

**Master Thesis**

**Brand Marketing in Emerging Market: A Lacoste Vietnam case**

by

HUYNH Thi Phi Phung

ID: 52117634

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## Table of Contents

<b>Certification Page</b>	<b>6</b>
<b>Acknowledgements</b>	<b>7</b>
<b>Research summary</b>	<b>8</b>
<b>1. Introduction</b>	<b>9</b>
<i>1.1 Brand marketing and one brand strategy</i>	<i>9</i>
<i>1.2 Brand marketing at Lacoste Vietnam</i>	<i>10</i>
<b>2. Literature Review</b>	<b>11</b>
<i>2.1 Conceptual framework</i>	<i>11</i>
<i>2.2 Literature on foreign branding in local market</i>	<i>20</i>
<b>3. Research Design</b>	<b>26</b>
<i>3.1 Research Objective</i>	<i>26</i>
<i>3.2 Research Methodology</i>	<i>27</i>
<i>A. Qualitative research methodology</i>	<i>27</i>
<i>B. Case study</i>	<i>28</i>
<i>3.3 Data Collection and Analysis</i>	<i>29</i>
<b>4 Case study results and discussion</b>	<b>30</b>
<i>4.1 Case study results</i>	<i>30</i>
<i>A. Lacoste brand: the luxurious athletic brand since 1933</i>	<i>30</i>
<i>B. Vietnamese perception of Lacoste brand value: the need to be the brand</i>	<i>33</i>
<i>C. Lacoste brand marketing in local market: A Vietnam market strategic and operational example.</i>	<i>34</i>
I. <i>Retailing structure that ensures brand consistency overseas</i>	
II. <i>Boutique and product unique designs to have add-in for brand marketing</i>	
III. <i>Distribution and brand marketing channels of Lacoste Vietnam</i>	
<i>4.2 Results Discussion</i>	<i>41</i>
<i>A. Proposition validation and result summary</i>	<i>41</i>
<i>B. A framework for local market brand marketing</i>	<i>44</i>

<b>5 Conclusion – Brand manager implications</b>	<b>48</b>
<b>Reference list</b>	<b>52</b>
<b>Appendix</b>	<b>55</b>

## **Certification Page**

I, Huynh Thi Phi Phung (Student ID 52117634) hereby declare that the contents of this Master's Thesis are original and true, and have not been submitted at any other university or educational institution for the award of degree or diploma.

All the information derived from other published or unpublished sources has been cited and acknowledged appropriately.

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HUYNH, THI PHI PHUNG

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## **Research Summary**

This research paper examines the brand marketing activities that Lacoste adopts to promote its Polo T-shirt in Vietnam". The main method of data collection is the semi-structured interviews with Lacoste Vietnam's marketing and sale managers and other relevant employees. From this internal perspectives, it has been found that Lacoste's Vietnam brand marketing activities center on its long-time global brand value, which has been established since 1933. In Vietnam market, the Polo T-shirt emphasizes its Frenchness and elegance. This successful brand association is done by combining consistent brand-oriented marketing channels, unified store design and collaborations with other brands. This finding is significant because: these brand marketing channels and methods can be integrated into a framework that can be applied for global brands which are planning to expand to Asian markets like Vietnam.

## **1. Introduction**

### **1.1 Brand marketing and one brand strategy**

Brands are the voice of products. Companies utilize brands to convey their messages to customers, very often about how their products stand out from the rest of competing products and services. If a brand is well-established, consumers are more likely to recognize and buy the brand multiple times. This means repeating sales, which leads to higher and more stable revenue for the companies. Therefore, it is no wonder that companies all around the world are spending billions of dollars every year on activities that market their brands. Effective brand marketing enables companies to strengthen their brand value, which allows them to capture market share more easily.

Furthermore, as international firms encounter different market's preferences, brand marketing is becoming even more important. Brand marketing either works to adjust and adapt one product to different countries – with different taste or works to orient all different markets towards preferring one brand source. The first group of brand marketing strategy often applies to multinational corporations that sell diverse product portfolios, or have country-specific subsidiaries. For examples, Proctor and Gamble (P&G) is one of the world's largest consumer staples manufacturers. P&G owns and sells numerous branded-products in the household product segment: Pampers for baby diapers, Olay for cosmetics, and many more brands. The second group of brand marketing strategy applies to companies with one main selling brand assigned to one or more products. Lacoste is one example in which the crocodile logo is often seen anywhere in the world on its Polo T-shirt, sweaters and all of its products.

The second group of brand marketing strategy enables the company to focus on one brand, thus making the brand management easier and less costly. In addition, associating with one brand makes it easier to customer across borders to remember and recall, saving the burden of changing names and brand equity each time Lacoste enters a new market. Looking at another perspective, since the economies of Asia (except Korea or Japan, which is seen as developed ones) is growing, they entitle their consumers more

spending power. According to data from World Bank (2018), for instance, Vietnam GDP per capita from 2007 to 2017 has grown from \$901 to \$2340. In order to quickly grasp a share in emerging Asian market, American and European brands must have both distinctiveness and originality in customers' five sense – touch, hear, smell and taste – in order to stand out from local products, which appeals more to Asians as more affordable (Giang, 2018).

Distinctiveness makes foreign brands distinctive from local brands because it offers certain attributes that cannot be born from the domestic market. For instance, Vietnamese feels buying foreign, especially Western brands, will get them higher quality goods, and better social status (Giang, 2018). The social status here is often representative of a person's wealth or the social class they belong to. Originality ensures that even with the same product function, branded products will take over market share of unbranded market, because they have more value, at least in the minds of customers. In other words, brand effectively increases the quality perception of customers towards certain products, although not every branded product is of highest quality. This research paper aims to look at general brand marketing strategy that foreign brand uses to achieve the attributes that enable fast, sustainable brand extensions.

## **1.2 Brand marketing at Lacoste Vietnam**

In order to give better understanding about the brand marketing process in local market by foreign brands, this research paper examines the case of Lacoste Vietnam. Founded by Rene Lacoste and Andre Gillier in 1933, the French crocodile brand current message is “Life is a beautiful sport” (Lacoste, 2018). Operating in 120 countries with around 10,000 sale associate companies, the crocodile brand is highly successful around the world. Lacoste is a one-brand company, whose green crocodile logo is presented throughout its Polo T-shirts, sweaters and other luxury clothes. Having annual turnover of 2 billion euros (Lacoste, 2018) means the brand is well accepted in the market it presents, thus the company must have a very effective brand marketing strategy in local market such as Vietnam, besides outstanding product quality and customer service. In order to study more about Lacoste brand marketing process, this research

looks at Lacoste's partner in Vietnam – Danh Gia company, Ltd over their supply chain relationship, brand keeping relationship, and brand marketing activities. In the case of Danh Gia company, being a partner reduces the licensing costs, while also provide the Vietnamese entity with more decision power.

The results from the study of Lacoste Vietnam will be utilized later to develop a broader conceptual framework about foreign branding in local market. In the author's opinion, such a framework is a need for foreign companies which are thinking of penetration to new, developing markets. The framework is expected to be a general guideline for strategic market entrance plan, as well as a platform to track branding performance. It can also be used to compare the effectiveness of marketing campaigns used to promote brands in Vietnam and other emerging markets.

## **2. Literature Review**

This section provides discussion over researches conducted on brand marketing, especially those being used or should be used by foreign firms looking to extend to new market. Firstly, a conceptual framework with main reference to Tim and Wilson (2017) is presented. The conceptual framework includes brand marketing mix, which includes three components of branding in Asian markets. It also touches the Vision – Culture – Image model, from which foreign companies can design specific marketing methods to improve the brand image in each target country. Secondly, studies on real-life cases and their implications are shown to link the conceptual framework with what is going on in the business world. In this sense, this section provides a base for comprehension and valuation of Lacoste's local market brand marketing.

Before going in-depth to the literature on brand marketing, it is necessary to define some terms that are used throughout the discussion. Several of these definitions are adopted from Lamb et.al (2013, pg. 106-114). First, the main purposes that a firm create and maintain a brand or brands are to ease customer's product identification, to increase revenue and promote new products. Although very difficult to measure in monetary terms, brand loyalty presents a consistent preference for one brand over other products, which

is actually the target of marketing activities (Lamb, 2013). Because if a brand can attract and retain loyal customers, it is likely to be the main brand for the company and would be the center of attention of branding activities. In addition, compared to a generic product that normally wins market share by product quality or after purchase service, branding activities will decide the market position of a product.

