires businesses to be equipped with knowledge and skills to understand the rules of the game in the "business chess game", in which marketing mix policy planning is one of the essential activities for anyone who wants to gain control of their game in the "business game joint."

Along with the deepening integration of the economy, the fierce competition between businesses is increasingly straining to capture market share for themselves. To develop sustainably over time, businesses need to have a reasonable marketing mix policy to adapt to market changes. Suppose the Marketing mix policy is appropriately defined. In that case, it will be a premise to help businesses have appropriate and sensitive strategies and behaviours to gain an advantage over competitors, increase market share, expand the market and enhance the position of the business in the market in general and mark the brand in the minds of customers by year months in particular.

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Moc Chau Dairy Breed Joint Stock Company is a company producing and trading dairy products. The completion of marketing mix policies is essential to ensure that the company can penetrate, expand the market, dominate the market, improve its position, and plan the volume of goods and consumption; choose distribution channels and customers.... On the other hand, in the dairy market today, many large enterprises with famous brands compete very fiercely.

LITERATURE REVIEW AND PREVIOUS RESEARCH STUDIES

Situation of Domestic Research Works

- Some solutions to complete marketing at Tuan Chau Co., Ltd. (Nguyen Thi Xuan Thu, 2020, Hai Phong University of Management and Technology): The dissertation covers quite a complete rationale related to marketing, especially content related to marketing mix 7P. In analysing the current marketing activities at Tuan Chau Co., Ltd., The author analysed the market but only talked about the target market and the target customer segment without indicating the customer's buying behaviour and the factors affecting the purchase. When the author analysed competitors, he pointed out the strengths and weaknesses of some competitors but did not specify what competitive capacity and competitive advantages the company had compared to competitors. When analysing the target market selection, the author pointed out the target customers the business targeted but did not clearly define the target market segmentation criteria the company chose. In the analysis of the company's marketing activities, when analysing the company's products, the author compares the company's product portfolio with competitors to indicate the superiority of the product categories that the company offers. The author also showed the price difference compared to competitors but did not indicate the selling price from the manufacturer compared to the fluctuating selling price in the market due to geographical or intermediary factors. Regarding distribution activities, the author also pointed out the distribution channel of goods to consumers and the extraction rate for customers to buy bulk goods but did not specify the pull strategy used in distribution. In the mixed promotion activity, the author pointed out the advertising activity but did not specify where, when, and how often the ads were advertised,.... When presenting promotion activities, the author went to promotional activities but did not specify the forms of promotional advice or the duration of the promotion,... Furthermore, the author's use of consumer promotions is wrong because the promotion is new for consumers. Regarding direct marketing activities, the author pointed out that the company markets directly through catalogue and Gmail but did not evaluate the effectiveness of this form. Moreover, the author does not specify whether to use a traditional or electronic catalogue in the direct marketing process. When analysing public relations activities, the author pointed out the activities that the company performs but did not specify the operation time, the object of application, or the message conveyed,... in the public relations activities that the company performs. The actual page has also analysed the necessary content, but one limitation the author presents is missing in the 7P marketing mix; the essential part does not mention people, processes, or physical evidence (tangible facilities). In terms of evaluating marketing activities, the author evaluated the overall effectiveness of marketing activities and pointed out the remaining limitations. In the solution proposal section, the author proposes a solution to enhance sales promotion in mixed promotion activities and a staff training solution in the human part of 7P marketing. However, the author does not show solutions related to market research, policies related to marketing mix 7P about products, prices, people, processes, or practical evidence. Therefore, many shortcomings have not been dealt with in the author's proposed solution.
- Solution to complete the marketing mix of pasteurised fresh milk brand at LOTHAMILK Joint Stock Company (Hoang Trong Hoa, 2019, University of Economics Ho Chi Minh City). As for the rationale, the author has fully systematised the marketing activity. However, the author has not shown the importance of building and developing the brand. In the actual page, the author pointed out the factors affecting the company's marketing activities, such as legal policy, population, customers, and competitors but failed to point out other factors, such as technology, substitutes, the public, suppliers,... In addition, the author also shows the market survey, identifying target customers, and positioning products in key markets. At the same time, the author has also pointed out the company's marketing mix activities in terms of products, prices, distribution, and marketing. However, in the content about the product, the author does not indicate how his product portfolio is different from the competition; in the content about the author's marketing, it is not possible to specify promotionally and advertising activities; activities such as public relations, marketing, pitching have also not been mentioned. It is worth noting that

the author only analyses marketing in the direction of mix 4P. Nevertheless, 4P is no longer suitable for companies operating in the dairy industry. This is probably the author's little thing because the author should analyse the direction of 7P in line with the current trend. In the solution proposal section, the author has shown that the specific solution for 4P is product, price, distribution and competition. However, the author should add 3P, including people, processes, and actual evidence that will be more suitable for the trend.