One simple way to appeal customer and make them loyal to a brand is associate them with brand personality, which implies a certain characteristic in a human being (Lamb, et.al, 2013). Brand personality is important as it helps company to identify the right segments of customers to serve. For instance, a motorbike brand that acts fresh and cool is suitable for teenagers, but not a middle-age man with lots of kids, who is likely to need a large SUV. To communicate brand value and personality to customers, companies can follow individual or family brand choice (Lamb, et.al, 2013). In individual branding, different products/ product lines have distinct names. Some of the largest consumer staples in the world use individual brands for the ease of adaption to different industries or market. For instance, P&G have Tide for detergent, Head & Shoulders for hair care products and so on. On the other hand, family branding reduces the burden of creating names by assigning a single name or logo for every product that the company is selling (Lamb, et.al, 2013). Sportswear brands like Adidas or Lacoste usually pursuit this strategy, with certain exceptions (Lamb, et.al, 2013).

Five main dimensions of brand personality that a company need to consider for branding strategies, as presented by Lamb et.al (2017, pp.110): “are sincerity (down to earth, honest, wholesome); excitement (daring, spirited, cheerful, imaginative, up to date); competence (reliance, intelligent, successful); sophistication (upper class, charming); and ruggedness (outdoorsy, tough, sporty).” These dimensions are brought to customers via specific marketing mix, from product design to price policy and sale places.

Then, when going global, a company needs to consider the sides of global marketing mix, in which brand marketing is its core concern. A firm might go ahead with “One product, one message” option. For instance, in the example given by Lamb et.al (2017, pp. 109), P&G uses the same product and promotional

themes of Head & Shoulders, regardless of the geographic location it is selling the product. Alternatively, a foreign company can pursue product invention strategy that customize product branding to suit the culture, taste and preferences of customers in each local market. One good example given by Lamp et.al (2017, pp.109) in case of Harley-Davidson brand that “The Japanese ads combine American images with traditional Japanese ones, such as American riders passing a geisha in a rickshaw, and Japanese ponies nibbling at a Harley motorcycle”.

## **2.1 Conceptual framework**

For most international companies extending to newly emerging markets in Asia, the most challenging task is establishing firm brand recognition in the minds of consumers. Brand recognition, as discussed by Rath and Mohapatra (2013), “is necessary for consumers with a certain level of involvement in the brand being advertised to have their interest sparked”. This is because Asian markets are different from their Western counterparts in many aspects, from macroeconomic factors to consumers’ perspectives and taste. For instance, Asian consumers normally prioritize price, while Westerners look for brands (Rath and Mohapatra, 2013). Such differences are likely to either lead to a superb selling product, or harsh market rejection that could lead to market pull-out. Brands that can overcome, or even utilize market’s differences are often winners. Taking a simple example of Starbucks. By 2018, the company has over 30,000 stores across the globe. The branding strategy that leads to Starbucks’s substantial market entrance success are, according to Talpau, A. et.al (2011): “The company’s main objective was always to serve people, not coffee.”, and “As the company’s CEO has described in its positioning platform, the company aims to be a "third place" (between home and work) where one can spend his/her time”.

The Starbucks brand to most customer is easy to see, and easy to rely on. In addition, as shown by Talpau, A. et.al (2011), the company possess a consistent value platform that is carried out by any of its retail shops. For international brands to transfer such value for local market customers’ acceptance, the

building, development, integration and extension process of brand needs careful consideration. Without a coherent value platform that can carry the same, lively but unified value message to every products line, the branding process might not reach its desire target. Therefore, in order to examine whether a brand can success in local Asian markets, we need a firm conceptual framework to:

- a. Identify the general brand marketing process of the brand
- b. Examine the likelihood of success of the brand and the company
- c. Adoption of the framework for potential foreign brands that hope to penetrate into emerging Asian market (Tim and Wilson, 2017).

The research done by Tim and Wilson (2017) specifies some main components of branding framework that can be tailored for Asian markets. The branding framework consists of several dimensions for consistent brand marketing. The first major dimension includes the process of building brands. To build a brand for a new market, first, a company would have to understand the importance of brand value. Tim and Wilson (2017) mentioned that “as a final note, the value of a strong, differentiated, positive brand can also act as a powerful recruitment asset” (p.17). Brands bring value in the way that they define and situate companies in their respective market, and bring out the differentiated edge of a certain product. In this sense, Tim and Wilson emphasize that a company truly attach itself to the brand in a way that “as implicit in the discussion above, this shift away from ‘making’ to ‘being’ allows for the possibility of a wider spectrum of business activity – of doing anything, in fact, so long as it’s been as realistically expressing the organization’s mission”.

Second, to build the brand, a company should select a value message that reflects its identity with customers. The identity often includes the company’s vision and personality, which should both meet with customers’ culture, preference and taste. Such connection is attainable when, as argued by Tim and Wilson (2017): “In truly adding value to the central proposition, both the name and logo should express the key facets of the brand’s unique identify”. In detail, the name of the brand, in specific, should be short,

memorable but attractive to the ears – to leave a lasting impression. Furthermore, logo design can add in several important identity of the brand. For instance, in the example of Caltex logo, “the core identity facets expressed in the leading-edge logo are Dynamism, Youth and Innovation” (Tim and Wilson, 2017, p.33). This small consideration is important to brands with international ambitions.

Once a brand is created and input into a firm’s products, it is important to look next to elevate it. For foreign brands that want to create sensation into a local market, the strategic process to manage and develop the brand into one that suits itself into local market’s circumstances while still keep its originality, depends on “the key to managing successful brands, lies in focus, discipline and above all consistency”. To effectively achieve such a key, Hatch and Schultz (2008) suggest the VCI (Vision-Culture-Image) model that allows management of the brand reputation consistently among all stakeholders.

The “Culture” pillar, as introduced by Hatch and Schultz (2008), help a company be a brand from inside out. This is done by the efficient recruitment, training and appraisal of company’s brand-conscientious employees by the Human resource department. In the case of foreign companies wishing to carry its brand abroad, they can try sending expatriates who understands the brand by heart, or recruit local workers who are passionate about promoting the brand in his/her own country. On the other hand, the “Image” pillar requires the company to focus on the external side: consumers. This pillar is also at heart of Tim and Wilson’s framework’s brand marketing vision. Finally, the “Vision” pillar link the “Culture” and “Image” pillar together by positioning the firm simultaneously and cohesively. This important component relies on the company’s top management to elevate and control. Chairperson of Board, CEOs, and other operation-level managers are required to impose the company’s brand value across the organization through communication channels, campaigns; while setting plans for promote the very same message to its suppliers, customers and other stakeholders.

The conceptual framework finalizes with how to do brand marketing that extend the brand against competition, and create add-in value for the products under such brand. In the process of promoting the

brand to foreign market, brand marketing plays a vital role, as put forth by Tim and Wilson (2017, p.64): “Dealing with the external interface of the brand, marketing is thus a set of activities to engage with customers, consumers, the press, civil society organizations and so forth”. Therefore, at the extension phase, brand marketing becomes marketing at strategic level that needs a coherent identity. For a company to engage its new market/customers with its established brand, Tim and Wilson said that “However, if citizenied (or humanized) successfully into a set of unique attributes (which transcend function) in support of a mission, then it can be done”. They showed that a proper brand extension would need the following steps:

1. Proper analysis of the current brand’s competitive strength, consistency and coherence across the mindsets of customers
2. Horizontal extension, which carry the original brand to differentiated lines of product.
3. Vertical extension: adaptive marketing that design campaigns, events, etc... tools that might be designed specifically for each local market.

These steps are explained further below

1. Proper analysis of the current brand’s competitive strength, consistency and coherency across the mindsets of customers

To identify the extent to which a brand possesses high level of clarity, a brand manager should investigate internally the perception of employees about the brand value. Next, he/she can move forward with the studies of how other stakeholders perceive the brand, thus can be knowledgeable about the current brand’s identity. These investigation and studies can be done on a daily basis, which will allow tracking of a company’s employees, suppliers, and stakeholders, and the changes in their understanding of the brand key attributes. Tim and Wilson suggest using “In administering the KUBE audit, whereas surveys are tempting, clearly the most valuable will be from semi-structured interviews where employees are given the room to express their own feelings and ideas, so that the organization can gain insight and learn about

the employee attributes and behavior.” (KUBE stands for Knowledge – Understanding – Behavior – and Enactment.) The brand marketing then would be continued with the extension work.

## 2. Horizontal and vertical extensions of brand meanings and values

As one company does not just sell one product, the brand marketing process can spread the brand across products. This move to cloth other products than the main one is horizontal extension, that according to Tim and Wilson (2017, pp.70) needs “In general terms, if horizontal extensions are to be effective then they need to be “on-brand” both inside and out to realize a credible match”.

A match here requires horizontal extension from the original products to not-so-different extension product portfolios. For instance, since KFC is famous for its fried chicken, and since customers already have a strong linkage in which KFC is really no more than delicious fried chicken, promoting KFC by put the name on a new car is probably not going to work. Instead, KFC can try making other fast food like hamburgers, French fried, etc., but with original fried chicken smell and taste, producing some sort of “KFC fried-chicken favored hamburgers”. The matching of smell and taste allows the brand to be conveyed to loyal customers who only accepts the association of KFC brand with fried chicken. As with the Lacoste brand in this research paper, the crocodile logo is customized in customers’ brain as Polo T-shirt, and sporty wears. Any attempts to assign Lacoste brand with kitchen cookware might reduce the brand equity, not marketing it.

## 3. Vertical extension to local market by adaptive marketing that design campaigns, events, etc... tools that might be designed specifically for each local market.

The company would stand in front of many choices, from licensing to wholly-owned subsidiaries, according to Tim and Wilson (2017). However, the authors argue that “The basic rule used to be that exporting was the quickest, low-cost, low-control route into a new market whereas the wholly-owned subsidiary (WOS) was the slowest, costliest, most controlled mode.” The focus of this research paper is framing how foreign brands do branding in local markets, thus this component of the framework about

vertical extensions create a good base for later analytics of Lacoste brands. The initial decision is about the market entry choice. As with any companies entering a new market, the choice of market entry can affect the brand value significantly.

While choosing the mode of entry, a foreign brand also needs to consider the marketing plan which is adaptive to the local market. Tim and Wilson (2017, pp.81)'s note for creating such a plan is the must-considered view to find "The optimal point is where value is added both by existing repute of the established brand and by the adaptations made to suite the local market/consumer". One method to achieve that optimal point as suggested by Tim and Wilson is the division of the global brand into a core identity attributes and "peripheral" attributes. The peripheral attributes are the area that brand owners can allow local managers (in the case of licensing, or wholly-owned subsidiary) to make changes accordingly to their understanding of local market. The changes are combinations of the traditional 3Ps of marketing – Product, Price, Promotion – but with twists from uniformity point to total adaption point.

"Nonetheless, advertising and promotion are rightly still seen as crucial in developing a compelling, visible personality" says Tim and Wilson (2017, pp.82). In this sense, brand promoting in the local market, by using the understanding of the local market. The company need to add some local market specialties into their advertising and promotion campaign to appeal to local consumers. For instance, having a local celebrity wearing a Polo T-shirt with localized colors (in several East Asian culture, red and yellow for lucks and wealth), can effectively create brand awareness in new customers' without too much cost of advertising on mass media.

Furthermore, Tim and Wilson (2017, pp.84) says "Suffice to say here that, given the need to work within existing infrastructure and business culture norms, the key to an effective distribution and location control lies in the initial phase of market entry – securing a 'good' local partner". The local partner might be a joint venture with half of the equity belongs to a local company, or a subsidiary wholly owned by the foreign brand. Either way, the mother brand should empower the local partner so it feels included in the

branding process. Period training, good compensation packages are ideal ways to do that.

Lastly, in harmony with the “Culture” pillar in the VCI model, the foreign brand need to facilitate an organizational structure that supports the brand building process by improving the brand citizenship, suggested by Burgmann, Zeplin and Riley (2009). The headquarter adopts brand marketing process more quickly to the local market by enhancing brand value communication towards subsidiaries and local branches.

## **2.2 Literature on foreign branding in local market**

The research paper continues with the discussion of literature on foreign branding in local markets, in which some real life cases are examined to identify the strategies global brands would use when they enter a new/emerging market like China, Vietnam, etc. This part reinforces our discussion of the conceptual framework above as well as moves to form a good proposition on Lacoste branding strategies in Asia in general, and Vietnam in specific.

To begin with, as globalization fuels the growth of many emerging economies – most of which are located in Asia, the customers in these countries have increasing portions of disposable income which enable them greater spending power.

Therefore, ignoring these new “mines” is generally not an ideal move for international companies. Mitchell (2000), confirms this by stating “The race to ‘conquer’ new markets has just begun: sales per head of most consumer goods in these countries is usually just a tiny percentage of what they are ‘back home’.” This is best illustrated by the inflows of Foreign Direct Investment (FDI) to emerging market by foreign governments and corporations. For instance, according to Euromonitor International Report (2018) for Vietnam, FDI intensity grew to 6.2% of total GDP in 2016 from 5.4% in 2012, attracting nearly \$16 billion dollars. Such beneficial sources of revenues are both challenges and rewards for global brands.

The most critical challenge for foreign/global brands in local markets is that while they have to maintain

the consistent brand identity and values as in the origin country, they have to make the brand appealing, in a sense that they make customers more powerful. Mitchell (2000) discusses this challenge by classify the brands into two categories: ones that bring a “powerful plus” for customers, and ones that receives little in localizing for specific markets.

Mitchell puts forth the example of Proctor and Gamble (P&G): “Meanwhile, P & G is busy reshaping its brand portfolio, selling brands which it believes do not have global potential, and buying others such as Tampax (feminine protection), Eukanuba (pet food) and Recovery Engineering (domestic water filters) which it thinks do have global potential. Everything P & G does is now judged internally by its global potential.” Another example would be that of “Similarly if you are a management consultant like McKinsey, or an international advertising agency group like Ogilvy and Mather, advising the alliance or its ticketing system supplier, you have to be able to serve the client efficiently in all their key markets”. If we look at these brand marketing practices alone, then these brands seem like they spend little effort in localizing.

However, P&G, McKinsey and Ogilvy and Mather are active in marketing their brand as value-plus for customers. These foreign companies compete in local market by showing customers the unique add-in value that otherwise domestic producers do not possess. Western-like tastes, more capitalism-felt, or simply quality-reliable are certain brand identities that consumer-value-plus brands want to do when conduct brand marketing in local market. Successful adaption of brand marketing to not only meet customers’ needs but offer them a plus value. The plus value is provided when customers achieved, or feeling achieved certain status quo from possession of the branded products. This in turn creates economies of scale to offer better goods at lower prices. This characteristic is summed up by Mitchell (2000): “Consumers do not want global brands because they are global, but because they deliver better value than their local competitors.”

Another key challenge for branding extension to local market is how marketing process can harmonize

local market differences with global marketing strategy. This challenge is met by, in the examples given by Mitchell (2000): “They start out with a global and/or regional perspective and develop global platforms – chassis, engine, suspension systems, etc. – which they can tweak relatively cheaply and easily for local markets: left-hand drive for the UK for example”. Several brands try this technique of “tweaking” – that is, just add some country-specific features into the product selling at the host country, and keep most of its original design. In this way, customers still able to experience the made-in-foreign-country quality, feeling via which the brand value is communicated.

Furthermore, Mitchell suggests that a brand can act as a platform, in which the same name/logo is marketed according to local preferences. The author gives the example of Coca-Cola: “In China, Coca-Cola has chosen pop singer Ang Mei as one of its brands’ spokesmen – and one of the reasons Ang Mei is popular in China because she does not sing in English. She only sings in Mandarin Chinese. She is a local, standing up for local culture.” This brand marketing strategy allows brand extension to be done smoothly, since association with local consumers’ culture and taste makes them feel more like home, but with a Western quality feeling. Brand extension in this internationalization way is often referred to as horizontal brand extension. Furthermore, another study done by Erdem, Swait, and Valenzuela (2006) suggests local market branding to focus on adjusting or trying to adjust customer’s risk perception, and brands with credible product quality will have lower perceived risks and information costs. Therefore, Yu et.al (2012) proposed foreign firms operating in local market to focus on market risk perception and acceptance, since “The cultural dimension of uncertainty avoidance in a host market has a positive effect on foreign firms’ brand extensions in the host market”. For instance, when a company wants to launch a new product in a risk-averse country, it is inevitable that consumers will feel uncertain about the product. To reduce such perceptions, the company ought to try convincing buyers about the product quality, by means of appropriate branding strategies.