Situation of Foreign Research Works

- Nebil Adem Ismael (2019) has a research paper on marketing activities at MOHA beverage joint stock company in Ethiopia. The author gave an overview of the meaning and importance of the 4P marketing mix in achieving a competitive advantage for businesses and increasing customer awareness of the business. During the analysis, the author pointed out the price factor that affects the revenue and profit of the business and the relationship between customers and prices. Regarding the product element, the author has also pointed out that product planning is essential to launch the product on the market. Regarding the mixed promotion factor, the author has emphasised the importance of advertising, sales promotion, public relations, personal sales, and direct marketing. Regarding the distribution factor, the author pointed out that businesses must focus on building a product supply chain system. However, the author has not mentioned the solution to perfect the 4P marketing mix for the company. During the analysis, the author used the interview method and the survey questionnaire to show the impact of factors on the marketing mix; the SPSS model analysed the results. In addition, the author has not mentioned the selection and segmentation of the target market.
- Adhitya Ferdian Adha (2020) has a research paper analysing marketing activities to create value for customers at PT Taharica. The author pointed out that market segmentation helps the company exploit the existing and potential customer base to develop an appropriate marketing strategy, thereby helping the company identify the target market and position the product in the critical market to gain a competitive advantage in actively maintaining its position. At the same time, the author also pointed out that in the current marketing policymaking, the new 7P will be applied following the current context, not stopping at 4P. In addition, the author also used the PERT scheme in allocating the work of marketing activities. On the other hand, the author has also shown that creating brand value will help businesses retain loyal customers, increase brand recognition and maintain their position in the market. In particular, the author also pointed out that the 7P marketing mix will significantly influence consumers' purchasing decisions. In order to export the solution, the author also pointed out the elements of the 7P marketing mix, such as places and people, that need to change.

METHODOLOGY AND PROPOSED MODEL

Secondary Data Collection Method

- Internal data source

The author collected from the time researching marketing policy at Moc Chau dairy breed joint stock company, using some secondary documents as research materials, such as the company's annual report in 2019, 2020, 2021, and 2022.

- External data sources

The author collects from several articles published in magazines, online newspapers, social networks, and television,.....

Primary Data Collection Method by Survey and Interview Method

- Survey subjects: students, offices, teachers,.....
- Number of votes: 200.
- Form: distribute the voucher directly (or online) to the customer and collect it after the customer fills it out.
- During the survey distribution, the author also asked the audience some open-ended questions.
- In addition, the author also conducted in-depth interviews with employees and officers of the sales department of Moc Chau dairy breed joint stock company.

Data Analysis Method

- Synthesis method

Collection of secondary data and preliminary processing to statistics and synthesise data and information related to the content of marketing activities of Moc Chau dairy breed joint stock company.

- Statistical methods

The leading software used for data processing is MS Excel. Conduct statistics of question answer sheets, and give a percentage of each answer, thereby analysing the current state of the marketing policy of Moc Chau dairy breed joint stock company. From there, assess the company's marketing mix policy and propose solutions to complete the marketing mix for the company.

- Comparison Method: Comparison of prices, product categories,... of the company than competitors.
- Methods of Analysis and Evaluation: Analysis of fluctuations in business results, evaluation of advertising efficiency,.... of the company.

DISCUSSION AND CONCLUSION

First, Enhance Market Research and Target Market Selection

The company needs to invest more funds in market research and surveys. When conducting, it is necessary to have a clear specific plan. When researching, market surveys should survey the market with surveys for customers and surveys for agents.

The customer survey must develop a coherent and logical questionnaire including questions and answers and opinions to exploit information about: demand, consumer trends, preferences and consumption habits, income affects buying decisions when product prices are at a certain level, ...The survey must provide enough information to build the company's business strategy.