Additionally, another element to consider is customer innovativeness, which is their degree of openness

to new ideas and concepts. The foreign firm should investigate this dimension carefully when trying to extend the brand to the local market. This is because, firstly argued by (Citrin et al. 2000, p. 295) that such consumer's innovativeness is capable of "facilitate the adoption process and communication of new products to potential consumers". Using this argument, foreign brands should try customer segments that tend to accept new product concepts quickly when entering new, local market. This method might work with brands operating in such market that customers' existing association with local brands is at low level.

Furthermore, Smith and Park (1992) suggests that brand extension to local market (also known as horizontal extension) is effective at reducing the risk perceptions of customers when they choose a new product/line of products. Therefore, an efficient brand marketing campaign would start from the core brand and then extend to its related local products. This facilitates customer familiarity with the brand, and increases their acceptance of the new branded products, thus enables the company to capture more market share. A good example of this strategy is McDonald and its retailing strategy. The core brand is assigned to its hamburgers, fried chicken, all of its products. After entering a local market, namely Vietnam, they brand their hamburgers with more spicy-looking name, and red-yellow (Vietnamese favorite) colors, still with the Mc-suffices. A loyal customer enjoy Mc- products will not only reassure with its quality, taste, but will only be reluctant to move to KFC, for instance.

Lastly, a throughout brand marketing plan should always spend extra efforts to accumulate local market knowledge. Yu et.al (2012) propose that "Foreign firms' local market knowledge in a host market has a positive effect on their brand extensions in the host market". One reason is once a foreign firm have insights about a host market, it can develop better capabilities to reduce its brand extension cost, and understand local market's customers' unique preferences. For instance, Vietnamese normally celebrate their New Year holiday at the end of January. At this time, fashion brands like Lacoste can try link its brand with Vietnam's Tet holiday spirit, association with which will likely to boost the firm's revenue.

In short, brand marketing is process that helps improve the attractiveness, or the popularity of a brand

so that a company can expand to different markets or products. The choice of brand marketing method will decide how a brand is perceived and accepted, or declined in a market.

The global strategic brand marketing framework can be summarized, from the literature examined above, to a stepwise approach. Firstly, companies need to have a strong brand position in their initial market by focusing on the key values that brands stand for and can bring to customers. In doing this, a corporation needs to have its employees and other stakeholders comprehend and “live” the brand, which can be achieved by having organization structures that allow smooth brand communications, deep brand understanding from all stakeholders of the company. Secondly, once the brand is established, brand marketing can take forms of vertical and horizontal expansions across different products and markets. Lastly, to win local markets, international companies can market the same original core brands to local market, given the requirement that the core brand is already strong and can give local market’s customers an added value feeling. Otherwise, horizontal brand extension that adopts certain local market customization to the core brand helps lower perception risks and information cost.

### **3. Research Design**

#### **3.1 Research Objective**

In this research paper, the author aims to understand about brand marketing in local market of Vietnam. The brand marketing requires continuous efforts from the foreign firm in different aspects: from product design, value recognition to promotion campaign to familiarize customers with the Lacoste brand. The author will then use these understanding to shape a general guideline framework about local market brand marketing. The resulted framework can be utilized as a planning tool for other foreign brands which are thinking of expanding their brand into local markets like Vietnam.

To optimize result interpretation, the scope of this research is limited to

- a. Brands and brands marketing
- b. Foreign brands doing brand marketing in Asia, with a Lacoste Vietnam case

- c. Brand influence on potential purchasers' brand awareness and corresponding loyalty

Last but not least, as a direction to conduct the research, the author looks to answer this research questions: **“What are the main activities that foreign brands do brand marketing in Vietnam market by looking at the case study of Lacoste success in Polo basic shirt?”** along with these complementary questions:

- a. What are the main channels which Lacoste is using to approach customers to raise brand awareness in Vietnam?
- b. How does Lacoste use these channels to recruit new customers and retain current ones?

### **3.2 Research Methodology**

In order to answer research questions of branding activities that companies adopt in local market, the author uses case study mainly and data for the case study was collected by interviews. The author seeks to explain certain brand marketing methods and build up a framework. Case study allows the author to look at specific details of Lacoste's operation and branding techniques. In this research paper specifically, the author notices that for this research case study method limits to information from Lacoste's internal sources and not from market's perceived value, since only interviews with Lacoste Vietnam's management and employees are conducted.

#### **A. Qualitative research methodology**

A good definition is given by Denzin and Lincoln (1994) that a qualitative research focuses on interpretation of phenomena in their natural settings to make sense in terms of the meanings people bring to these settings. Applying qualitative research methodology based on two fundamental reasons:

Firstly, “Qualitative research method involves the use of qualitative data, such as interviews, documents, and observation, in order to understand and explain a social phenomenon” (Denzin and Lincoln, 1994). The author uses this kind of method to collect qualitative data of how foreign firms conduct branding in

local market to understand and explain how they generate changes on sales and other strategical and operational aspects, especially in this specific case study of Lacoste Global and Lacoste Vietnam.

Secondly, by reason of limited time, it is unaffordable to collect some direct data from experts to deeply understanding about brand marketing, under this circumstance, author approaches to use other reliable sources of secondary data such as: books, marketing journals, marketing/ business articles, documentaries, etc. which found useful and save time. The author works best to ensure the sources of such references are reliable, for instance, only peer-reviewed periodicals are selected. These data from secondary sources are used to complement the data collected from the interviews.

## **B. Case study**

The research design to be applied in this research is case study. This part will describe the definition and characteristics of case study and the reasons for choosing the case study of Lacoste Vietnam.

The most popular definition for case study methodology is stated by Zainal (2007) “Case study, in general, gathered through reviews of past studies, enables the author to closely explore and understand complex issues in a particular context, when there is little or no explicit data reported. It was regarded as a strong method when an in-depth diagnose is demanded”.

Furthermore, a qualitative case study is intensive, has holistic description and analysis of single instance of a phenomenon. In this research author chooses to apply Case study method because of two main reasons: First author is doing research about business and “the case study approach is a very popular and widely used research design in business research” (Eisenhardt and Graebner, 2007). Second, most qualitative research is based on a case study that uses one or several of these qualitative techniques such as structured interview or qualitative interview, enabling researchers to immerse themselves within a culture or context, producing questions to pursue further research and understanding of phenomena.

In this research author chooses to use Case study of a single

organization (Lacoste Vietnam) (also known as illustrative case study) (Eisenhardt and Graebner, 2007) to do in-depth research about how foreign brand themselves in a foreign market.

In using the case study-of-a-single-organization, the author is able to dissect the strategic choices of Lacoste Vietnam and how the company implement those choices to attract customers and generate profits.

Furthermore, applying the framework previously discussed in Section 2. into this specific case of Lacoste Vietnam create a stronger connection of the brought up framework and the reality of foreign branding in a local, growing market of Asia. By seeing the tools Lacoste Vietnam uses to promote the brand to Vietnamese consumers, and the dimension in the framework to which such tools belongs, the author wants to provide future foreign brands eyeing a firm foot in local market a guideline of decision timing. Those foreign brands can quickly position their branding campaign in the guideline to see actions that are completed, or actions that needed to be done next. Finally, the case study method is a tool to test the intended proposition: **“Foreign companies focus on consistency when conduct brand marketing in a local market”**.

### **3.3 Data collection and analysis**

The main method of data collection in this research paper is the retrieve of information through in-person interviews with Lacoste’s branch marketing and sale managers, on-site employees. The Lacoste Vietnam brand manager, Ms. Uyen Phuong, sale managers and employees (who asked not to be mentioned) of the Ho Chi Minh outlets are interviewed. From the hearings of their opinions and understanding of the Lacoste brand and its position in Vietnam’ market, the author moves to get their evaluation of the current performance of Lacoste’s crocodile brand in the cities of Vietnam.

Some of the references in the Literature Review section are related to P&G brands, since P&G brand possesses the same consistency global brand strategy all over the world, as opposed to some of Lacoste’s direct competitor like Adidas, whose logos can be changed according to each product.

The qualitative data from in-person interview are then processed to be used in analysis. The main processing needs to be done is interpretation between Vietnamese and English, in which the author acknowledges certain discrepancies of language and tries to minimize their effects on final result. Finally, the author mixes interview data with referenced data from books, journals, etc. and conduct data analysis. Data analysis will be interpreted by means of written explanations, with tentative complementary tables in case of descriptive statistics.

## **4. Case study results and discussion**

### *4.1. Case study results*

Case study results are obtained using the research methodologies mentioned above. In this case study, a throughout analysis of Lacoste Global and Lacoste Vietnam is conducted by looking at several aspects of strategy and operation of the French brand. Those aspects give a clearer and deeper understanding of how Lacoste utilize its existing resources – that is to included its brand equity – to market its brand in an emerging market of Vietnam. Furthermore, in this section, the questions that are used in the interviews are also presented.

#### **a. Lacoste brand: the luxurious athletic brand since 1933**

René Lacoste was a tennis professional player with sophisticate eyes of a designer. He gave birth to the “La Societe Chemise Lacoste” brand (known today as Lacoste) in 1933 by introducing the original short-sleeved Polo T-shirt with the open-mouth crocodile logo on the right hand side. Right from the beginning, this product was capable of bridging sportswear with luxuries. The cotton-made Polo T-shirt allows tennis players – were Lacoste’s primary customers – to move freely while experience its classy feelings. Later in the 1930s and 1940s, champion-depicted Lacoste’s white Polo T-shirt is liked across American high schools, being regarded as modern and stylist (Lacoste Company Report, 2018).

Lacoste saw these customer preferences as huge opportunities and the company promptly offer T-shirts

for golf and surfing athletes under the same brand name and logo. This diverse but consistent branding strategy secured the company position in the luxury segment: the crocodile brand is high-end, and only for elegant and wealthy wearers. From the 1960s, under the new management of Bernard Lacoste, the French firms introduced additional products like perfumes, shoes, all of which produced extremely high profit margins and earned Lacoste a firm foot in the luxury market (Lacoste Company report, 2018).

At some time in the decades of 1980s, Lacoste faced branding distress while trying to expand horizontally. Its offering of cheaper products instantly damaged the long established image of unique, lavish wearing. Additionally, the firm faced difficulties with its suppliers in the U.S, making the import of Lacoste products nearly impossible. Losing customers in the luxury segment and losing its distributors were spelling trouble for Lacoste overseas (Lacoste, 2018).

However, the French brand was able to quickly make serious changes. To regain a stylist, luxurious look, Lacoste cooperated with Devanlay – French famous design firm to refresh and enhance its Polo T-shirts. Coping with distribution problem, Lacoste’s management decided to re-focus sales and marketing activities in the geographic locations that were cash-cows. For example, in 1985, in the U.S market, Bal Harbor, Palm Beach and Florida were responsible for most of Lacoste sale in this market – while the sale in the U.S market accounted for over 17% of the brand’s revenue. A year later in 1986, Lacoste made bold move to New York to compete with existing luxurious casual wear firms. These in-time and courage decisions spared Lacoste of market rejection, and gain Lacoste even more share of the luxurious market segment (Lacoste, 2018).

Looking at the top of the brand, Lacoste brand is created and enhanced by the company global brand/creation manager. This means Lacoste has only one creative director who accounts for all of Lacoste’s lines of products and assure the consistency of the smiling crocodile motif over its diverse product portfolios. Each creative manager complements, not replace, the French brand with their sharp designer mindset. From 2001 to 2012, Christophe Lemaire was in charge of sketching up Lacoste’s year-

round collection. “He joined Lacoste in 2001, updating its stable of preppy tennis whites with eye-popping color, streetwise graphics and edgy silhouettes.” (Vogue magazine, 2012).

In late 2012, another new creative director Felipe Oliveira Baptista stepped up to reinterpret the crocodile brand. The Portuguese mastermind refresh most of Lacoste’s T-shirt, making them more modern by collaborations with some fashion and non-fashion associations and brands. A good example would be Lacoste fusion with Supreme, in which the elegance, sporty Polo T-shirt is dressed up with rogue, carefree streetwear style. The sale was a huge success, which encourage Lacoste to team up with the International Union for Conservation of Nature in 2018. In April, 2018, Louise Trotter replaced Baptista, promising to bring Lacoste more comfortableness design.

#### **b. Vietnamese perception of Lacoste brand value: the need to be the brand**

The fast and magical recovery of Lacoste during 1990s is attributable to the firm brand value and how it markets its brand across markets (Lacoste Company Report, 2018). The right branding strategy revives customers’ interest towards Lacoste. According to Ms. Uyen Phuong, who is the brand manager of Lacoste Vietnam, Lacoste has always been able to keep a consistent brand image from its headquarter to subsidiaries, joint ventures and other franchise retailer.

Especially in the Vietnam market, the firm focuses on selling its authentic Polo T-shirt, which, according to the country brand manager, seems almost like a “one product for each market, but unique brand message”. The French company wants “Frenchness”-impeded value on every T-shirt it sells. Talking about “Frenchness”, it is about being elegance, which is often seen in French top class people. Swift, kind and polite actions and works can help other people feel a man or woman’s elegance. These characteristics are adopted the same everywhere, making the global brand appeals to local customers to become a glocal one.

However, such a process requires time of acquaintance, and not very often a time can a top class person

appreciates another lower-class person's elegance, or accept a kindness action as elegance. This is what Lacoste's crocodile brand supports. The green, smiling crocodile logo is a signal of Lacoste's French origin and expressive of the wearer's own elegance. Wearing a white, Lacoste-branded Polo means being looked up to as a wealthy, classy person who loves sport (Uyen Phuong, 2018)

On the other hand, the company does not stop at this look on the outside, that is appreciation from surrounding people. The crocodile brand wants its customers to actually feel the elegance-ness when putting on the Polo T-shirt. In this way, the Lacoste brand value is transferrable to the customer self-value: it effectively increases that person's awesomeness.

Ms. Uyen Phuong added that the enhancing of personal value is extremely important in Vietnam market because Vietnamese consumers' expectation does not limit to the Polo T-shirt cotton quality or coloring. The "foreign-liking" customers actually want to be a French person; thus Lacoste's Polo T-shirt allows such desire in different ways. Although Vietnam used to be a French colony, Vietnamese often want their images to be associated with a Western position, to "express their status quo" (Giang, 2018).

Firstly, being able to afford a Lacoste T-shirt means being wealthy. Vietnamese annual GDP per capita is 2343 USD (World Bank, 2017) and a typical Polo T-shirt sold in Vietnam is around 50 to 70 USD. Secondly, wearing a Polo T-shirt means the person has the income to play golf or tennis, and these two sports are considered luxurious even among Ho Chi Minh city's urban area, according to Ms. Uyen Phuong.

Lastly, being attached to a French name gives the consumer and his/her surrounding people the very foreign taste and feel. This is a golden aspect of Lacoste's brand, according to Ms Uyen Phuong: Vietnamese people like competition, when one person wears Lacoste, his/her friends normally jump to buy Lacoste or similar-class products to be equal or better. The brand sells the product, and give the product and its consumer value.

**c. Lacoste brand marketing in local market: A Vietnam market strategic and operational example.**

*I. Retailing structure that ensures brand consistency overseas*

The brand perceived in Vietnamese customers' mind is retrievable only through Lacoste solitary global brand marketing channels. To allow the efficient communication of Lacoste brand to local market, we need to look at the network of Lacoste globally. Currently, Lacoste operates in 120 countries, and owns 1200 shops globally. To market and sell its products, Lacoste employs three business model: subsidiaries in North American and South American, Western Europe and China market. For Mexican, Eastern Europe and Russian market, Lacoste establishes joint ventures. The remaining markets are operated through partnerships with local companies. For subsidiaries, Lacoste Global owns around 30 to 50% of stake and directly controls the entity. For joint-ventures, Lacoste cooperates with a local company to carry out operation in that market. For partnerships, the local company operates on its will, with Lacoste's allowance to import products and brands (Lacoste company report, 2018).

Lacoste Vietnam is a partnership between Lacoste group and Danh Gia Limited company (Danh Gia Ltd.), a Ho Chi Minh city-based fashion exclusive retailer of Lacoste Polo T-shirts. In this partnership relationship, Danh Gia Ltd., is free to choose outlet locations, sale channels and conduct advertising campaigns. At the moments, Danh Gia Ltd., decides to sell on-site at its physical shops locating in malls in Ho Chi Minh city's main shopping streets. By 2018, according the author's on-site visit, Lacoste Vietnam has eleven retail stores located in Ha Noi and Ho Chi Minh city. Out of the eleven stores, there are one boutique in Ho Chi Minh city and two boutiques in Ha Noi, all ready to serve customers with the best Lacoste Polo T-shirt products.