The survey for agents must also be developed with a strict and logical questionnaire including questions and answers and opinions to exploit information about: what kind of product customers usually choose to buy, do they care about the price difference between products of the same type, do they like the promotional activities for this SP, are they interested in SP provenance,... The survey must provide enough information to build the business strategy of the business company.

The company needs to define its target market to do this. The company needs to compare market segments' benefits to see which is more significant. In addition, the company also has to compare the level of risk between markets, thereby making the choice of the market the company wants to target.

Second, Complete the Marketing Policy - Mix

- *Product policy*. Through customer surveys, the quality factor is essential in determining the product choice. In the policy of diversifying business products, the company should emphasise the issue of product quality. Offer products that are suitable for consumers and each target market segment. Special attention must be paid to researching product flavours suitable to the taste of many consumer groups. In addition, when promoting products, the company must emphasise that 100% pure pasteurised fresh milk is different from reconstituted and pasteurised milk. In addition, the company must carry out more R&D activities and diversify SP; otherwise, it is necessary to eliminate products that do not suit the needs. The company can offer different types of SP to penetrate many segments of TT, such as SP milk for weight gain and muscle development and milk fortified with calcium,...
- *Pricing policy*. Participating in production and business activities, the profit goal is a vital factor of the company. Therefore, the company should apply the 3C pricing model (Company, Customer, Competitor). The price should be set so that there is a correlation between product quality, consumer income and the desired profit of the company compared to the price that must compete with competitors. In addition, the company should also take all measures to cut unnecessary costs to be able to lower the price or keep the price unchanged, trying not to increase the price compared to the price in 2020 when there is a fluctuation of the Covid-19 pandemic. When increasing prices, pay attention to price-sensitive product lines; it should be slightly increased if it can range from 500 VND to 1,500 VND depending on the product line but at an acceptable level. The company can set a psychological price of odd 9 in units, making customers feel cheaper.

- Distribution policy. The company should expand its distribution network in more provinces and cities in combination with the remuneration policy for distribution channels on discounted payment according to the invoice value if immediately paid in cash reduced by 2.3% or instant transfer reduced by 2.5%,... At the same time, apply a push and pull strategy in distribution to increase the efficiency of distribution channels.
- Mixed promotion policy.

Advertising: To be highly effective, it is necessary to build attractive advertising content that visually and auditorily stimulates customers. It is necessary to clearly define who the target audience is and build an eye-catching logo and slogan to impress in the minds of consumers. When advertising, the company needs to pay attention to the ideal advertising budget of 7% or 10% of profit after tax. When making promotional videos, it is necessary to invest carefully in content, images, and sounds; the strategy's purpose is gi. The company needs a team of professional consultants to make videos, especially on ideas.

Promotion: The company should organise more promotions during the year. The prize value should also be increased according to the level of the event in order to attract customers. The cost of promotion activities is also carefully calculated by the company based on the % of profit after tax so that it is at the ideal level of expenditure

Direct Marketing: Companies should improve their website with a 7C marketing strategy: Context, Content, Communication, Customisation, Community, Connection, and Commerce.

Marketing and offers: The company should organise marketing and sales at many retail points, markets, schools, supermarkets, and commercial centres in distant provinces. When marketing in different places, learn the local culture and words to be more persuasive. At the same time, it is equipped with costume props to attract the attention and curiosity of customers.

Public relations: Public relations is not without money, but the company always has to spend specific amounts on maintaining relationships. Therefore, when carrying out public relations activities, the company has carefully considered and coordinated with other tools to achieve efficiency. When choosing options in public relations activities, it is necessary to carefully consider what financial resources, personnel, and strategic purposes are to increase efficiency.

Third, People Policy. The company needs to have better recruitment and training policy. The policy must attract many talented candidates. In addition, managers must have a long-term strategic vision and logical problem-thinking analysis. If the manager is not "mind – vision – talent" enough, he should give up his seat to another good manager or a younger generation capable of replacing him. Managers must also make the right and timely decisions rationally to avoid too much emotion. In addition, the company should start building its brand ambassador image to make a mark in the hearts of consumers.

Four, Process. The company needs to improve the production process, breeding process, milking process, recruitment and appointment process,... in accordance with society's development situation to meet consumers' desired needs. ISO 9001 can be applied to the processes to be performed.

The company needs to invest more funds in upgrading facilities and lowering telecommunications to improve business efficiency. Besides, the company needs to create its own identity for the company culture, such as uniforms, communication, and events,... to make a distinct mark from competitors and bring core values to the company.

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