Danh Gia's executive chief and brand manager choose the Polo T-shirts types from Lacoste Global that the company wants to show at its stores. In order to choose the trendiest Polo T-shirt, the marketing team at Danh Gia has to conduct monthly street and phone interviews with existing customers (that the company

has retained contact information under customer's consent), and their relatives, friends. Once popular color, style, and design are carefully studied, Danh Gia's team will request Lacoste Global to ship the selected portfolios of Polo T-shirts to sell in Ho Chi Minh city. According to Danh Gia Ltd.'s chief inventory manager, a Polo T-shirt requires only four to five weeks in-inventory thanks to this selection-then-import strategy. In addition to fast selling turnover, the product screening ensures that Vietnamese consumers experience consistent but constantly updated feeling of the brand – of touch, sight, even smell. This is no more than a unique branding marketing done by partnership method.

## *II. Boutique and product unique designs to have add-in for brand marketing*

Brand marketing also requires good customer first visual impression, so store designs are at Lacoste Global's total control to maintain uniqueness. Danh Gia Ltd., strictly follows concept of product placing and store interior design, which is assigned seasonally by Lacoste group. At Lacoste, each time a new store design concept comes out, it is immediately applied to the flagship shops in Lacoste's vast networks from subsidiaries to partners. Smaller shops, shops located in malls can use older interior design, but extendable only for two years.

For example, at Lacoste Vietnam, Danh Gia Ltd., had to reshape its flagship shop located in Landmark 81 mall in Ho Chi Minh city according to 2018 newest design called "Le Club". According to Danh Gia's Uyen Phuong, Le Club dresses a boutique's floor like a tennis court, and fitting rooms look like professional players' locker rooms. The design aims to impress customers with Lacoste signature heritage where there is a synthesis of the crocodile brand and its first owner Rene. In addition, Le Club design is a part of Lacoste creative strategy to strengthen its brand identity and premium status quo in the fashion world.

**Picture 1.** "Le club" store design at Lacoste's boutique at Landmark 81, Ho Chi Minh city



On the other hand, smaller shops at less crowded streets of Ho Chi Minh city uses “Standard Plus” design created in 2015. “Standard Plus” has thicker, darker wooden walls to enhance customers’ feeling of a traditional French boutique. Standard Plus, however, shares the one forever-the-same feature with Le Club: they have colorful Polo walls. These walls are made by placing the Polo T-shirts in columns of same color and style, then having five or six of those columns stand really close together near the main entrance as a corner for Polo T-shirts. In addition, Lacoste Vietnam adjusts the Polo T-shirt walls twice a year: in March (or the Winter-Spring season) and in September (or the Summer-Autumn season), with around 40 colors in a wall. The colorful Polo wall tells a simple story: Lacoste is, in the end, elegant sporty Polo T-shirts. All products are designed by Lacoste Global.

Moreover, product design is also Lacoste’s focus to add up value and recognition for its brand. In Vietnam, for instance, all Polo T-shirts’ buttons are made of pearl or nacre to enhance the T-shirt’s durability and look. In addition, for some limited collection, the crocodile logo is located down the waist, rather than at its right-chest traditional positions. Women’s Polo T-shirts have either five or three buttons, that, according to a Lacoste Vietnam salesman at Parkson Plaza Ho Chi Minh city, three button type is more preferable, since it makes the wearer younger. Men’s Polo T-shirt only have three buttons, but having more color choices, but the main ones are white and dark blue. Lastly, all Polo T-shirts are made from 100% cotton with precise technique to ensure wearers have the best experience.



**Picture 2.** A Polo T-shirt from a limited edition, which has its logo on the waist.

**Picture 3.** Polo T-shirt wall at Lacoste Vietnam store at Parkson Plaza in Ho Chi Minh city

### *III. Distribution and brand marketing channels of Lacoste Vietnam*



As much as recently, the Vietnam company works with some luxury online retailers like Le Flair, Robin to sell off its old inventory. However, these sales are periodically, and often at heavy discount, so the Vietnam's partner do not sell core Polo T-shirts on these channels. Danh Gia Ltd.'s management, under Lacoste global director's advisory, feels that online retailing in Vietnam might make the products look mainstream, reducing the target brand value.

The "Culture" dimension in the VCI model as discussed in Section 2 is partially reflected through Danh Gia Ltd.'s appreciation of and desire to keep intact the Lacoste brand value. Seemingly like a partner's worship of the mother brand, Danh Gia is careful at choosing visual channels to approach more customers with the brand, while keeping its premium status. In Ho Chi Minh city, the company works with cinemas to put posters and run-ups right before blockbuster movies are shown. Aligning a luxury brand with top-tier, highly customer addictive movies is a suitable movement to smoothly build a Lacoste brand image onto the minds of movie audiences. In addition, Danh Gia signs contracts with commercial buildings and

department stores to place digital frames at their main floors. These digital frames feature Lacoste seasonal products, showing the same image at different buildings. Furthermore, Danh Gia's marketing and financial team see tradition TV ads as costly and brand-hurting, thus there is no TV commercials of Lacoste in Vietnam.

Lacoste's partner knows that good sale is a must for spreading Lacoste brand awareness among Vietnamese high-end shoppers. Good sales here mean that Danh Gia tries to sell out Polo T-shirts without discounting prices – that will decrease Lacoste brand equity and make it seems cheaper. Instead, the company tries “spilling” the brand over complementary products. According to Ms Yen, Dong Khoi street boutique' head, for orders at \$500 and above, customers receive Lacoste branded power banks, USB or earphones. These complementary products are never sold separate, because if doing so, customer's association with the brand will be complicated and dissolved. A customer in that case might no longer perceive Lacoste as a premium fashion brand, and think it as an electronics firm.

This is without saying such vertical brand expansion strategy will not ever work for Lacoste, but at the moment, Lacoste Group does not have any plan to do so. Rather, complementary products are utilized to stick a customer with Lacoste brand and its relatives.

### **\*\*\* Collaborations (or Collab): a new, effective trend in brand marketing \*\*\***

A brand needs to keep its origins to stay consistent, which is like marketer's common sense. However, bringing two or three brand's origins together has proven to get products sale flying. This branding strategy is called “Collaboration” or “Collab”, and is being used by Lacoste. As discussed about Lacoste's 2012 – 2018, creative director Baptista introduced his hit collection in cooperation with Supreme (a streetwear brand)

Collab enables Lacoste to paint its authentic, traditional Polo T-shirts with customized logos from other brand's designer. Lacoste creative director and local brand managers work continuously to make sure that the add-in brand does not overwhelm Lacoste's brand equity, but boost it to a new level that attracts both

Lacoste and the collab brand's fans. Lacoste from 2014 has introduced collab collections with Supreme, Yazbukey, Jean-Paul Goude, M&M, Snoopy and in 2018, Mickey Mouse (Disney). In Vietnam, Danh Gia is also negotiating with some famous Vietnamese designers to introduce for-Vietnamese customized Polo T-shirts. The further details about this, however, is not revealed by Lacoste Vietnam's management yet. In sum, this brand marketing method produces a win-win scenario for parties involved in the Collab. Lacoste infuses a bit newer look into its products.

In the case of collab with Supreme brand, the logo is put lower to the waist of the Polo T-shirt, while light and dark colors stripes are place on the shoulders of the T-shirt. The elegance, high-end classic brand is now modern, more naughty, and more appealing to the youth, in the case of collab with Supreme brand. On the other hand, Supreme shares design profits, and part of Lacoste's sale figure. On top of that, Lacoste save additional advertising costs while reach quicker to a new base of customers.

Another Collab activity is to involve star athletes as Lacoste brand ambassador. In 2017, Lacoste group welcomed Novak Djokovic – at that time the world's best tennis player. (ATPTour ranking, 2017). Novak is a great piece in Lacoste longstanding brand puzzle, who possesses gentle poses and values fair play. The French fashion giant created a collection for Novak Djokovic, starring the blue, white and red Polo T-shirts made from the best polyester-cotton material that suit perfectly on the tennis court. Lacoste's high-end customers who enjoy playing tennis are entitled to having a collection of Novak-styled products. In this way, the Collab boasts the brand value further as it associates its wearer with a tennis champion. The author expects Lacoste to continue these type of Collab contracts with popular players in the future, since, for instance in the case of Novak Djokovic, each of his fans is likely to buy and become loyal to the Lacoste brand.

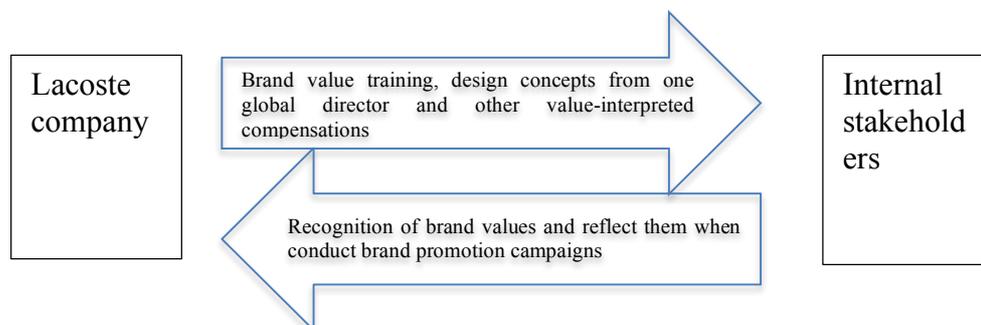
## **4.2 Results Discussion**

### **A. Proposition validation and result summary**

The results obtained confirm the validity of the research proposition put forward. In particular, the author wants to check whether international brands focus on consistency when expanding their operations to local markets. On organizational dimension, in the case of Lacoste and Lacoste Vietnam, the French company adopts a structure ensuring unity. Lacoste basically has wholly-owned subsidiaries, joint-venture and partnerships to sell its product portfolio overseas. As observed in Section 3, Lacoste would like to strictly oversee the stores – by owning subsidiaries in the developed regions that are Lacoste traditional customer targets such as the U.S and Western Europe. In regions requiring quick expansions, the company chooses joint-venture and partnerships and allow certain market specific customization to attract customers. However, regardless of the number of operational units, Lacoste sells the same collection of products anywhere in the world, in which the Polo T-shirts are must displays.

Such consistency roots from the vision and value of the brand being comprehended and maintained across Lacoste's units. The brand value plays a central role in keeping everything consistent, that is, whenever talking about Lacoste products, they are reflections of Frenchness, elegance and “Life is a beautiful sport” as mention in their unique slogan (Lacoste, 2018). Lacoste has tried ceaselessly to communicate these values internally and externally. On the internal side, Lacoste employees around the globe understand in detailed the values and their market positions, from which they would conduct suitable initiatives to promote brand recognition and increase sale. Although there are selective product portfolios in different markets, like Lacoste Vietnam sells basic Polo T-shirts mainly, the product concept is created by one creative director who inputs his/her understanding of brand values into an annual or seasonal collection. The research recognizes that in the Lacoste case, consistent brand values are communicated between Lacoste and its internal stakeholders in a two-way relationship expressed in the figure below:

**Figure 1.** Brand marketing from inside



Furthermore, consistency is the focus of Lacoste in marketing the brand to its external stakeholders, who are mainly consumers of Lacoste luxury products. This is reflected through Lacoste efforts to stay luxurious and elegant in the consumers' minds. As mentioned in the Lacoste Vietnam case study, consistency in brand marketing is shown in many aspects. First is the autonomy allowed by Lacoste Global that Danh Gia Ltd., enjoys to select the right mix of products to sell in Vietnam market. For developing markets like Vietnam, Lacoste partners like Danh Gia Ltd., choose simple and Lacoste-original mix of products, like Polo T-shirts. The choice creates instant and lasting impressions in customers' mind, such as the association of Lacoste brand name with Polo T-shirt.

Secondly, the French brand applies a consistent image through visualizations. In Lacoste Vietnam case, the core boutique's interior is exactly the same as other Lacoste boutique. The striking similarity is achieved through unified design concept introduced by Lacoste for a certain period of time, like the "Le Club" concept. In addition to shop decorations, marketing panels located in buildings and content marketing on online media are of total similarity anywhere in the world, with just a change in language or culture-wised preferred theme colors.

Last but not least, brand marketing is implied in the quality and pricing of Lacoste products, which are also maintained strictly the same in different markets. These two components represent the wearer in

Lacoste brand's value. A wearer of Lacoste tennis Polo T-shirts is supposedly perceived as a professional tennis player, who is wealthy enough to afford a luxurious and well-maintained branded item. The item is made from suitable and best-quality cotton material to aid sporty movements. Lacoste further enhances this representativeness by signing with star athletes like Novak Djokovic.

Having a Novak Djokovic collection at disposal means the consumer enjoys the same value expressed by the tennis champion (not to forget that Rene Lacoste was a tennis champion). Strictly speaking, the consistent brand value is the ultimate goal of Lacoste in its brand marketing activities, which measures up customer's self-image. Subsequently, brand marketing increases customer's loyal and boasts sale. In short, the author sums up external brand marketing of Lacoste in figure 2 below:

**Figure 2.** Brand marketing to outsiders



**B. A framework for local market brand marketing**

The research objective is to put forth a framework which foreign firms can use to do brand marketing in a foreign market, especially a local market with diverse customer preference from that of a host country.

The Lacoste Vietnam brand marketing case shows that vertical and horizontal expansion are based crucially on brand value. The brand value is often created from the start of the company, carrying the founder's vision. For smooth market penetration, a firm's vision should be in line with the need of a market where it intends to sell the product. In Lacoste Vietnam, it is about satisfying the need of Vietnamese to feel more wealthy and Western. As discussed in 1970s Lacoste, there is already a trend of need among American professional sport players to be seen as top-class, wealthy ones. Furthermore, various brand dimensions are required to be communicated among the company internal stakeholders, who can be its suppliers or employees. In Lacoste Vietnam example, the Vietnamese brand manager is knowledgeable about the brand's image and value, seeing herself as a promoter of Lacoste Frenchness. It is arguable that a brand is strong only when it flows consistently and ominously inside the vein of every employee of all levels. This is realizable because Lacoste Vietnam often sends its brand manager to the headquarter for periodic training session.

The brand value should be well-established in a host market or a main market before reaching out to a local market. In Lacoste case, the French brand equity is already high among French and U.S consumers before it launches sales in international markets. Next, it is advisable for a multinational brand to try finding a market where common values and desires meet what the brand stands for. For Vietnamese customers, the crocodile branded Polo T-shirts help they feel the Western elegance and make them look wealthier in their counterparts' eyes.

After achieving a certain position in the primary market, the brand can look to expand similar markets by suitable business models. In Lacoste Global case, the headquarter choose to create subsidiaries for developed and traditional markets, joint-ventures for growing markets and partners for smaller ones. Regardless of the choices, the operational unit in each geographic location ought to have instant communication with the headquarter, via which brand marketing procedures can be transferred. However, in some distinctive cases like Lacoste partner's Danh Gia Ltd., the local market enterprise is given

additional autonomy to choose the product portfolio it thinks suitable for the Vietnam market, but the designs remain original from Lacoste Global. Hereby it means brand marketing requires strong consistency across the firm's units, while some adjustments for flexibility are acceptable.

**New findings:** Finally, and probably the most important dimension of brand marketing in local markets is market the brand to targeted consumer segment. This should be done by utilizing methods that support each other and support the brand positioning at the same time. For instance, Lacoste Vietnam intentionally sells Polo T-shirts to middle-to-higher class of Vietnamese. The Vietnam branch decorates its boutique sharply according to Lacoste Global's design concept to maintain brand recognition and luxurious positioning. Danh Gia Ltd., avoids mainstream TV commercials but optimizes sale through posters in high-end malls, or blockbusters movies. These marketing tools work together to fix Lacoste brand upon loyal and potential customers and thus very effective.

Furthermore, marketing the brand by collaborations with other brands, or signing with star athletes is proven to boost sales and increase brand loyalty. The research sees collab as a totally new way to achieve a win-win brand marketing campaign, where component brand gains new customers. While the strategic framework with reference to previous study does not have "Collab", collaboration has recently been adopted by Lacoste to enhance its brand image and influence. "Collab" allows one or more brands to have additional characteristics that otherwise stand-alone they do not, such as the example of Lacoste's collaboration with Supreme. Therefore, "Collab" or simply brand collaborations among international brands can be seen as an essential element of the new brand marketing framework. The framework is summarized in the figure below:

### **Figure 3**

<b>Brand marketing dimension</b>	<b>Tasks</b>	<b>Lacoste example</b>
Brand creation	<ul style="list-style-type: none"> <li>+ Incorporate value, vision</li> <li>+ Innovative/ Unique concepts are necessary</li> </ul>	<p>Lacoste brand values itself as being “French”, elegance and sporty. Such value is promoted endlessly in Lacoste products</p>
Brand Integration	<ul style="list-style-type: none"> <li>+ Focus and consistency</li> <li>+ Customer’s need tailored brand marketing</li> </ul>	<p>Lacoste ensures the brand is perceived equally among its business units and employee. Moreover, Lacoste brand is integrated to customer’s need to be high-class and elegant.</p>
Marketing the brand	<ul style="list-style-type: none"> <li>+ Suitable, local market-specific marketing tools</li> <li>+ Unified brand tactics</li> </ul>	<p>Lacoste Vietnam’s boutique is exactly the same in stores in Vietnam market’s boutique in interior design, except for the flagship boutique. However, product portfolio contains mostly</p>

		of Polo T-shirts  Collections initiated from Collabs and Sport star enhances, not divert the brand value.
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## 5. Conclusion – Brand manager implications

A brand is a company’s strongest sell point. It tells customers the value a company want to express. The value does not simply stand for the company itself, since the perception of a company’s management might not be able to meet that of a buyer. It is best if brand is expressive of the value that a customer actually wants to achieve. In order to meet this equilibrium in this branding supply and demand, a company needs suitable brand marketing strategies for its product, or product portfolios.

In case of a multinational corporation whose operation expands widely overseas, brand marketing needs to adapt to each market on one hand, but has to enable the company’s images and values to stay consistent. Furthermore, when the company – that its head office is in a developed market - operates in less developed, local market, a right brand marketing method can help the company penetrate easily into such market. The company needs to understand the wants and needs of the customer segment it want to aim, then tailor its brand marketing toward such desire. On the other hand, provided that a company has a strong brand marketing method, customers are then follow the brand’s value and be loyal to its. When customers love their own image that has been successfully told to others by the brand, the brand can move more freely.

In this research paper, the author has examined the case of Lacoste in Vietnam by looking at its broad and market-specific brand marketing strategies. The results presented support the hypothesis that foreign corporations like Lacoste focuses robustly on consistency to avoid the risk of losing its core brand images.

First, Lacoste Vietnam carries out brand marketing by bringing into the market its most original product: The Polo T-shirt with a smiling crocodile logo on it. The Polo T-shirt offers Vietnamese customer with “Western”, and more important, sport-inspired elegance. Lacoste Vietnam then centralize its brand marketing strategy on the Polo T-shirt. As shown in the case result, the company mainly sells and advertise Polo T-shirt to its customers. Following this seemingly solitary branding marketing strategy is the unique and globalized design of the store’s boutique.

Second, above all, although the “mother” brand allows certain freedom for its Vietnamese partner – Danh Gia Ltd, it remains that the Vietnamese partner decorates and advertises Lacoste signature Polo T-shirts just the same way as on the global scale. The plus point is that the core value of Lacoste is also understood by every of its employees, as reflected through the interview with the brand manager of Lacoste Vietnam. The Vietnamese brand manager knows well the values behind each Polo T-shirt they sell, and the position of Lacoste in Vietnam market. In short, brand marketing at Lacoste revolves inside and outside of the company, horizontally and vertically to result in unique, sport-inspired brand values that are well-communicated towards its customers.

Moreover, this research paper has produced a brand marketing framework that can be tailored for multinational, Western brands which want a try at Asian, local market like Vietnam. The framework starts with a must-focus on strengthening the brand identity within the company, where inside stakeholders like employees and suppliers should understand and love the brand they work for. Depend on each local market, a brand manager can try integrate the right mix of product quality, pricing, advertising campaign to make the customer feel like their values have been increased. Having a strong brand marketing plan and activities can surely help a brand to go anywhere in the world, and get accepted by the strictest customers.

The author acknowledges some limitations to this research. Firstly, in using the case study method and collect data primarily through interviews with Lacoste Vietnam’s management and employees, this research does not cover customer perspectives or market perceived value. Secondly, some relevant

concepts of branding, such as brand marketing and brand awareness have not been included in the research. Thirdly, this research does not apply quantitative methods, whereas analysis of sales and inventory might help improve claims on Lacoste's performance thanks to effective brand marketing strategies.

Finally, there are suggestions for future studies on brand marketing in general, and brand marketing in local markets in specific. One possible approach is to use the same case study of Lacoste Vietnam, but future researchers can look to gather external information such as market preferences, Lacoste's competitive position in Vietnam market compared to other luxury brands. In addition, researchers can choose to compare brand marketing strategies of Lacoste and other international brands in similar markets, which might add in some elements for brand marketing framework for local markets. Another approach is to incorporate relevant concepts of brand equity, or brand awareness in analyzing the effectiveness of brand marketing in local markets.

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## APPENDIX

This appendix firstly presents the interview questions that have been used to receive qualitative data for the research. The resulted data has been interpreted and discussed earlier in the “Case study results and discussion” section.

<p><b>Market research</b></p>	<ul style="list-style-type: none"> <li>● What are the profit-driven products of Lacoste? Why they are profit-driven – is it because they have high margin, or because they have high demand?</li> <li>● What is the current fastest selling product/ product line? (of Lacoste Vietnam, India, China and Japan)</li> <li>● Does Polo T-shirt a strong selling product? (in Asia / East Asia market?)</li> </ul>
<p><b>Brand creation</b></p> <ul style="list-style-type: none"> <li>· Incorporate value, vision</li> <li>· Innovative/ Unique concepts are necessary</li> </ul>	<ul style="list-style-type: none"> <li>● What is the value Lacoste want to incorporate to its Polo T-shirts products? (For instance, simplicity, forever young, elegance...)</li> <li>● How does Lacoste input and promote such value into signature clothes?</li> <li>● What kind of customers’ needs does Lacoste want to fulfill? For instance, the need to feel sporty and on-the-go?</li> <li>● What is the main philosophy behind Lacoste design in the Polo T-shirt segment? Does Lacoste have home designers or does the company outsource designs?</li> </ul>
<p><b>Brand Developing - Integrating</b></p> <ul style="list-style-type: none"> <li>· Focus and consistency</li> <li>· Customer’s need tailored brand orientation</li> </ul>	<ul style="list-style-type: none"> <li>● What are the main distribution channels of Lacoste for Polo T-shirts? How does Lacoste monitor quality control at its respective stores or online system?</li> <li>● What is Lacoste current market position? (approx what % of market share)</li> <li>● What is Lacoste biggest competitor (in Vietnam/ India / Japan/ China)? Why does the competitor stands out against Lacoste?</li> <li>● How does Lacoste promote its brand? <ul style="list-style-type: none"> <li>➤ a. Main advertising proxies – via TVs, magazines, or pop-up ads?</li> <li>➤ b. Store decorations: does each store has its own organization, or does Lacoste has a unified point-of-purchase design</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>· <b>Marketing the brand</b></li> <li>· - Image extension</li> <li>· - Cross border development: specific product line for each</li> </ul>	<ul style="list-style-type: none"> <li>● What is Lacoste country-specific (China, India, Vietnam, Japan) expansion plan / approach? <ul style="list-style-type: none"> <li>➤ a. How does Lacoste move from one metropolis to another? Via retailer or establish its own store?</li> <li>➤ b. Does Lacoste carry out brand-enhancing campaigns? What kind of campaigns?</li> </ul> </li> <li>● What is Lacoste international strategy to advertise the Polo T-shirt brand against other top notch brands like Tommy?</li> <li>● Recently, the brand is corporating with sport star like Novak Jokovic. To which extent does Lacoste value this initiative? How</li> </ul>

market	<p>does having a sport star increase the brand's awareness and acceptance?</p> <ul style="list-style-type: none"><li>● Fashion brands nowadays often attract customers by stating their eco-friendly manufacture / responsible resources or good workers' treatment. What is Lacoste current eco-friendly strategies and activities?</li><li>● How strong is Lacoste brand in relation with competitive brands? Does Lacoste satisfy with its brand performance?</li></ul>
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